30.24- 4733

IMPROVED 'A' BOMB OUTPUT ANNOUNCED

AEC Says Production of Better Weapons Is Now 'On Industrial Basis.'

HAS NEW URANIUM SOURCES

It Also Reports Development of Radioactive Cobalt as Cheap Treatment for Cancer.

By FRANK CAREY.

Associated Press Science Writer.

Washington, Aug. 1 (A. P.).—The Atomic Energy Commission announced today that its new and more effective atomic bombs—proof-tested at Eniwetok—are being produced "on an industrial basis."

It also said uranium and plutonium for bombs and other atomic energy uses are being produced "in greater quantities than ever before."

Relating "advances in all phases of the national atomic energy program," the AEC in its sixth semi-annual report to Congress also listed progress on the medical front, including indications that relatively inexpensive radioactive cobalt may eventually prove to be a better cancer treatment than radium.

At the same time the AEC disclosed that it had found ace-in-the-hole sources of uranium in this country that could be used at some future time for military applications—in case the uranium we now get at home and abroad should cease to be available.

U. S. Extensively Prospected.

This country now gets most of its uranium from the Belgian Congo and Canada, which have ores of a high uranium content. Some of the precious stuff also comes from the low-grade carnotite ore of the Colorado plateau—an ore relatively low in uranium content.

The commission told today of extensive exploration and prospecting by the AEC and the United States Geological Survey all over the country. This involved "comprehensive examination of virtually every rock formation in this country, and of mine and smelter products, gas and oil wells, and other places where uranium might occur," the AEC said, adding: "By midyear this work had revealed enormous tonnages of very low-grade materials (that is, materials low in uranium content).

"They cost more to process, but they could be utilized in the future to sustain an atomic energy program for military purposes should lower-cost uranium cease to be available."

No Reference to Controversy.

The report said earlier that in connection with the production of fissionable materials for weapons and other uses "actions have been taken to improve and make more certain the supply of . . . (uranium) ores both from abroad and from sources in the United States."

The 202-page report made no reference to current discussions concerning American-British-Canadian relations in the atomic energy field. And a member of the commission's staff said the report's reference to the newly found domestic uranium sources had no connection with recent speculation concerning American-British-Canadian relations.

One report growing out of the recent Blair House meeting of American atomic and other officials was that AEC Chief Lilienthal feared a cutback in our supplies of uranium from Canada and the Belgian Congo, unless we shared atomic secrets with the British and the Canadians. This report drew a "no comment" from the AEC.

The commission staffman told a newsman that the semi-annual report had been written before the discussions about our relations with our atomic allies had drawn public attention.

A 'Potential' for the Future.

He also said the possible use of very low-grade materials was a "potential" for the future—something that would be used only as an emergency measure. He did grant that it was a potential that could be employed if lower-cost uranium, domestic or foreign, ceased to be available for any reason.

Referring to current production of atomic weapons, the report said:

"New and more effective weapons which were tested at Eniwetok in 1948 are in production. Under the commission's direction, components of these weapons are being produced on an industrial basis by competent manufacturing concerns or special Government facilities throughout the country."

It also said operations in the field of military application of atomic energy "have continued to accelerate during the last six months," adding: "An important development during this period has been the obtaining of a suitable contractor to take over management of the Sandia laboratory near Albuquerque, N. M.."

Western Electric in Picture.

Sandia is a branch of the Los Alamos scientific laboratory—center for the devolpment of atomic weapons. The Sandia laboratory works closely with the armed forces.

New Cancer Treatment.

And, in the field of medicine and biology involving atomic energy materials and their effects, these were some of the highlights reported:

1. Development of a still-on-trial treatment for the relief of pain and distress in two types of heart disease—angina pectoris and congestive heart failure.

2. First human trials of radioactive cobalt—which shows promise of being an inexpensive substitute for radium in the treatment of cancer. About fifteen cases of five different types of cancer have been treated by Ohio State University researchers with some tumors being destroyed and others temporarily arrested.

3. Research at the University of Michigan, seeking to work out a blood test, similar to a test for syphilis, to diagnose radiation injuries quickly.

Use of Hornets Explored.

4. The possibility of using hornets to detect radiation "leaks" in atomic energy devices—because these insects readily absorb one of the by-products of atomic fission.

5. The possibility of using bacteria to help remove dangerous radioactive materials from atomic energy waste products—just like any ordinary sewage is treated.

6. Successful use of radioactive materials to diagnose male sex hormone deficiencies in victims of the "march of death" on Bataan during the war. Some of these men, said the AEC, had developed breasts like women as a result of malnutrition and tests showed that starvation had reduced their production of normal male hormones.

Russian Uranium From Czech Areas

New York, Aug. 1 (AP)—Retired Rear Admiral Ellis M. Zacharias says the chief sources of Russian uranium lie in the areas of two Czechoslovakian cities.

The wartime deputy chief of the office of naval intelligence said in a broadcast that in Yachimov and its "sister city," Przibram, deposits of uranium oxide are "found in veins, without the impure mixture of other materials."

"This raw material is the foundation of the U.S.S.R.'s atomic energy research," he said.

"In the Soviet Union proper," he said, "there are uranium deposits in central Asia, primarily in the Fergana Valley and Turkestan. There are three deposits in Saxony, and two in Hungary, all areas controlled by the Soveit Union."

British Cruiser Hails Amethyst

WAYNE REYNOLDS

Aboard H.M.S. Jamaica, off Tung Yung Island, East China Sea, Aug. 1 (AP)—The patched and listing British sloop Amethyst crept toward Hong Kong today to the tune of a lusty salute from this cruiser for her escape down the Yangtze River under Chinese Communist shore gunfire.

[At Hong Kong the Amethyst's skipper, Lieut. Com. John S. Kerans, is to receive the medal of the Distinguished Service Order with personal approval of King George VI. The British Admiralty has asked the Far Eastern Naval Command to make any further recommendations for crewmen who showed exceptional valor.]

The 1,490-ton Amethyst escaped Saturday night from moorings 60 miles below Nanking, where Communist shore guns had held her pinned since a confused battle between British warships and Communist armies last April 20.

Fueled By Other Units

She came under gunfire from shore twice while running 140 miles down the river in darkness to safety in the Saddle Islands off the Yangtze mouth. She fired back once.

Other fleet units met the battered sloop in the islands and fueled her for the 1,000-mile voyage to Hong Kong.

This cruiser drew alongside the Amethyst as she was slowly cruising down the East China Sea headed for the Formosa Strait.

More than 700 officers and enlisted men cheered at the sight of the Amethyst. The Royal Marine Band played "Cruising Down the River on a Sunday Afternoon" and "The Conquering Hero Comes."

Most of the crews of both the Jamaica and the Amethyst are from England's West Country, and there were signals of "Welcome Back, Tiddy Oggie" (a Devonshire pastry).

Due In Hong Kong Tomorrow

From the Jamaica, observers could count seven patches where the Amethyst had taken artillery hits and there were numerous punctures from smaller weapons fire. The Amethyst had a list to port and reported she was slowing down to repair oil-line troubles. She was expected to pull into Hong Kong Wednesday.

A crew member who came aboard the Jamaica said the first three months of entrapment in the Yangtze were spent mainly in repairing damage inflicted by the Communists in the April 20 fighting. Forty-four British sailors were killed aboard the Amethyst and three other British warships in that engagement.

Torpedo Officer T. J. D. Grant, of the destroyer Concord, which met the sloop after her escape, estimated the Amethyst got 30 hits in the original attacks.

British Ship Greets Amethyst

WAYNE RICHARDSON

Makes Contact With Shell-battered Sloop That Escaped From Reds on Yangtze.

Aboard the H. M. S. Jamaica off Tung Yung Island, Aug. 1 (A. P.).—This 8,000-ton cruiser made contact today with the shell-battered British sloop Amethyst, amid lusty cheers from the cruiser's 700 men.

The Jamaica's mission was to meet the Amethyst, whose bold escape from Chinese Communist captivity in the Yangtze River on Saturday made naval history.

Signal flags displayed by the Jamaica read: "Welcome Back Tiddy Oggie." Tiddy oggie is a Devonshire pastry and the crews of both the Amethyst and the Jamaica are west country lads.

From the Jamaica we were able to count seven places where artillery hits had been patched up by the Amethyst's crew. There were numerous smaller caliber hits on her sides. She had a slight list to port.

With a Royal Marine band playing "Cruising Down the River" and "The Conquering Hero Comes," a boat was launched from the Jamaica to carry mail to the Amethyst.

Has Oil Line Trouble.

The Amethyst signalled she was having ai line trouble and would have to slow up until she made the necessary repairs.

Lieut. P. E. C. Berger of Hatfield, Hertfordshire, wounded veteran of the original attack on the sloop, was transferred with two bags of mail from the Jamaica, to resume his duties as the Amethyst's navigator for the rest of the trip to HongKong. She is due there Wednesday morning.

Dramatic details of the Amethyst's dash for freedom were recounted by Vice Admiral A. C. G. Madden, second in command of the British Navy's Far Eastern station.

The vessel had been pinned down by the Communists in the Yangtze since April 20, when she was caught in a disastrous duel with Red shore batteries.

Madden said the escape was "all very well planned and conducted; the timing also was a vital factor."

"The Amethyst slipped cable Saturday night, at 10.12 Honk Kong time, making as little noise as possible," Madden said. "She followed astern of a steamer."

The ship was challenged and, ironically, a Red gunboat also in the same area was set afire by the Reds' gunfire.

The Amethyst replied to the shore batteries with one round of her main armament and a large amount of fire from her Bren and Oerlikon guns, Madden said.

Forced Draft Indicated

Madden said the sloop turned in an amazing performance, covering 140 miles through varying currents and shifting sandbanks and sharp turns in an effort to get past the Woosung forts before dawn.

The British sloop had only nine tons of fuel left out of a 50-ton supply when she started her dash, Madden said. He said the nine tons were enough to steam for twelve hours at twelve knots and that this indicated the sloop was traveling at forced draft during the dash.

A British Navy spokesman in Hong Kong said yesterday that the Amethyst would refuel at her anchorage in the Saddle Islands, off the Yangtze mouth, from a tanker sent from Japan with three destroyers as escort, and proceed to Hong Kong.

The British were jubilant over the new turn in the "Amethyst affair," which started in April with a confused battle in the Yangtze between the Amethyst and three other British warships and the Communists ashore.

In Hong Kong, British naval authorities met today to decide on a program for the reception of the Amethyst, due here Wednesday. The Navy appealed to local residents to extend hospitality to the officers and men of the sloop, who will be granted leave upon their arrival.]

King Orders Extra Rum

The Admiralty in London announced King George VI had radioed a royal order for the Amethyst's crew to serve an extra ration of rum to all hands in celebration.

An Admiralty spokesman in London said the navy anticipated no trouble on the voyage to Hong Kong from Chinese Nationalist warships reported blockading the Yangtze mouth. He said the Saddle Islands are well out of the river and that at least four British destroyers are near enough to the Amethyst to protect her.

Reported April Losses

Forty-four British sailors perished in the April 20 fighting. Afterward the Communists trained shore guns on the Amethyst, lying at anchor off Rose Island, 60 miles downstream from Nanking, and refused to let her leave until the British paid reparations for 254 Red troops they said were killed.

Negotiations were difficult because the Communists as yet have no recognized government.

Decision Left To Skipper

The British Foreign Office and Admiralty in London said in a joint statement that the escape dash finally was ordered because conditions for the Amethyst's crew were deteriorating while negotiations for her release hung fire.

The decision of how and when to make the break were left to the judgment of Lieut. Com. J. S. Kerans, the Amethyst's skipper.

The statement declared Britain has been and still is ready "to discuss responsibility for the April incident on an appropriate level."

Madden ordered the destroyer Concord to escort the Amethyst in the rendezvous with the Jamaica.

Aboard the Jamaica are 45 enlisted men and the three officers who were crew members of the Amethyst during her April 20 battle.

Last night Capt. Raymond Lowe conducted a 35-minute thanksgiving service for the safety of the Amethyst crew.

Medal For Skipper

London, Aug. 1 (AP)—King George VI approved today an award of a Distinguished Service Order medal to Lieut. Com. John S. Kerans, who commanded the Amethyst on her escape from a Chinese Communist trap on the Yangtze. The medal, one of the top British decorations, is to be given him in Hong Kong, the Admiralty said.

ATTLEE CONFINED TO HOME BY CHILL

Joins Bevin, Cripps In Illness; Condition Not Serious

CHARLES WHITING

London, Aug. 1 (AP)—Prime Minister Clement Attlee joined two of his chief Labor Government lieutenants on the sick list tonight, as Britain struggled through an economic crisis.

The bald, scholarly Attlee, who is 66, was confined at his official country home near London with "a bad chill," his wife said.

A spokesman at 10 Downing street—the Prime Minister's London residence—said Attlee was not seriously ill but gave no furtther details of his ailment. He said Attlee was keeping in touch with affairs and there was no question now of his delegating some of his duties.

The Prime Minister has been filling for ailing Foreign Secretary Ernest Bevin and Sir Stafford Cripps, Chancellor of the Exchequer as well as carrying on his own tasks.

Cripps is in a Swiss clinic for treatment of a chronic digestive ailment. Bevin, who suffers from heart trouble and high blood pressure, is resting in a resort at Evian, France.

Most Of Leaders In 60's

Attlee apparently became ill shortly after making a political attack against Winston Churchill at a rally Saturday.

Attlee, Bevin and Cripps all came down ill at a time when the Government is struggling with grave labor and economic problems and as the date for a general election nears.

Most of the leaders of Britain's Socialist experiment are in their 60's and all have been constantly in Government harness since the wartime coalition Cabinet was formed in mid-1940.

Their only period of comparative rest was a two-month respite in 1945, when the country was run by a "caretaker" Cabinet pending the general election that brought the Socialists into power.

The only one of the Government's "big four" left in commission is Herbert Morrison, deputy prime minister, but Morrison, himself, is not exactly hale and hearty. He was operated on a year ago for a thrombatic leg condition.

Expected Up Soon

Attlee's associates said they expected him up "in a day or two." No medical bulletins will be issued, they said.

Bevin, at 68, is the senior member of the "big four." Morrison is 61 and Cripps, 60.

Attlee was treated last September for eczema of his feet and a duodenal ulcer. In January, his physicians said the ulcer was no longer visible under X-ray examination but they cautioned him to "take it easy."

In 1939, he was stricken during a Labor party conference and later successfully underwent a major operation.

Attlee was to have officiated at a labor-club sports arena opening in Dorset today. Mrs. Attlee appeared in his stead and told the gathering of 3,000:

"My husband is very sorry not to be able to come, but he is in bed with a bad chill."

Prime Minister Attlee Is Sick

London, Aug. 1 (AP)—Prime Minister Attlee has fallen ill, becoming the third of Britain's "Big Four" leaders to go on the sick list.

"Mr. Attlee is ill at Chequers with a chill," said a spokesman at No. 10 Downing street, the Prime Minister's official residence.

Chequers south of London, is the country home of the Prime Minister.

Additional Duties

The British Press Association said Attlee, 66, had been bedfast since he went to the country home after delivering a Labor party election campaign speech in London Saturday. He is reported, however, to have kept in close touch with governmental affairs here.

In addition to his regular duties, Attlee has been supervising the Foreign Office and the Treasury recently. He took them over when Foreign Minister Ernest Bevin and Chancellor of the Exchequer Sir Stafford Cripps went to continental Europe for medical attention and rest.

One Fit For Duty

Only Herbert Morrison, Deputy Prime Minister and fourth ranking member of the Labor Government Cabinet, remains fit for duty. Morrison himself was hospitalized a year ago for a blood clot in one leg.

Associates in London said "it is hoped the Prime Minister will return to his office in a day or two."

Attlee was in a London hospital for several weeks a year ago for treatment of a skin disease.

Pact Delegates From Balkans Are Asked

London, Aug. 1 (AP)—Romania, Bulgaria and Hungary were asked today to name delegates to meet with United States and British representatives on Western charges that the three Soviet satellite nations violated their peace treaties.

A Foreign Office spokesman here made the announcement. Britain and the United States have charged the three nations with violating peace treaty clauses concerning freedom of press, assembly and religion.

Russia, also a signatory to the three treaties, has insisted there was no evidence of violations. Romania and Hungary themselves denied the charges.

Notes Sent June 2

The British and Americans sent notes June 2 to Bucharest, Sofia and Budapest. The British-American charges grew out of prosecutions of religious and opposition leaders in the three countries, wartime Axis allies which came under Soviet domination after the war.

Today's notes asked each of the three countries to name its member of a committee to engage in talks with the Americans and British. Each, in addition, was asked to name a disinterested delegate who, under the treaty terms, must be a national of a country not directly involved in the dispute.

3-Sided Talks

In effect, the meetings proposed by the West would be a series of three-sided talks. Treaty terms provide that if Britain, the United States and the accused nation cannot agree on a disinterested delegate, such a member is to be named by the United Nations.

The Conciliation Commission machinery was set up in the peace treaties to deal with such disputes when direct negotiations failed. This is the first dispute in which the use of such commissions has been invoked.

The treaties provide that the findings of such conciliation commissions "shall be accepted by all parties as definitive and binding."

30.24- 4735

STAFF CHIEFS STUDY ITALY

Preliminary Talks Held On Atlantic Defense Role

BLACKOUT

Frankfurt, Germany, Aug. 1 (AP). American and Italian military chiefs reported a satisfactory preliminary exchange of views today on how to fit Italy into western Europe's defenses under the North Atlantic treaty.

Italy's army and navy chiefs of staff conferred for 75 minutes with the United States joint chiefs of staff in the tightly guarded war room of Frankfurt's headquarters building.

No details were disclosed, but there were some indications the opening talks revolved in part around Italy's naval position in the Mediterranean.

Peace Pact Limits Navy

Admiral Louis E. Denfield, United States chief of naval operations, pointed out afterward that Italy has a "relatively small navy" under her peace treaty.

"We haven't worked out Italy's role," Admiral Denfield said, but added there was a "good understanding" of problems on both sides.

Lieut. Gen. Efisio Marras, Italian Army chief of staff, said Denfeld and the United States Army and Air Force chiefs, Gen. Omar N. Bradley and Gen. Hoyt S. Vandenberg, "displayed a friendship on which we can rely without question."

Before seeing the Italians the Americans met with senior officers of the Luxembourg armed forces.

First Scheduled Meetings

These were the first of scheduled meetings by the joint chiefs with military leaders of the Atlantic-treaty nations. They will move on to London, Paris and Vienna later this week for further conferences.

Vice Admiral Emilio Ferreri, Italian Navy chief of staff, commenting on Admiral Denfeld's reference to his country's depleted navy, said Italy's naval forces now total about 67,500 tons not including 47,000 tons of battleships. Italy's 1946 peace treaty specified that she could build no more battleships and could not maintain more than 67,500 tons in other warships in her fleet.

"From 1950 on," Admiral Ferreri said, "Italy can construct new naval ships under the peace treaty. We hope in a short time to reach the full allowed strength. Our tonnage figures now are near the limit, but the ships are old."

Admiral Denfeld said the Italians did not bring up the question of United States arms aid for western Europe. President Truman's proposal for a $1,450,000,000 arms-aid program is being debated by Congress.

ADD

U.S. Staff Chiefs Start Series Of Talks Abroad

P DONNE

Frankfurt, Germany, Aug. 1 (AP). The United States joint chiefs of staff conferred today with army officers of Italy and Luxembourg in the first of a series of talks with European military representatives.

Lieut. Gen. Efisio Marras, Italy's army chief of staff said at the conclusion of the talks the American chiefs "displayed a friendship on which we can rely without question."

General Marras added "we discussed problems of mutual interest. . . . There is no doubt these discussions will be of great mutual benefit."

Arms-Aid Not Discussed

Admiral Louis Denfeld, United States chief of naval operations, said the Italians did not raise the question of United States arms aid for western Europe.

Earlier, a spokesman for the joint staff said the Luxembourg group did not bring up the arms-aid question at their session either.

The American chiefs—Gen. Omar N. Bradley, Army; Admiral Louis Denfeld, Navy, and Gen. Hoyt S. Vandenberg, Air Force, flew in from Washington Saturday for a ten-day study of European defenses and potentialities under the Atlantic pact.

Set To Inspect Airlift

The Duchy of Luxembourg lies in a border area between France and Germany. She has little more than 1,000 square miles, even with territory gained from Germany through a recent frontier revision. The 1945 population estimate was 281,572.

Later in the day the United States staff chiefs will inspect the Berlin airlift operations at Frankfurt's Rhine-Main Airport. Then they will go to United States Army headquarters in Heidelberg for further talks with American commanders in Germany.

They visited informally yesterday with commanders of the United States Army, Navy and Air Force in Germany.

Admiral Denfeld inspected American naval units and took a short boat ride on the Rhine.

In London Later In Week

General Bradley spent the day with Lieut. Gen. Clarence R. Huebner, commanding general of the United States Army in Europe. General Vandenberg visited Lieut. Gen. John K. Cannon, commander of the United States Air Force in Europe.

When they go to London later this week the American chiefs will hear two separate plans for Western European defense. Both involve the use of American dollars for arms and equipment.

One group of military leaders will tell the Americans that only a large army — containing up to 1,500,000 combat troops mentioned in Washington debate on the arms fund—can prevent Soviet aggression if the Russians substitute military for political pressure.

British Expect Compromise

Another group will contend that a better answer is a small, mobile but well trained and equipped force of some twenty divisions—perhaps 250,000 men — backed by enough planes to guarantee air control.

London experts believe the upshot will be a compromise.

European pact-members already have, at least on paper, more than 2,000,000 men in all their armed forces. They lack modern stores and equipment, however. They hope American aid will fill that need.

Ouster Hearing Bares Dispute On Smashing German Trusts

Frankfurt, Germany, Aug. 1 (AP). America's two top trust busters in Germany were at loggerheads over important policy issues for months, Charles H. Collison's hearing before a grievance board disclosed today.

Collison bared the dispute in a clash with his former boss, Richardson Bronson, who fired him last May as deputy chief of the United States decartelization branch of the American Military Government.

Called Progress Too Slow

In appealing his dismissal, Collison charged he was fired because of his testimony before an Army-appointed committee investigating the anti-trust program. Collison had complained progress in breaking up Germany's big businesses was too slow.

Bronson denied today he fired Collison because of that testimony. He admitted he was irked by it and considered it "disloyal to me, to Gen. Lucius D. Clay (then military governor) and to the program."

"Sabotage" Charged

"But I didn't remove you until you accused me to my face of sabotaging the decartelization program," Bronson testified.

Bronson, a veteran administrator from Waterbury, Conn., revealed he himself had been trying for months to resign. He said he was staying on only until the new State Department administration in Germany can find a successor.

The grievance board has not yet ended its hearing on the appeal of Collison, who is an attorney from Staten Island, N.Y.

Leaflets Call For New Hitler, Urge Germans Boycott Polls

DPA DONNE

Frankfurt, Germany, Aug. 1 (AP). Reminders of Nazism entered western Germany's first federal election campaign today.

Swastika-decorated leaflets calling for the return of a Hitler were distributed in Duesseldorf, West Prussian city, German police reported. The pamphlets attacked Jews and present German political leaders and urged Germans to stay away from the polls August 14. Police said they had no clues as to who may have distributed the leaflets.

One of Hitler's former cabinet ministers, Hjalmar Schacht, made an impromptu plea for the defeat of socialism at a rally of the right-wing Germany party (Deutsche Partei) in Luenenburg. The powerful Social Democrat party advocates the socialization of basic industries.

Attacked By Christians

Socialism also drew fire from speakers of the rival Christian Democratic Union, (CDU). Prof. Ludwig Erhard, addressing a CDU rally at Bochum in Westphalia, blamed Britain's economic troubles on her governing Labor party's socialistic program. He said the British military government's policies "make life difficult for Germans in economic matters." Bochum is in the British occupation zone.

Erhard also criticized the European recovery program, claiming it had failed to provide Germany enough raw materials.

Konrad Adenauer, C.D.U. party chairman, in a speech at Osnabrueck in Prussia, said the West Germans "are far from being politically free" under the occupation. He added they had fewer rights than a colony. Adenauer accused the British of favoring the Social Democrats.

Says Money Is Misused

Franz Bluecher, chairman of the Free Democratic party (LDP), fired another blast at the European Recovery program. LDP, like CDU, stand for private enterprise.

He told a rally in Duesseldorf that recovery money is being misused to over-industrialize Europe without proper regard for market conditions. Bluecher called on the United States to use its big gold reserve to back western Europe's currencies.

In Munich, Dr. Wilhelm Hoegner, former Bavarian minister-president, sharply criticized Allied dismantling of German factories. He also pointed to the danger of "new Nazis," defending Allied fear of a newly rearmed and militant Germany. Addressing an SPD rally, he said:

"This (Allied) fear is the fault of new Nazis, who think they may be in power again two years from now."

Munich is in Bavaria, an American zone state.

HOWLEY QUITS AS BERLIN HEAD

Taylor Slated As Successor To U.S. Commandant

R DONNE

Berlin, Aug 1 (AP)—Brig. Gen. Frank L. Howley, who jousted with the Russians for four years as American military commandant of Berlin, is quitting to go back to civilian life.

The United States Military Government for Germany announced it had acceded to his request to be relieved so he can go back home with his family next month.

Sources in the military government predicted his successor in Berlin would be Maj. Gen. Maxwell D. Taylor, chief of staff for American Army forces in Europe and ex-superintendent of the United States Military Academy at West Point, N.Y.

Howley won praise from John J. McCloy, the new United States military governor for Germany. The tough decisions he had to make in long dealings with the Russians earned him some respect from them as well.

Criticized In Russian Press

Howley was criticized bitterly by the Russian command at times in the Berlin blockade and other squabbles over four-power control of the city. He was denounced at other times in the Soviet press as a symbol of cold-war enmity to the Russian masses.

But he often made decisions

without time to consult superiors in Washington on the possibly grave consequences. The Soviet commandant, Maj. Gen. Alexander Kotikov, once prefaced a letter with a remark that "General Howley is a man who likes a fight."

McCloy, in accepting his resignation today, said Howley was entitled to a retirement preference now "in the light of service rendered by the general during a critical period in the history of the city."

Not Career Army Man

Howley once before left the military government but came back at the urging of Gen. Lucius D. Clay, then United States military governor for Germany.

Howley, who is 46 and a former advertising executive, explained that he was not a career Army man and had no future in the State Department, either. Some friends predicted he would stay in public life, however, probably in Philadelphia politics. He was a colonel until a few months ago, dealing with high brass on all sides and making his decisions stick.

ed nation, a just peace and subsequent withdrawal of occupation troops."

Ulbricht, regarded by many observers as the strongest figure in the East German economic commission and the politburo of the Socialist Unity (Communist) party, admitted "not a few former active Nazis are doing responsible tasks in the Russian occupation zone today."

Comparison Made

He compared them favorably to some members of the splinter Christian Democratic and Liberal Democratic parties in eastern Germany who, he said, "keep on looking to Washington and London."

These latter elements, he charged, "busied themselves with negative no-propaganda at the last election."

Four million "no" votes were registered in eastern Germany in May against a Communist-dominated single slate of candidates for the Soviet-sponsored German People's Congress.

On the eve of the congress voting, Soviet authorities permitted

Belgian Socialists Visit King Leopold

Geneva, Aug. 1 (A. P.).—A delegation of Belgian Socialist leaders met last night and today with exiled King Leopold III at his home near Geneva. The delegation is headed by former Premier Paul Henri Spaak. It is expected to leave for Brussels tonight or tomorrow.

Leopold has been in exile since the war and his duties have been taken over by Regent Prince Charles, his brother. The return of the monarch to his throne is a top political issue in Belgium, with the Socialists generally against it.

BUCHAREST CURBS CHURCH

Catholic Welfare Groups Are Ordered Disbanded

Bucharest, Romania, Aug. 1 (AP). Romania's Communist-led government today gave all Roman Catholic welfare orders in the country until August 15 to wind up their affairs.

An official announcement said Catholic monks and nuns are no longer needed for welfare work, because the state now takes care of all their former functions.

It said the personnel of some fifteen organizations devoted to charity, hospital and other social work among Romanian Catholics are dissolved as of today.

Given Three Choices

Their members are given fifteen days to decide on:

1. Retiring to three cloisters and two monasteries set aside for them.
2. Entering old age homes.
3. Quitting clerical life and registering for regular jobs at local employment bureaus.

Catholic sources said the ban would affect about 1,400 nuns and 100 monks, all Romanians except for about twenty foreigners. The Nursing Sisters of St. Vincent de Paul is one of the best known organizations affected.

Most religious Romanians belong to the Orthodox church, but there are a number of Roman Catholic churches and religious centers.

No Surprise To Vatican

[Vatican sources said that while the church had no notification of the action, it came as no surprise. One source said recently that the Romanian Government aims to wipe out the Roman Catholic faith "from the ground up."]

Catholic sources said foreign members of the orders have been leaving Romania regularly under the present regime. Those who remain will have to register with the militia as foreigners, a procedure from which they have been exempt.

The sources said the quarters assigned by the Government for retiring monks and nuns will be "very cramped" for 1,500 persons.

The Nunciature and all other Catholic authorities declined to comment officially. The papal charge d'affaires, Bishop Gerald P. O'Hara, could not be reached tonight but aides said he did not wish to make a statement.

Bishop O'Hara, formerly Bishop of Savannah, Ga., and before that Auxiliary Bishop of Philadelphia, has been regent (charge d'affaires) of the Nunciature here since January, 1947. He was denounced in official Romanian newspapers in May, on charges of instructing bishops to adopt political activity.

[The bishop did not reply to the charges. Vatican sources said he had not been allowed to exercise his official functions as regent for some time.]

The government said the ban on the Catholic welfare orders was decided July 29, on the basis of a report by the ministry of education holding that "all obligations arising from teaching, health and public insurance fall, in accordance with the existing laws, entirely and exclusively upon the sttae."

Orangizations Affected

The ban applies to:

The Congregation of the Brothers of the Christian School.

The order of Piarists.

The Congregation of Notre Dame de Sion.

The Congregation of St. Maria.

The Order of St. Ursula.

The Order of St. Ursula of the Romanian Union.

The Congregation of the Sisters of Notre Dame.

The Misericordian Order.

The Congregation of the Nursing Sisters of St. Vincent de Paul.

The Congregation of the Poor Franciscan Sisters of the Holy Family.

The Congregation of the Nursing Sisters.

The Congregation of Daughters of Charity of St. Frances d'Assisi.

The Congregation of the Social Sisters.

The Congregation of the Franciscan Sisters del Giglio.

The Congregation of the Benedictine Sisters of Sancta Lioba.

Any similar organization not named in the decree also is outlawed.

Rome, Aug. 1 (AP)—Communist Rumania struck a new blow today in the spreading war between communism and the Roman Catholic Church.

A decree of the Rumanian Government dissolved fifteen Roman Catholic welfare orders and directed the priests, monks and nuns of the orders either to leave the religious life or to isolate themselves in cloisters or old-age asylums.

Church's Latest Move

The church delivered its latest counterattack yesterday, with western Germany as the arena. Catholics there were told in a pastoral letter read in the churches to vote only for "Christian" candidates in the August 14 parliamentary elections.

The pastoral letter lumped all Leftists together under the blanket term "Socialist," and recalled to West Germans the recent edict of the Vatican warning Catholics to avoid contamination by communism under pain of excommunication.

Schumacher Reply

The letter drew a quick attack from Socialist Leader Kurt Schumacher, who accused the Vatican of interfering in the election in favor of the Christian Democrats, Rightist rivals of the Social Democrats. The two are about evenly divided in West Germany, where the Communists are relatively weak.

The church also was attacked in West Germany by Communist Leader Max Rimann, who addressed 80,000 persons at Dortmund, in the Ruhr. He charged the church had aligned itself with "the old powers of war and social injustice."

Czechs Marking Time

Parties to the church-state war in Czechoslovakia marked time. Dr. Oldrich John, chairman of the Czechoslovakia National Parliament, flew to Moscow yesterday. He is the eighth high-Government official to go to the Soviet Union in the past two weeks for an extended stay. The previous group included three Cabinet Ministers closely identified with the church-state conflict.

Before Czechoslovakia's Parliament this fall will be a bill to give the State complete control over the administration, funds and appointments of all churches. Three-quarters of Czechoslovaks are Catholic.

Catholic priests, monks and nuns enrolled in the orders were told to choose within fifteen days whether they will retire to three cloisters and two monasteries assigned to them, enter an old age asylum, of quit their orders and join the lay public, applying for jobs at local employment bureaus.

The decree was published in the official Government bulletin.

Red Accuses Papal Regent.

The Roman Catholic Church has been under attack for some time in Romania, as in other Eastern European countries. Recently the official Communist newspaper Scanteia accused the papal regent here of having instructed Roman Catholic bishops to adopt "anti-democratic political activity." (Anti-democratic means anti-Communist in eastern European terminology).

The Catholic priests of Romania, in common with the clergy of several other denominations, are paid by the State. Before the Scanteia article appeared, two Catholic bishops and 130 priests had been taken from the State pay roll for "anti-democratic activity."

About 8 per cent of Romanians are Catholics. About 70 per cent of the population belongs to the National Romanian Orthodox Church. The Government has seized church properties for redistribution to the peasantry, and for the most part social welfare institutions have been taken over by the State. Religious publications are restricted and religious meetings are under the supervision of the Ministry of Interior.

All property of the Uniate Catholic Church has been seized by the Government by a decree of last December. The Uniate church uses the Romanian language rite rather than the Latin rite but gives allegiance to the Vatican.

Torture Laid to Communists.

Vatican informants have charged that two leading bishops of the Uniate church were tortured by Communist officials in efforts to break their allegiance to the Pope. The sources said the Romanian Government is bent on wiping out Catholics by any means of terror and oppression.

Anti-U.S. Former Nazis Offered Jobs By Red

Berlin, Aug. 1 (AP)—A Communist leader of eastern Germany today offered big public jobs to former Nazis who are anti-American.

Walter Uubricht, initiator of the two-year industrialization plan for the Soviet zone, said in an interview with the Russian-licensed *Nacht-Express:*

"The time has now come for us in the zone to grant national-conscious Germans the positions they deserve in rebuilding our economy.

"Since the end of the Hitler regime, many people who were once active Nazis have changed their previous views. Even if these former Nazis have not finally concluded their conversion, they clearly realize now that the aggressive forces in the United States aim at destruction of the German nation. The West German occupation statute serves this purpose.

Forget Former Party

"In view of this acute danger to the whole nation, we must no longer consider former party memberships of individuals, but whether they have the honest will to cooperate with every national-conscious German, who desires a united nation, a just peace and subsequent withdrawal of occupation troops."

Ulbricht, regarded by many observers as the strongest figure in the East German economic commission and the politburo of the Socialist Unity (Communist) party, admitted "not a few former active Nazis are doing responsible tasks in the Russian occupation zone today."

Comparison Made

He compared them favorably to some members of the splinter Christian Democratic and Liberal Democratic parties in eastern Germany who, he said, "keep on looking to Washington and London."

These latter elements, he charged, "busied themselves with negative no-propaganda at the last election."

Four million "no" votes were registered in eastern Germany in May against a Communist-dominated single slate of candidates for the Soviet-sponsored German People's Congress.

On the eve of the congress voting, Soviet authorities permitted the National Democratic party, organized by former Nazis, to participate. It is now part of the Russian-approved national front, which seeks to enroll all Germans in support of Moscow's policies in Germany.

One Qualification

Ulbricht made only one qualification in his invitation to ex-Nazis to seek important posts in the socialized East German economy:

"If I thus advocate full recognition of people willing to rebuild a democratic Germany, though they once were members of a Hitler organization, it is not meant the way it is done in western Germany—that every super-Nazi gets a free passport for the East zone. He must have proved in the past four years that he is really prepared to take his stand for a free and peaceful Germany."

Ulbricht said he had received many employment applications from "members of the technical intelligentsia, who held responsible positions under the fascist regime."

30.24- 4737

Yugoslavs Hit At Vatican And Russians Also

Belgrade, Yugoslavia, Aug. 1 (AP). The official organ of Yugoslav Communists has denounced the Vatican's excommunication of Communists as "a political tool of the reactionaries."

Ever mindful of the feud with other Communist countries, which contend the Yugoslavs have strayed from the path of pure Marxism, the newspaper *Borba* could not resist the opportunity for a thrust at the Moscow-style Reds.

Borba said the excommunication decree might prove a headache in those Communist parties "who recuit members without considering whether or not they have accepted the principles of Marxism and Lenninism."

The newspaper said the Vatican action was aimed at the world's "progressive forces" and repeated old charges that the Vatican helped Fascists during the war.

Belgrade Vice Consul Dies Of Paralysis

Belgrade, Yugoslavia, Aug. 1 (AP). Robert G. Braden, 29, third secretary and vice counsul of the United States Embassey in Belgrade, died today. He was stricken with poliomyelitis (infantile paralysis) three days ago.

During Braden's brief illness, Yugoslav authorities dispensed with ordinary formalities in order to speed delivery of serum rushed here in an effort to save him. Burial will be in the United States.

Braden was a native of Pasadena, Cal., and a graduate of Stanford University. He served five years in the United States Navy during the war as a lieutenant before joining the foreign service in 1947. He was married and had one child.

Czechs And Argentines Sign New Trade Pact

Prague, Czechoslovakia, Aug. 1 (AP) — Czechoslovakia today announced signing of a new trade agreement with Argentina providing for exchange of goods valued at $29,000,000 on each side during the next year.

Czechoslovakia arranged to import chiefly wool, wheat, meat, hides, fats and other animal products.

The list of Czech exports included primarily machinery and industrial equipment, chemicals, paper, textiles, ceramic goods, glassware and hops.

SOVIET LOSES D.P. REQUEST

U.N. Committee Won't Give Up Lists Of Those In Camps

Geneva, Switzerland, Aug. 1 (AP). The United Nations Economic and Social Council's Social Committee rejected today a Soviet demand that it furnish complete lists of 418,000 displaced persons living in camps of the International Refugee Organization.

Walter Kotschnig, United States delegate, told the committee he found "something sinister" in the Soviet request.

"What do they ask?" he inquired. "That information be delivered to police authorities which would help them in their work of repression?"

Held Against Will, He Says

Anatoli G. Kulajenkov, Soviet delegate, presented the resolution asking for this information and other data concerning the location of camps, the nationality and other aspects of the refugees. He charged that displaced persons were being held against their will.

Kulajenkov claimed that a large number of these refugees were Russian and that "certain obstacles were being raised to their repatriation."

The Soviet Union, he said, had repatriated 22,000 Americans, 24,000 English and 113,000 French citizens, but these countries had not repatriated Soviet citizens.

The IRO, he said, had refused the Soviet Union access to the camps and the right to distribute literature.

Called "Really Slaves"

The displaced persons, he said, are "really slaves. They are recruited only for the heaviest labor."

William Hallam Tuck, director general of IRO, in a statement to the council said "opportunities for repatriation have been readily available for several years during which time more than 7,000,000 refugees have returned to their countries of origin."

The Soviet resolution was defeated, 13 to 3, with only the Soviet Union, White Russia and Poland supporting it.

Mrs. Kirk Calls On Mrs. Vishinsky

Moscow, Aug. 1 (AP)—Mrs. Lydia Selden Kirk, wife of the new United States Ambassador to Moscow, Alan G. Kirk, has paid a social call on the wife of Soviet Foreign Minister Andrei Y. Vishinsky.

It was Mrs. Kirk's first such diplomatic visit since her arrival here last June. Diplomatic sources said the two chatted for some time in French.

The Ambassador had suggested to Deputy Foreign Minister Andrei Gromyko that Mrs. Kirk would like to pay a call on Mrs. Vishinsky, and the invitation came shortly thereafter. Mrs. Kirk is the sister of Seldin Chapin, former United States Minister to Hungary.

Pasha Pledges Action To Oust British Troops

Cairo, Aug. 1 (AP)—Hussein Sirry Pasha, new Egyptian Premier, pledged before the Chamber of Deputies tonight that his coalition government will "do its best" to achieve the "immediate evacuation of British troops and the unification of Egypt and the Sudan."

In a speech presenting the Cabinet to the Chamber he said the government also will do everything in its power to "hold the forthcoming election in an atmosphere of peace, justice and equity." A general election will be held in October.

Indonesian War Ends Tomorrow

Batavia, Java, Aug. 1 (AP)—The end of fighting between the Dutch and Indonesian Republicans will be proclaimed Wednesday, the United Nations said today.

The statement from the United Nations commission for Indonesia (UNCI) said the actual cease-fire would be set for some days after the announcement of terms by the Dutch and the republic.

The formal action will halt the hit-and-run fighting that began last December, when the Dutch seized the Republican capital, Jogjakarata, in what they called police action. There has been little actual fighting since the Dutch agreed to allow President Soekarno and other Republican leaders to return to Jogjakarta early last month.

Central Board To Act

The UNCI announcement said orders to the forces would "call on everyone concerned to banish all thought of enmity or revenge and remove any vestige of fear or distrust and to refrain from sabotage, terrorism . . . and prevent provocations of incidents of any kind."

The cease-fire will be policed by a central joint board comprising four Republic representatives—four from non-Republican areas of the East Indies, four Dutchmen, three civilian and three military representatives of the UNCI. The chairmanship will rotate among the UNCI civilians.

This will be the third cease-fire order of general nature for Indonesia since 1946. Previous ones were violated by both sides but there was optimism among the negotiators that this one would stick.

Chairman Congratulates All

The basis for optimism was the restoration of the Republican regime in Jogjakarta and the agreement to settle the future of Indonesia in a rounds table conference at The Hague.

Australian Delegate T. K. Critchley, serving his turn as UNCI chairman, said congratulations were due to all participants in the long negotiations.

The Republic's delegation chairman, Mohammed Rum, said the Dutch military action of last December had shaken the faith of the Indonesian people but through the UNCI efforts there has been "opening of hearts which were closed, restoration of confidence which had been lost."

Cease-Fire Edict In Indonesia Set Wednesday

Batavia, Java, Aug. 1 (AP)—The United Nations Commission for Indonesia today announced that an order to cease hostilities in Indonesia will be issued Wednesday.

The announcement said the order will become effective "some days later" at a time to be announced by the Dutch and Republicans.

The cease fire was formalized at a meeting of the United Nations commission today.

The commission said the Dutch and Republican governments will issue the cease-fire to their respective forces at the same time.

Plan Joint Proclamation

"The orders call for taking all measures to cease fire and to terminate all acts intended to harm the other party," the announcement said.

The two governments also will put out a joint proclamation. The commission said it "calls on everyone concerned to banish all thought of enmity or revenge and to remove any vestige of fear or distrust, to refrain from sabotage or terrorism, or from all acts which might be harmful to mutual co-operation and to prevent provocations or incidents of any kind."

The opposing parties agreed May 7 to work out a cease-fire order after the Dutch restored the Indonesian Republicans to their capital, Jogjakarta.

Ends 7-Month War

The order would end some seven months of warfare between Indonesian guerrillas and Dutch forces who overran the republic last December.

The announcement said today's meeting was under the auspices of the United Nations Commission, Republican and Dutch delegates and representatives of the non-Republican Indonesian states and territories.

A third document was announced which calls for establishment of a central joint board to see that the cease-fire is carried out.

Third Such Order

This board comprises four Republicans, four Dutch, four non-Republican Indonesians, three civil and three military representatives of the United Nations Commission.

This is the third cease-fire issued in Indonesia since 1946. The other two ended in violations by both sides and finally in two Dutch military actions.

Australia's T. K. Critchley, temporary commission chairman, said: "With today's agreement the three main objectives of the Security Council's directive of March 23 have been reached."

Chinese Nationalists Gain In Drive To Head Off Reds

Canton, China, Aug. 1 (AP)—The Chinese Nationalists announced today their counterattacking forces in Central China had reached the outskirts of Anfu, 150 miles east of Hengyang and 300 miles northeast of Canton.

This would represent an advance eastward of 100 miles in the last three days since the Nationalists lashed out to stop the Communist drive on Hengyang, vital junction point on the railway that runs south to Canton.

The Nationalist report said one counterattacking column had branched off toward Yungshin, 25 miles southwest of Anfu, and was heavily engaging the Communists there.

Changsha Rail Lines Open

Foreign quarters were perplexed by the apparent Communist withdrawals. They also were puzzled by a railway administration announcement that rail traffic had been ordered restored to Changsha.

That city, 365 miles north of Canton, remains in imminent danger of being cut off by the Reds, who last were reported only 6 miles to the east.

Meanwhile, Government dispatches reported the Reds had thrown 200,000 men into an offensive against Kansu Province, some 700 miles northwest of the Central China fighting zone. These reports said the Reds had struck west and northwest across the border from neighboring Shensi Province.

General Ma Seeks Arms

Kansu is governed by Gen. Ma Hung-kwei, famous Moslem commander who now is on Formosa, presumably seeking arms from Generalissimo Chiang Kai-shek. His cousin, Gen. Ma. Pu-fang, was appointed Nationalist commander of the entire northwest area only five days ago.

The Mas have been fighting the Reds sporadically along the Shensi border for six weeks.

Chinese Forces Reported At Anfu Edge

Canton, Aug. 1 (AP)—Nationalist troops trying to cut Communist supply lines in South Central Kiangsi province said today they had reached the outskirts of Anfu. Anfu is 150 miles each of Hengyang.

A column which branched off toward Yunghsin, 25 miles southwest of Anfu, reported heavy fighting. They said the Reds brought up reinforcements from points east of Yunghsin.

Foreign quarters here were puzzled by a reported Communist withdrawal to Anfu and Yunghsin.

Rail Traffic

A spokesman for the Canton-Hankow railroad administration said Gen. Chen Ming-jen, deputy commander of Central China, had demanded immediate resumption of rail traffic to Changsha and beyond the Milo River north.

Foreign quarters were unable to reconcile this with private reports that Changsha was in danger of being cut off at any moment by the Reds.

In Moslem Northwest China seven Chinese Communist armies invaded Kansu province, official dispatches said. The Reds moved into Kansu from Shensi province with an etsimated 200,000 men.

Advances were being made on Hwating by three Red armies, with four others heading toward Pingliang, the dispatches said.

Evacuation Ship Okay Sought

Shanghai, Aug. 1 (AP)—Floyd Downs, Shanghai manager for the American President Lines, said today the liner General Gordon may come to Shanghai about September 15 to remove 900 foreigners from China.

Downs said "at the behest of the United States State Department a request for safe passage for the Gordon has been asked of the Nationalist Government." The Nationalists are blockading all China ports under Communist control.

If safe conduct is assured, then the question will be whether sufficient foreigners can obtain exit visas from the Communists in time. Already hundreds of foreigners have applied for permission to leave.

"Face" Is Involved

Downs will ask Communist authorities tomorrow for an entry permit for the Gordon. Normally, this is merely routine but "face" is involved. The Communists may balk at admitting a ship which first had to get permission from the Nationalists to enter the biggest port in Asia.

Downs said between 300 and 400 Americans definitely want to leave. The remainder of the 900 are British, Dutch, French, Scandinavians and various other foreign nationals.

Red-Controlled Press Silent

Shanghai, Aug. 1 (AP)—The foreign colony today continued to buzz with the news the British sloop Amethyst escaped Saturday from Communists on the Yangtze River.

The news got around by word of mouth. The Red-controlled Chinese newspapers have not printed a word on the escape of the sloop.

So far, there has been no reaction from the Communists.

Consular Officer Free In Shanghai

Shanghai, Aug. 1 (AP)—Reuben Thomas, United States consulate administrative officer, was free to leave the consulate today after being held in the building for 30 hours by former United States Navy employés.

He had not left the building late today, however.

The workers—Chinese, some Indians and white Russians—blocked Thomas and other American officials from leaving the building on Friday. They demanded severance pay and bonuses of six and a half months' wages as navy employés discharged when the navy pulled out of Shanghai upon the approach of the Communists.

Further Talks Slated

Still in the building late today with Thomas were Commander Morgan Slayton, navy attache, and Walter McConaughty, acting consul general.

The men were to go to the Communist labor board building for further negotiations some time today.

Only a handful of the more than 100 former employés remained in the consulate building.

Thomas had been questioned more than 30 hours before he was permitted to get some sleep.

China Reds Celebrating Army Date

Shanghai, Aug. 1 (AP)—Communists today celebrated the twenty-second anniversary of the establishment of a Chinese Red army.

Pro-Communist Chinese newspapers said the army had grown from 20,000 men to 4,000,000.

In Peiping, Communist leader Mao Tze-tung said the backbone of the Chinese Red army is the farmer. He said the army grew as the farmers were liberated and "this is different from any other Chinese army in history."

Mayor Chen Yi, of Shanghai, predicted that within "one more year China will be completely liberated, then the enemy blockade will end automatically."

Nationalist Chinese forces are blockading all Red-held Chinese ports.

Jap Repatriates Balk At Filling Out Forms

Tokyo, Aug. 10 (AP)—Kyodo news agency reported today 2,000 Japanese repatriates from Siberian prisoner-of-war camps had refused to fill out required forms upon their arrival in Japan.

The agency said they were being held aboard ship at Maizuru.

Communist-indoctrinated repatriates recently back from Russian prisoner-of-war camps have staged several demonstrations in Japan.

SATELLITES PROBE PUSHED

U.S. Demands Three Permit Inquiry On Rights Charges

Washington, Aug. 1 (AP)—The United States demanded today that three Russian satellite states permit impartial, on-the-spot inquiries into charges that they are violating basic human rights.

The three are Romania, Bulgaria and Hungary, which are accused by the United States of breaking the terms of the peace treaties they signed at the end of the war.

Britain also sent similar notes to the three Balkan nations. The demands are expected to be rejected and in that event the United States and Britain probably will carry their case to the United Nations.

Follow Moscow Refusal

Virtually identical American notes were delivered to the foreign offices of the three countries. This step followed a refusal by Moscow two months ago to join in an investigation of how human rights are treated in the three countries.

Russia informed this country and Britain she regards the three governments as completely democratic and sees no need for an investigation.

The peace treaties with the three provide for appointment of commissions to inquire into charges of broken treaty promises.

The United States wants a commission set up in each country. It would include one American, one representative of the satellite country and a third whose nationality would be decided by the first two. The United Nations would be asked to step in if they could not agree on a third member.

Outgrowth Of Church Trials

Britain wants three commissions of the same character.

The latest move was the outgrowth of repeated United States denunciations of religious trials and of general curbs on the press, on assembly and political activity.

The State Department said it hopes Romania, Bulgaria and Hungary will go along with the proposal to set up commissions so that "the responsibility for violation of the treaty may be clearly assessed." It said the three governments have a clear obligation to do so.

The two Western powers have also accused the three Balkan states of violating their treaties by building up armies larger than are provided for. Today's notes made no reference to this complaint, however.

TRUMAN SEES GREEK ADVANCE

Tells of Progress Toward Winning Civil War.

Washington, Aug. 1 (A. P.).—President Truman told Congress today that the Greek Government, with American help, is making "solid progress" toward winning its civil war with the Communists.

He attributed this to improved Greek leadership, accumulating United States military supplies, months of training of Greek soldiers, and "determination, decisiveness and aggressiveness" in the orders of the Greek High Command.

Despite the reported progress militarily and in the Greek economy, the President declared that guerrilla forces are still strong. He said they are still receiving help from Albania and Bulgaria and that the Greek Government remains entirely dependent on the United States for weapons to prosecute the war.

Forces Are Reduced.

The Chief Executive, in a report to Congress covering the first quarter of this year, said that on March 31 the strength of the guerrilla forces was estimated at 19,830 as compared with 26,000 a year earlier.

He estimated Greek guerrilla losses for the total period of the civil war from June, 1946 to March, 1949 at 70,028, killed, surrendered or captured and exclusive of wounded. In the same time the Greek Army was shown to have suffered losses of 37,934 killed, wounded or missing.

The casualty figures of the guerrillas, the President told Congress, show that in order to maintain an average guerrilla force of 20,000 the entire force has had to be replaced three and one half times in the last three years. He added that surrenders are increasing.

Villagers Get Arms.

Mr. Truman reported that villagers who wanted to return to the homes which they had fled under guerrilla attack were being given arms in many instances with favorable results.

Of the Turkish aid program, Mr. Truman said the Turkish armed forces have made steady progress in improving their efficiency with American help, but that they will require "additional United States assistance to continue their progress toward a desirable standard of effectiveness."

TRUMAN CITES GREEK GAINS

Report To Congress Tells Of Progress With U.S. Aid

Washington, Aug. 1 (AP)—Greek soldiers and American weapons now are making "solid progress" in the civil war against Communists, President Truman told Congress today.

He reported a 23 per cent decline from a year ago in the numerical strength of the Communist-led guerrillas and an increasing number of surrenders to Greek Government forces.

Depend On U.S. Arms

The report on the Greek-aid program, covering the first three months of this year, warned that the guerillas are still strong and still getting help from Bulgaria and Albania. The Greeks, Mr. Truman said, remain "entirely dependent" on America for weapons.

He attributed the growing Greek successes to better leadership, mounting military supplies, months of training of Greek soldiers, and "determination, decisiveness and aggressiveness" in the Greek high command.

The President rated Greek military efficiency as being at its highest state since 1941, when the Greek Army was overwhelmed by Nazi force "after having rolled back Mussolini's invasion of Greece."

Greek Losses 37,934

He reported Greek losses from the start of the civil war—June, 1946, to March 31 of this year—at 37,934 killed, wounded or missing. Guerrilla losses for that period were estimated at 70,028, exclusive of wounded, for which reports were lacking.

Guerrilla strength was estimated at 19,830 on March 31, as against 26,000 a year earlier. The rate of loss indicates, Mr. Truman noted, that the entire guerrilla force has had to be replaced 3½ times in order to maintain a strength averaging 20,000

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WORLD BANK LOAN GOES TO FINLAND

Washington, Aug. 1 (A. P.).—The World Bank today granted a $12,500,00 loan to the Bank of Finland.

The purpose is to finance purchase of equipment and materials required for reconstructing and modernizing Finland's wood products industries, for an electric power development and for expanding production of limestone powder for agriculture.

Eugene R. Black, the World Bank's president, noted at a news conference that 'Finland has a great debt record."

This referred in part to Finland's status as about the only country which has never defaulted on payments to the United States for credits granted in the early post-world war era.

The bank observed with approval that Finland's 15 per cent devaluation other currency last month "will have a salutary effect" in reinvigorating Finnish exports.

The loan to Finland, guaranteed by that country's government, is for a fifteen-year period. It will cost Finland 3 per cent interest plus a 1 per cent annual commission the bank charges on all loans for allocation to a special reserve against losses. Amortization repayments are to commence February 1, 1953.

Black revealed that his bank is actively working on a loan to India. Discussions in progress center about locomotives and a steam power plant, as well as eradication of a weedlike grass to increase the area of farm land. The bank also is sending a special mission to Yugoslavia on August 10 to make preliminary studies on the feasibility of loans to increase output of copper, lead and manganese.

There also have been discussions with th eBritish Government about a loan to the Colonial Development Corporation to make machinery available for agricultural development in Kenya. Black said the bank is discussing loans with more countries than ever before and that it now has a mission in the Middle East and another in Colombia.

MARAGON BANK FUNDS CHECKED BY SENATE BODY

Ex-Bootblack Tells Press the Group Seeks Data on San Antonio Account.

$40,000 TOTAL REPORTED

He Won't Say How Much It Was —Investigators Ask About Surplus-property Deals.

Washington, Aug. 1 (A. P.).—John Maragon told reporters today that a Senate committee investigating Washington "five percenters" is checking the records of a bank account he had three years ago in San Antonio. Tex.

The dapper Maragon called a news conference to deny reports that he had been fired from the American mission to Greece in 1946. But he conceded the Senate Expenditures Committee may have subpœnaed records of his bank accounts.

Maragon, a one time Kansas City bootblack who once had a pass to the White House, told the committee in previous closed sessions, members said, that his only bank account was in Washington.

Asked by reporters if he had maintained a $40,0000 account in Texas, Maragon at first refused to answer.

Silent on Total.

Later, however, he said he had an account in San Antonio about three years ago. He wouldn't say how much he had on deposit, or say what business he was in at the time.

Maragon denied that he is "connected with any one percenters, five percenters, fifty percenters or million percenters."

He said the question of his bank accounts was not how much may have been on deposit, but how much of the money was his.

"You may have a $500,000 bank account and the question is how much of the money is yours," he declared. "You can be in business and make transactions and the deposit ledger will show big amounts, but the question is how much of it is yours."

It was learned earlier today—from the official record of the hush-hush investigation—that Maragon's testimony dealt in part with the disposal of Government surplus property.

Maragon contended at the news conference that his reports to Henry F. Grady, head of the mission, on drinking and "orgies" among the staff members of the American Mission to Greece may have caused Grady to say that Maragon was sent home because he was a "nuisance."

He said he had helped put to bed one member of the mission who came into the Grand Bretagne Hotel in Athens drunk.

Maragon said he reported the incident to Grady, now Ambassador to Greece, and the latter called a staff meeting to forbid mission members from attending parties.

"But the orgy of drinking and all that stuff continues," Maragon told reporters.

Denies Vaughan Helped Him.

Maragon denied published reports that Major-Gen. Harry S. Vaughan, President Truman's military aid, helped him get his $6,200 yearly job with the mission to Greece. He said he got it in the regular way—by applying to the State Department for it.

He also denied that Grady had fired him. He said he didn't know anything about published stories that President Truman had ordered him sent home.

Maragon denied that he had carried about with him pictures showing President Truman with Maragon's arms about the President. He said he had no such picture.

'5 PERCENTER' LINK DENIED BY MARAGON

Senate Committee May Have Subpoenaed Bank Accounts, He Says

Washington, Aug. 1 (AP)—John Maragon, who rose from bootblack to man-about-Washington, today denied any link with "five percenters." But he said a Senate committee may have subpoenaed his bank accounts.

Maragon said he kept an account in San Antonio three years ago. He wouldn't say how big it was, or what business he was in them.

Meanwhile, a Senate expenditures subcommittee which quizzed Maragon behind closed doors last week disclosed that his testimony dealt in part with sales of surplus was property.

Maragon called a news conference of his own to deny that he had been fired from the American Aid Mission to Greece in 1946. He might have been dubbed a "nuisance," he said, because he reported drinking and "orgies" on the part of mission officials.

Other Reports Denied

As reporters poured on questions, Maragon denied a half dozen other reports and rumors which have been published since his once-frequent, visits to the White House made him a public figure.

Among them were reports that President Truman took him to the Potsdam Conference in 1945, also, that the President's military aide, Maj. Gen. Harry S. Vaughan, got Maragon the post on the Greek mission.

The Senate committee is delving into activities of "five percenters"—those, who carge fees for helping business men get Federal contracts. The practice is not illegal but has been officially denounced.

Maragon told the senators in the closed sessions that his only bank account was in Washington. That testimony was made public today. Reporters asked Maragon whether he had maintained a $40,000 account in Texas.

At rst he refused to answer. Then he said he had an account in San Antonio about three years ago. He thought it was at the Commercial National Bank, but a check-up showed the city has no bank of that name.

Public Hearings Next Monday

He conceded the committee may have subpoenaed his bank records. But the important question is not how much is on deposit, he said. He continued:

"You may have a $500,000 bank account and the question is how much of the money is yours. You can be in business and make transactions and the deposit ledger will show big amounts, but the question is how much of it is yours."

Maragon denied he is connected with any "one per centers, five per centers, 50 per centers or million per centers."

The hearing record shows that Maragon testified he once took two men to the New York office of the War Assets Administration to help them buy $30,000 worth of surplus machinery, but he said he didn't get paid for it.

The subcommittee will start public hearings next Monday. Chairman Hoey (D., N.C.) said it has found evidence more important tha nthat given by Maragon.

COMMUNIST TRIAL LAWYER SILENCED

Judge Medina Calls Marshal To Make Him Stop Talking

New York, Aug. 1 (AP)—A fast-talking defense attorney refused to sit down and stop arguing at the Communist conspiracy trial today until a United States marshal advanced on him. Then the lawyer did both.

Federal Judge Harold R. Medina, unable to silence Attorney Richard F. Gladstein, told him:

"Will you sit down or must I call an officer to put you down? Your field day is over."

As Gladstein continued to object to prosecution questions to a defense witness, Medina said:

"Mr. Marshal, will you please see—"

As the marshal walked toward him, Gladstein sat down silent. This was broken a moment later when other defense attorneys rose to their feet with new objections.

Trial In 27th Week

Medina's latest clash with the defense came shortly before a new witness was called to the stand on behal fof eleven top Communist leaders accused of conspiring to advocate the violent overthrow of the United States Government.

The new witness was Edward Joseph Chaka, of Cleveland, a foundry worker and minor Communist politician.

During the long trial, now in its twenty-seventh week, Medina has expressed exasperation with defense tactics a number of times.

Four of the defendants have been sent to jail for contempt. Three still are behind bars when not in court.

Three times Medina has left the bench to stop arguments. Last week he said he intended to limit testimony of defense witnesses to try to speed the lagging hearing.

Gladstein provoked Medina today by offering an objection and then trying to back it up with legal arguments. The Judge has ruled that defense attorneys must merely place their objections on the record and keep their reasons to themselves unless he gives them specific leeway.

Account Called Inaccurate

The new defense witness, Chaka, said he is a molder at the Cuyahoga foundry in Cleveland. He said he joined the Communist party eighteen years ago after becoming interested as a youngster in the theories of his father, "an old Socialist."

Chaka said he is running for the Cleveland City Council on a non-partisan basis.

The 1946 Communist party school, the witness testified, was held at Eintracht farm at so-called Camp Solidarity about 5 miles west of Cleveland.

His testimony is intended to refute that of a government witness, John La Blanc, who appeared early in the trial. La Blanc said he was planted in the Communist party by the FBI.

Chaka said La Blanc's account of the goings-on at the school is inaccurate. The Government witness called it a furitve class in Communist ideology.

The previous defense witness, Mrs. Yolanda Hall, a Chicago Communist, left the stand after admitting under cross - examination that she told lies "under certain circumstances."

ABOARD HMS JAMAICA--FIRST ADD NIGHT LEAD AMETHYST X X X
ORIGINAL ATTACKS.
THIS EXCHANGE OF MESSAGES TOOK PLACE BETWEEN THE SKIPPER OF THE AMETHYST AND VICE-ADM. SIR PATRICK BRIND, COMMANDER-IN-CHIEF OF THE BRITISH PACIFIC FLEET, PRIOR TO THE AMETHYST'S ESCAPE:
SAID BRIND: "THE COMMUNISTS HAVE BEEN HOLDING YOU HOSTAGE TO BRING ADMISSIONS FROM THE BRITISH GOVERNMENT WHICH WOULD NOT ONLY BE UNTRUE AND DISHONORABLE BUT WOULD HARM THE CAUSE OF FREEDOM IN THE FUTURE. FOR THE PRESENT, THEREFORE, YOU ARE IN FOR THE FRONT OF COLD WAR IN WHICH THE CAUSE OF FREEDOM IS BEING ATTACKED."
REPLIED KERANS, THE AMETHYST SKIPPER: "PLEASE TELL THE FLEET WE SHALL KEEP THE OLD FLAG FLYING, RIDDLED THOUGH IT MAY BE BY GUN-FIRE, AND COME WHAT MAY."
THE MEN ABOARD THE AMETHYST SAID THEY WERE FIT AND WELL. THEY WERE WELL TANNED AND SOME HAD NEW BEARDS. THEY SUFFERED LITTLE SICKNESS DESPITE THEIR LONG STAY ON THE RIVER AND RATS THAT GOT ABOARD.
CANVAS CONTAINERS STUFFED INTO SHELL HOLES CAUSED BY COMMUNIST GUNS KEPT WATER OUT OF THE SLOOP.
COXWAIN LESLIE FRANK, 42, A VETERAN OF 22 YEARS IN THE ROYAL NAVY, WAS ON THE WHEEL FOR THE WHOLE 11-HOUR TRIP DOWN THE YANGTZE. HE SAID:
"MY EYES WERE A BIT TIRED HALFWAY DOWN. I TOOK SOME PILLS TO KEEP ME FULLY ALERT. CAPT. KERANS WAS ON THE BRIDGE ALL THE WAY AND THE WHOLE CREW WAS ON DUTY. WE HAD NO TROUBLE WITH SAND BANKS. THE SHALLOWEST WATER WE ENCOUNTERED WAS FOUR FATHOMS AND STEERING BECAME SOMEWHAT DIFFICULT."
RJ747PED

WITH AMETHYST
HONG KONG, AUG. 1-(AP)-BRITISH NAVAL AUTHORITIES MET TODAY TO DECIDE ON A PROGRAM FOR THE RECEPTION OF THE SLOOP AMETHYST DUE HERE WEDNESDAY.
THE NAVY APPEALED TO LOCAL RESIDENTS TO EXTEND HOSPITALITY TO THE OFFICERS AND MEN OF THE SLOOP WHO WILL BE GRANTED LEAVE UPON THEIR ARRIVAL.
THE AMETHYST WAS SAID TO HAVE LEFT THE SADDLE ISLANDS AT 8P.M. SUNDAY AND WAS EXPECTED TO RENDEZVOUS WITH THE CRUISER JAMAICA.
WD605APS

BY HAROLD K.MILKS (440)
LONDON,AUG.1-(AP)-BRITAIN GAMBLED ITS COMMERCIAL FUTURE IN RED CHINA AGAINST THE LIVES OF 73 ENGLISH SAILORS--BUT THERE WERE NO REGRETS TODAY.
APPROVAL FOR THE TRAPPED FRIGATE AMETHYST TO SLIP ITS CABLES AND ESCAPE DOWN THE YANGTZE MEANT THE OBVIOUS POSSIBILITY OF REPRISALS AGAINST BRITISH SUBJECTS AND BRITISH INVESTMENTS IN CHINA, FOREIGN OFFICE SOURCES CONCEDED.
"BUT THOSE ARE THINGS YOU DON'T THINK ABOUT UNDER THESE CIRCUMSTANCES," ONE SUCH SOURCE SAID. "WHAT HAS BEEN DONE HAD TO BE DONE. THERE COULD BE NO TOUGHT OF CONSEQUENCES."
FOREIGN OFFICE SOURCES SAID THERE HAD BEEN NO HINT OF REPRISALS FROM COMMUNIST CHINA AS YET. THEY DECLINED TO SPECULATE FIRST, IF COMMUNIST COMMANDERS IN NANKING AND SHANGHAI WOULD SEEK REVENGE FOR THEIR LOSS OF FACE IN THE AMETHYST'S ESCAPE; SECOND, WHETHER REPRISALS, IF THEY CAME, WOULD BE DIRECTED AGAINST BRITAIN'S INVESTMENTS IN CHINA.
BRITISH AMBASSADOR SIR RALPH STEVENSON AND HIS STAFF IN NANKING WOULD BE THE OBVIOUS TARGETS OF COMMUNIST ACTION, IT WAS CONCEDED HERE. MOST OF THE BRITISH OFFICIALS IN NANKING ARE CONCENTRATED IN THE EMBASSY COMPOUND, WITHIN RIFLE SHOT OF THE YANGTZE.
DIRECT REPRISALS AGAINST EITHER THE BRITISH GOVERNMENT OR ITS NATIONALS IN CHINA WOULD HAVE ONE CERTAIN EFFECT. THAT WOULD BE TO DRIVE THE BRITISH GOVERNMENT INTO COMPLETE COOPERATION WITH WASHINGTON ON NON-RECOGNITION OF THE RED REGIME.
AMERICAN OFFICIALS HAVE AT TIMES BEEN DISTURBED BY THE ANXIETY OF THE BRITISH TO MAINTAIN COMMERCIAL CONTACT WITH THE CHINESE REDS. THEY HAVE URGED A "GO SLOW" POLICY IN DEALING WITH MAO TZE-TUNG'S FORCES. AT TIMES DIFFERENCES OF AMERICAN AND BRITISH OPINION HAVE LED TO CONFERENCES ON THE SUBJECT OF CHINA'S FUTURE.
SOME INFORMANTS WHO ARE FAMILIAR WITH THE ORIENTAL MIND--AND MORE SPECIFICALLY WITH SUCH COMMUNIST MILITARY LEADERS AS ARE NOW GOVERNING NANKING AND SHANGHAI--PREDICT REPRISALS IN STME FORM.
SERITUS INTERFERENCE WITH BRITISH NATIONALS STILL IN CHINA COULD, EXPERTS ON THE CHINA SITUATION HERE SAID, MEAN SOME FORM OF MILITARY PROTECTION FOR THOSE AND OTHER FOREIGNERS. SUCH EXPERTS RECALLED THE 1927 INCIDENT IN WHICH BRITISH AND AMERICAN GUNBOATS SHELLED NANKING TO PROTECT THE FOREIGN COLONY THERE.
BRITAIN IS ESPECIALLY VULNERABLE TO REPRISALS SHOULD THE COMMUNISTS DECIDE ON SOME "FACE SAVING" PRESSURE. THERE ARE ONLY SEVERAL HUNDRED BRITISH IN NANKING BUT MORE THAN 4,000 IN SHANGHAI. THERE ARE LARGE BRITISH COLONIES IN COMMUNIST-HELD TIENTSIN AND HANKOW, AND NUMEROUS BRITONS ELSEWHERE IN RED CHINA.
THE BRITISH ALSO HAVE EXTENSIVE MATERIAL INVESTMENTS IN CHINA--LARGE WAREHOUSES AND FACTORIES IN SHANGHAI, EGG PACKING PLANTS IN HANKOW AND NANKING, COAL MINES IN NORTH CHINA.
FOREIGN OFFICE SOURCES ADMITTED THEY ARE AWAITING DEVELOPMENTS IN CHINA WITH SOME ANXIETY.
MJ536PED

LONDON, TUESDAY, AUG. 2-(AP)-TASS SAID TODAY RUSSIA HAD DECIDED AGAINST TAKING PART IN THE SEPTEMBER INTERNATIONAL TRADE FAIR IN ZAGREB, YUGOSLAVIA, BECAUSE OF THE "BRUTAL TREATMENT BY YUGOSLAV AUTHORITIES OF SOVIET CITIZENS LIVING IN YUGOSLAVIA."
A MOSCOW DISPATCH OF THE OFFICIAL SOVIET NEWS AGENCY DISTRIBUTED HERE SAID THE GOVERNMENT HAD INSTRUCTED THE ALL-UNION CHAMBER OF TRADE AND SOVIET ECONOMIC ORGANIZATIONS NOT TO TAKE PART.
THE LATTER HAD BEEN PREPARING FOR THE EXHIBIT SINCE THEY ACCEPTED AN INVITATION ZEVERAL MONTHS AGO FROM THE YUGOSLAV GOVERNMENT. ZAGREB REPORTS SAID THE RUSSIANS HAD BEEN ALLOTTED THE BIGGEST SPACE AT THE FAIR.
RUSSIA AND YUGOSLAVIA HAVE BEEN BICKERING SINCE THE COMINFORM EXPELLED YUGOSLAVIA OVER A YEAR AGO. ON JULY 26 RUSSIA FORMALLY ACCUSED YUGOSLAVIA OF PERSECUTING SOVIET RESIDENTS. YUGOSLAVIA REJECTED THE PROTEST.
SN1003PED

30.24- 4741

LONDON--FIRST ADD FIRST LEAD ATTLEE (A105) XXX DISEASE.
THE DOWNING STREET SPOKESMAN TOLD REPORTERS ATTLEE'S AILMENT "IS NOT SERIOUS" AND THAT NO MEDICAL BULLETINS WILL BE ISSUED.
ATTLEE AND HIS ASSOCIATED IN THE LABOR PARTY HAVE BEEN IN THE BRITISH GOVERNMENT SINCE WINSTON CHURCHILL'S COALITION CABINET WAS FORMED IN MID-1940. THEY HAD ONLY A TWO-MONTH BREAK IN 1945 WHEN A CARETAKER CABINET TOOK OVER PENDING GENERAL ELECTIONS. THE LABORITES WON THOSE ELECTIONS AND FORMED A STRICTLY LABOR CABINET.
CRIPPS WENT TO A SWISS HEALTH CLINIC A WEEK AGO FOR TREATMENT OF A DIGESTIVE COMPLAINT, COLITIS, WITH WHICH HE HAS BEEN SUFFERING FOR SEVERAL YEARS.
BEVIN WENT A DAY LATER TO A FRENCH HEALTH RESORT ON LAKE GENEVA. THE FOREIGN SECRETARY SUFFERS HIGH BLOOD PRESSURE AND HEART TROUBLE.
BOTH MEN LEFT THE COUNTRY AT A TIME OF ACUTE INDUSTRIAL AND ECONOMIC CRISIS, STEMMING FROM RECURRENT LABOR UNREST AND THE DOLLAR SHORTAGE.
CAMPAIGN DECLARATIONS OF CHURCHILL AND THE CONSERVATIVE PARTY WERE DENOUNCED BY ATTLEE IN HIS SPEECH HERE SATURDAY. THE CONSERVATIVES, BIDDING FOR A RETURN TO POWER IN 1950 ELECTIONS, HAVE ACCUSED THE LABORITES OF WASTE AND PLEDGED TO CHECK THE NATIONALIZATION OF BRITISH INDUSTRIES.
FH1057AED

HE WEATHERED CRISIS AFTER CRISIS IN BERLIN AFTER HIS ENTRY WITH AN ADVANCE MILITARY GROUP JUST AFTER HITLER'S GERMANY WAS BEATEN FOUR YEARS AGO.
BERLIN-HOWLEY-2nd STICK
HOWLEY DISCLOSED HE HAD FIRST ASKED TO BE RELIEVED BEFORE THE BERLIN BLOCKADE WAS CLAMPED DOWN BY THE RUSSIANS MORE THAN A YEAR AGO. HE SAID HE FELT, HOWEVER, HE SHOULD REMAIN THROUGH THE AIR-LIFT ERA AND THE EVENTUAL LIFTING OF THE BLOCKADE LAST MAY.
ALTOGETHER, THE CIVILIAN-TURNED-GENERAL SPENT NINE YEARS AWAY FROM HIS BUSINESS INTERESTS. HIS WIFE AND FOUR CHILDREN ARE RETURNING TO THE UNITED STATES IN SEPTEMBER.
HOWLEY'S LAST BIG RUN-IN WITH THE RUSSIANS CAME OVER HIS INSISTENCE LAST JUNE ON SETTLING THE BERLIN RAILWAY STRIKE ON WESTERN TERMS ACCEPTED FINALLY BY THE SOVIET MANAGEMENT AND NON-COMMUNIST RAILROAD MEN.
6315PED

BERLIN, AUG. 1-(AP)-BRIG.GEN. FRANK L. HOWLEY, WHO HELD ONE OF THE HOTTEST POSTS IN THE EAST-WEST COLD WAR, SAID TODAY HE HAD ASKED TO BE RELIEVED AS AMERICAN COMMANDANT IN BERLIN. HE WISHES TO RETURN HOME.
AMERICAN MILITARY GOVERNMENT SOURCES SAID MAJ.GEN. MAXWELL D. TAYLOR, NOW CHIEF OF STAFF FOR AMERICAN ARMY FORCES IN EUROPE, WILL SUCCEED HOWLEY. THIS WOULD BE A RETURN TO THE AMERICAN POLICY OF HAVING MILITARY GOVERNMENT AND TROOP COMMAND POSTS HELD BY A SINGLE OFFICER IN BERLIN.
HIS REQUEST FOR RELEASE, HOWLEY EXPLAINED, IS BASED ON A NUMBER OF FACTORS. HE IS NOT A MEMBER OF THE REGULAR ARMY OR OF THE STATE DEPARTMENT, WHICH IS ABOUT TO TAKE OVER AMERICAN SUPERVISION IN GERMANY. HE HAS SPENT THE PAST NINE YEARS AWAY FROM BUSINESS AND HAS HAD FOUR YEARS OF DUTY IN BERLIN. HIS WIFE AND FOUR CHILDREN ARE RETURNING TO THE UNITED STATES IN SEPTEMBER AND HE WOULD LIKE TO RETURN WITH THEM.
THE 46-YEAR-OLD PHILADELPHIAN IS AN ADVERTISING EXECUTIVE BY PROFESSION. DURING HIS ASSIGNMENT IN BERLIN HE CONSTANTLY OPPOSED SOVIET ENCROACHMENT. MANY TIMES HE HAD TO MAKE SPLIT SECOND DECISIONS WHEN DEVELOPMENTS PREVENTED PRIOR CONSULTATION WITH WASHINGTON.
SOMETIMES EVEN THE RUSSIANS FOUND TIME TO COMPLIMENT HOWLEY FOR HIS TENACITY AND DETERMINATION. ONCE IN REPLY TO AN AMERICAN COMPLAINT, MAJ. GEN. ALEXANDER KOTIKOV, RUSSIAN COMMANDANT, PREFACED HIS LETTER WITH THE REMARK THAT "GEN. HOWLEY IS A MAN WHO LIKES A FIGHT."
HOWLEY'S LAST BIG TUSSLE WITH THE RUSSIANS CAME DURING BERLIN'S RAILWAY STRIKE IN THE SPRING. IT WAS THROUGH HIS INSISTENCE THAT COMMUNIST RAILWAY POLICE WERE TAKEN FROM WEST SECTOR STATIONS. HE WAS A PRINCIPAL FIGURE IN ATTEMPTING TO MEDIATE THE DIFFERENCES BETWEEN THE SOVIET-CONTROLLED RAILWAY MANAGEMENT AND THE NON-COMMUNIST STRIKERS.
MANY OBSERVERS IN BERLIN REFUSE TO BELIEVE THAT HOWLEY'S RETIREMENT FROM HIS PRESENT POST WILL TAKE HIM FROM PUBLIC LIFE. SOME PREDICT HE MAY ENTER POLITICS, PERHAPS IN PHILADELPHIA.
U.S. MILITARY GOVERNOR JOHN J. MCCLOY SAID HE WOULD ACCEDE TO HOWLEY'S REQUEST. MCCLOY SAID "IN THE LIGHT OF SERVICE RENDERED BY THE GENERAL DURING A CRITICAL PERIOD IN THE HISTORY" OF BERLIN HE FELT HOWLEY WAS ENTITLED TO PREFERENCE.
(END ADVANCE FOR USE AT 12 NOON, EST, TODAY, MONDAY, AUG. 1)
SJ1141AED

NIGHT LEAD NAZIS (180)
BERLIN, AUG. 1-(AP)-AN EASTERN GERMAN COMMUNIST LEADER IS OFFERING PUBLIC JOBS TO FORMER NAZIS, IF THEY CAN PROVE THEY'RE ANTI-AMERICAN.
THE STORY WAS TOLD IN AN INTERVIEW PUBLISHED BY THE RUSSIAN-LICENSED NACHT-EXPRESS QUOTING WALTER ULBRICHT, A MAJOR FIGURE IN THE SOVIET ZONE EAST GERMAN ECONOMIC COMMISSION.
"THE TIME HAS COME FOR US IN THE ZONE TO GRANT NATIONAL-CONSCIOUS GERMANS THE POSITIONS THEY DESERVE IN REBUILDING OUR ECONOMY," ULBRICHT SAID.
HE CONTENDED THAT SINCE HITLER'S DEFEAT MANY FORMERLY ACTIVE NAZIS HAVE CHANGED FROM THEIR OLD VIEWS AND NOW ARE BECOMING ACCEPTABLE FOR BIG JOBS IN THE ZONE'S TWO-YEAR INDUSTRIAL PROGRAM.
"EVEN IF THEY HAVE NOT COMPLETED THEIR CONVERSION, THEY CLEARLY REALIZE NOW THAT THE AGGRESSIVE FORCES IN THE UNITED STATES AIM AT DESTRUCTION OF THE GERMAN NATION," HE SAID. HE CONTENDED THE WESTERN GERMAN OCCUPATION STATUTE SERVES THIS PURPOSE.
THE TWO-YEAR PROGRAM IS AIMED AT BOOSTING PRODUCTION IN THE SOVIET ZONE IN AN EFFORT TO AID ITS ECONOMY. IT IS SIMILAR TO THE "FIVE YEAR PROGRAMS" COMMON TO THE SOVIET UNION AND OTHER COMMUNIST-LED STATES.
MJ-MQ603PED

berlin, aug. 1 - (ap) - author thomas mann told an audience in soviet-ruled eastern germany today that freedom of the individual is "the greatest achievement of mankind."

"this freedom must be preserved," mann said in a speech accepting a goethe memorial award and honorary citizenship of weimar in the soviet zone.

he called for a "new humanistic feeling of solidarity among the mkx people of the world, which could help them to find a way out of the present severe crisis."

the german-born novelist, who went into exile after hitler came to power, is revisiting his homeland for the first time for bicentennial celebrations of the mkxt death of poet johann wolfgang von goethe. he acc epted a goethe memorial award last week from frankfurt in the american zone.

~~and is an american citizen.~~

mann now lives in pacific palisades, california. his audience in weimar included gerhart eisler, fugitive from the u.s. department who is a leader in the eastern zone socialist unity (communist) party.

Berlin, Aug. 1--(ap)--German-born author Thomas Mann today received a Goethe memorial award and honorary citizenship from Weimar in the Soviet zone, the news agency ADN reported.

Mann arrived in Weimar last night to attend the bicentennial celebration in the city where the poet, Johann Wolfgang Von Goethe, died.

In a speech Mann [redacted] advocated a "new humanistic feeling of solidarity among the people of the world, which could help them to find a [redacted] way out of the present severe crisis." He added:

"This revolutionary effort must, however, by no means suppress the greatest achievement of mankind--the freedom of the individual. This freedom must be preserved through new social obligations."

Last week [redacted] Mann received a Goethe award from Frankfurt in the American zone.

FRANKFURT, AUG 1-(AP)-THE BERLIN AIRLIFT BEGAN TAPERING OFF TODAY IN PREPARATION FOR ITS ANNOUNCED CLOSE DOWN OCT. 31.

THREE GROUPS OF THE BIG C-54 TRANSPORT PLANES WHICH HAVE BEEN HAULING SUPPLIES TO BERLIN FOR MORE THAN A YEAR QUIT FLYING. THEY BEGAN PACKING UP TO GO BACK TO THE UNITED STATES.

THE LIFT TONNAGE DROPPED TO 4,890.7 TONS IN 540 FLIGHTS. FOR MONTHS THE LIFT HAS BEEN AVERAGING MORE THAN 8,000 TONS DAILY.

WITH REMAINING UNITS ALSO REDUCING THEIR ACTIVITY, THE DAILY TONNAGE AVERAGE WILL BE ONLY ABOUT 3,160 TONS FOR THE MONTH OF AUGUST, AIRLIFT HEADQUARTERS PREDICTED.

THE GROUPS WHICH WENT OUT OF ACTION TODAY WERE THE 317TH GROUP BASED AT CELLE, IN THE BRITISH ZONE, AND TWO NAVY GROUPS, VR-6 AND VR-8 BASED AT FRANKFURT'S RHEIN-MAIN AIRPORT.

DY745PED

AUG 2 1949

BERLIN, AUG. 1-(AP)-THE BERLIN AIRLIFT BEGINS ITS GRADUAL RETIREMENT TODAY.

BRITISH AND AMERICAN PLANES FLEW THEIR LAST SCHEDULED 8,000-TON DAY YESTERDAY. THE NEW SCHEDULE CALLS FOR A DAILY AUGUST AVERAGE OF ONLY 3,700 TONS.

AMERICAN AND BRITISH OFFICIALS ANNOUNCED FRIDAY THE LIFT, WHICH BEAT THE RUSSIAN BLOCKADE OF THE FORMER GERMAN CAPITAL, WOULD BE DISCONTINUED BECAUSE OF FAVORABLE STOCKPILES OF SUPPLIES IN WEST BERLIN.

THE SCHEDULE CALLS FOR LOADS TO DROP TO 2,100 TONS DAILY IN SEPTEMBER AND 1,000 IN OCTOBER, THE LAST MONTH OF THE LIFT.

THE FIRST BATCH OF AIRLIFT PERSONNEL WILL BE RETURNED TO THE UNITED STATES IN SEPTEMBER. THE REDEPLOYMENT PROGRAM WILL BE COMPLETED BY THE END OF OCTOBER, OFFICIALS SAID.

BOTH THE BRITISH AND AMERICANS WILL, HOWEVER, MAINTAIN INSTALLATIONS IN THE WESTERN ZONES OF GERMANY IN CASE A NEW NEED ARISES FOR THE AIRLIFT.

TA654AED

FOLLOWING THE MORNING CONFERENCES, THE JOINT CHIEFS INSPECTED FRANKFURT'S RHEIN-MAIN AIRPORT, CHIEF SOUTHERN TERMINUS OF THE ALLIED AIR LIFT. THEY WERE BRIEFED ON AIR LIFT OPERATIONS BY LIEUT.GEN. JOHN K.CANNON, COMMANDING GENERAL OF U.S. AIR FORCES IN EUROPE, AND HIS STAFF.

THEN THEY MOTORED TO HEIDELBERG, EUROPEAN HEADQUARTERS OF THE U.S. ARMY, FOR CONFERENCES WITH ARMY OFFICIALS, INCLUDING LIEUT.GEN. CLARENCE R.HUEBNER, THE ARMY'S EUROPEAN COMMANDER.

TOMORROW THE ARMY'S CRACK TROOPS IN GERMANY WILL PARADE BEFORE THE JOINT CHIEFS AT THE GRAFENWOHR PROVING GROUNDS. AIR FORCE UNITS ALSO WILL TAKE PART.

IN THE AFTERNOON THE AMERICAN LEADERS WILL FLY TO LONDON TO BEGIN CONFERENCES WITH BRITISH DEFENSE CHIEFS AND OTHER ATLANTIC PACT MILITARY LEADERS. THREE NORWEGIAN GENERALS AND AN ADMIRAL AND A DANISH MILITARY DELEGATION ARE SCHEDULED TO MEET THEM THERE.

A MEETING IS SCHEDULED IN PARIS THURSDAY WITH FIELD MARSHALL LORD MONTGOMERY OF THE WESTERN UNION DEFENSE STAFF, THE FRENCH CHIEFS OF STAFF AND BELGIAN AND DUTCH REPRESENTATIVES.

6254PED

SUB INTRO NIGHT LEAD MCCLOY (A8)

FRANKFURT, GERMANY, AUG. 1-(AP)-THE U.S. HIGH COMMISSIONER FOR GERMANY WILL HAVE AN EIGHT-MEMBER CABINET TO REPLACE THE PRESENT AMERICAN MILITARY GOVERNMENT ORGANIZATION WHEN THE NEW WESTERN GERMAN FEDERAL GOVERNMENT IS FORMED.

THIS WAS ANNOUNCED TODAY BY JOHN J.MCCLOY, PRESENT MILITARY GOVERNOR AND DESIGNATED FIRST U.S. HIGH COMMISSIONER. HE SAID HIS CABINET WILL CONSIST OF THESE MAJOR DEPARTMENTS:

ECONOMIC AFFAIRS, POLITICAL AFFAIRS, MILITARY SECURITY, LABOR, INTELLIGENCE, PUBLIC AFFAIRS, GENERAL COUNSEL, AND ADMINISTRATION.

EACH OF THE FOUR GERMAN STATES IN THE AMERICAN ZONE WILL HAVE A HIGH COMMISSIONER SERVING DIRECTLY UNDER MCCLOY. AMERICANS WILL BE PLACED AS OBSERVERS IN EACH STATE OF THE BRITISH AND FRENCH ZONES.

NO DATE WAS SET FOR THE AMERICAN REORGANIZING MOVE, BUT IT IS EXPECTED TO COME SOON AFTER THE AUG.14 ELECTIONS WHICH WILL CHOOSE THE FIRST WEST GERMAN PARLIAMENT.

THE MILITARY GOVERNMENTS IN ALL THREE WESTERN ZONES WILL YIELD TO A THREE-POWER HIGH COMMISSION WITH MCCLOY AS THE U.S. MEMBER, GEN.SIR BRIAN ROBERTSON FOR BRITAIN AND ANDRE FRANCOIS-PONCET FOR FRANCE.

MCCLOY IS LEAVING FOR WASHINGTON TOMORROW TO MAKE A PRELIMINARY REPORT ON HIS STEWARDSHIP AND CONFER ON FURTHER PLANS. HE HAS BEEN HERE SINCE LAST MONTH, SUCCEEDING GEN.LUCIUS D.CLAY.

JK421PED

FRANKFURT, GERMANY, AUG 1-(AP)-JOHN J.MCCL[illegible]NNOUNCED TODAY THAT AN EIGHT-MEMBER CABINET WILL REPLACE THE PRESENT U.S. MILITARY GOVERNMENT ORGANIZATION WHEN THE NEW WEST GERMAN FEDERAL GOVERNMENT IS FORMED.

MCCLOY, NOW U.S. MILITARY GOVERNOR IN GERMANY, WILL BECOME CIVILIAN HIGH COMMISSIONER.

STREAMLINING AND CIVILIANIZING THE BIG MILITARY GOVERNMENT STAFF WHICH HAS RULED GERMANY EVER SINCE THE WAR TO MEET ITS NEW SUPERVISORY ROLE, MCCLOY SET UP THESE EIGHT MAJOR DEPARTMENTS:

ECONOMIC AFFAIRS, POLITICAL AFFAIRS, MILITARY SECURITY, LABOR, INTELLIGENCE, PUBLIC AFFAIRS, GENERAL COUNCIL, AND ADMINISTRATION.

IN ADDITION, EACH OF THE FOUR GERMAN STATES IN THE AMERICAN ZONE WILL HAVE A STATE HIGH COMMISSIONER, DIRECTLY UNDER MCCLOY. AMERICAN OBSERVERS WILL ALSO BE STATIONED IN EACH STATE OF THE BRITISH AND FRENCH ZONES.

NO DATE WAS FIXED WHEN THIS AMERICAN REORGANIZATION WILL GO INTO EFFECT. BUT IT IS EXPECTED SOON AFTER THE AUG.14 ELECTION IN WHICH THE WESTERN GERMANS WILL ELECT THEIR FIRST PARLIAMENT.

THEN MILITARY GOVERNMENT IN ALL THREE ZONES WILL GIVE WAY TO A THREE-POWER HIGH COMMISSION, WITH MCCLOY AS THE AMERICAN MEMBER. THE BRITISH COMISSIONER WILL BE GEN.SIR BRIAN ROBERTSON, AND THE FRENCH MEMBER WILL BE ANDRE FRANCOIS-PONCET.

MCCLOY ANNOUNCED HIS REORGANIZATION PLANS AS HE PREPARED TO LEAVE TOMORROW FOR WASHINGTON FOR A PRELIMINARY REPORT ON HIS PROGRESS HERE AND FOR CONFERENCES ON FURTHER PLANS. HE ARRIVED IN GERMANY ONLY LAST MONTH TO SUCCEED GEN.LUCIUS D.CLAY.

HE HAS NOT YET MADE PUBLIC THE NAMES OF ANY OF THE MEN WHO WILL

HEAD HIS NEW DEPARTMENTS.

THE NEW REORGANIZATION PLAN DROPS TWO MAJOR DEPARTMENTS CONTAINED IN THE OLD MILITARY GOVERNMENT SETUP--FINANCE, AND EDUCATION AND CULTURAL RELATIONS.

MCCLOY SAID HE DID NOT INTEND TO REDUCE ACTIVITIES IN THOSE FIELDS, BUT ONLY TO CORRELATE THEM WITH KINDRED ACTIVITIES. THE NEW ECONOMIC DIRECTOR WILL SERVE SIMULTANEOUSLY AS THE U.S. MEMBER OF THE HIGH COMMISSIONS ECONOMIC ORGANIZATION AND AS CHIEF OF THE ECONOMIC COOPERATION ADMINISTRATION MISSION TO GERMANY.

"HE WILL THUS BE IN A POSITION TO SUPERVISE THE USE OF FUNDS MADE AVAILABLE BY THE U.S. GOVERNMENT TO THE GERMAN ECONOMY FOR PURPOSES OF RELIEF AND RECOVERY," MCCLOY COMMENTED.

G130PED

FRANKFURT, GERMANY, AUG. 1-(AP)-THE U.S. MILITARY GOVERNMENT TODAY CONGRATULATED THE GERMAN PRESS ON ITS "IMMENSE CONTRIBUTION TO THE SUCCESSFUL ESTABLISHMENT OF DEMOCRATIC PRINCIPLES IN GERMANY."

OBSERVING THE FOURTH ANNIVERSARY OF THE LICENSING OF THE FIRST GERMAN NEWSPAPER IN THE AMERICAN ZONE AFTER THE WAR, A MILITARY GOVERNMENT MESSAGE SAID:

"THE CONTRAST BETWEEN THIS NEW GERMAN PRESS AND THE PRESS WHICH EXISTED IN GERMANY DURING 12 LONG YEARS OF THE NAZI REGIME IS A MEASURE OF HOPE FOR THE FUTURE."

BUT IT WARNED "THERE ARE STILL INDIVIDUALS IN GERMANY WHO ARE HOSTILE TO THE PRINCIPLES OF FREE SPEECH AND FREEDOM OF THE PRESS" AND URGED GERMAN NEWSPAPERMEN TO GUARD CAREFULLY THEIR NEW INDEPENDENCE.

SN956PED

FRANKFURT, GERMANY, AUG. 1-(AP)-MONA GOSSARD, 16, DAUGHTER OF MR. AND MRS.HARRY GOSSARD OF PORTALES, N.M., DIED YESTERDAY WHILE ON A VACATION TRIP IN OSLO, NORWAY, FRIENDS OF THE FAMILY IN STUTTGART SAID TODAY.

GOSSARD IS WITH THE EDUCATION AND CULTURAL RELATIONS BRANCH OF THE U.S. MILITARY GOVERNMENT IN STUTTGART. A TELEGRAM FROM OSLO DID NOT DESCRIBE THE CAUSE OF DEATH, THE FRIENDS SAID.

MR. AND MRS.GOSSARD ARE EXPECTED IN STUTTGART FRIDAY. FUNERAL PLANS ARE NOT KNOWN HERE.

MQ605PED

LUENEBERG, GERMANY, AUG 1-(AP)-HJALMAR SCHACHT, THE FINANCIAL WIZARD OF THE HITLER ERA, CAME OUT OF SECLUSION LAST NIGHT AND URGED GERMANS TO VOTE AGAINST SOCIALISM.

SCHACHT WAS IN AN AUDIENCE OF 120 PERSONS IN AN ELECTION RALLY OF THE RIGHTIST DEUTSCHE PARTEI. IT WAS ONE OF HIS RARE APPEARANCES IN PUBLIC SINCE THE INTERNATIONAL NUERNBERG TRIBUNAL ACQUITTED HIM OF WAR CRIMES CHARGES.

DURING THE RALLY, SCHACHT STOOD UP AND SAID: "YOU MAY DECIDE AS YOU PLEASE, BUT IN ANY CASE, DECIDE AGAINST SOCIALISM."

DY531PED

BY GEORGE BOULTWOOD

HAMBURG, GERMANY, AUG. 1-(AP)-WEST GERMAN CATHOLICS WERE TOLD IN A PASTORAL LETTER READ IN CHURCHES YESTERDAY TO VOTE FOR "CHRISTIAN" CANDIDATES IN THE AUG. 14 PARLIAMENTARY ELECTIONS.

THE LETTER DREW AN ATTACK FROM SOCIALIST LEADER DR. KURT SCHUMACHER, WHO ACCUSED THE VATICAN OF INTERVENING IN THE ELECTION AND SAID THE LETTER WAS "OPENLY INTENDED TO INFLUENCE THE ELECTIONS IN FAVOR OF THE CHRISTIAN DEMOCRATS," THE RIGHTIST RIVALS OF THE SOCIALISTS.

THE TWO ARE THE MAJOR PARTIES IN THE WEST GERMAN GOVERNMENT BEING FORMED AND ARE ABOUT EVENLY MATCHED. THE COMMUNIST PARTY IN WESTERN GERMANY IS SMALL.

THE PASTORAL LETTER REFERRED TO ONE OF THE PRIME ISSUES IN THE ELECTION CAMPAIGN, CHURCH PARTICIPATION IN EDUCATION, AND SAID LEFTIST PARTIES HAD REJECTED "IMPORTANT CHRISTIAN DEMANDS."

"YOU WILL UNDERSTAND THAT WE ASK," THE LETTER SAID, "CAN A CONVINCED CHRISTIAN MAKE IT AGREE WITH HIS CONSCIENCE TO GIVE HIS VOTE TO A CANDIDATE WHO RECOGNIZES THE POWER OF THE STATE BEFORE THE FREEDOM OF CONSCIENCE IN DECISIVE EDUCATION AND CULTURAL QUESTIONS?"

THE CHURCH IS ABOVE PARTIES, THE LETTER CONTINUED, BUT IT IS THE DUTY OF THE BISHOPS "TO TEST HOW FAR CHRISTIAN PRINCIPLES ARE OBSERVED OR NOT OBSERVED IN POLITICAL LIFE.

"IN THIS SENSE THE HOLY SEE HAS SEEN FIT RECENTLY TO GIVE A CLEAR VERDICT ON COMMUNISM.

"WE POINT OUT THE ATTACKS DIRECTED AGAINST THE CHURCH BY THE SOCIALISTS, WHO HAVE ACCUSED THE CHURCH OF BEING THE FIFTH OCCUPATION POWER."

THE LETTER PRAISED THE CHRISTIAN DEMOCRATS FOR THE EFFORTS AT THE BONN MEETING TO FRAME A WEST GERMAN CONSTITUTION "TO PUSH THROUGH OUR DEMANDS OF CONSCIENCE. THEY HAVE BRAVELY AND SUCCESSFULLY DEFENDED THE RIGHTS OF THE PARENTS AND THE RIGHTS OF THE CHURCH.

THE CHURCH WAS ATTACKED IN A CAMPAIGN SPEECH BY COMMUNIST LEADER MAX REIMANN, WHO SPOKE BEFORE NEARLY 80,000 PERSONS AT DORTMUND, A RUHR INDUSTRIAL CITY. HE CHARGED THE CHURCH HAD ALIGNED ITSELF WITH "THE OLD POWERS OF WAR AND SOCIAL INJUSTICE."

REIMANN ALSO BERATED THE WESTERN ALLIES AND PLEDGED "COMMUNIST DELEGATES IN PARLIAMENT WILL FIGHT AGAINST FORCED EXPORTS, FOR THE WITHDRAWAL OF OCCUPATION TROOPS AND FOR THE IMMEDIATE REDUCTION OF OCCUPATION COSTS BY 50 PER CENT."

JT334AED

EDITORS

ROME--INSERT CHURCH-STATE ROUNDUP (A118) AFTER SECOND GRAF X X X AGE ASYLUMS.

VATICAN CITY INFORMANTS SAID THE ORDER CAME AS NO SURPRISE. IT WAS RECALLED THAT THE VATICAN HAS HAD CONTINUING REPORTS OF A ROMANIAN GOVERNMENT DRIVE AGAINST THE CHURCH. A VATICAN SOURCE SAID RECENTLY THE AIM APPEARED TO BE "WIPING OUT THE ROMAN CATHOLIC FAITH THERE FROM THE GROUND UP, AND WITH THE USE OF EVERY POSSIBLE MEANS OF TERROR, OPPRESSION AND PRESSURE."

THE CHURCH XX THIRD GRAF.

G121PED

Rome, Aug. ~-(ap)-Premier Alcide De Gasp eri declared today his dominant christian democratic party "excludes clericalism but respects religious convictions."

The premier addressed the party's national council meeting at giuggi.

Cle ricalism refers to participation by the clergy in the political affa irs of t he nation. Italy, like a number of other nations, has had a ~~x~~ strong anti-clerical movement in recent years.

~~x~~ While he ruled out cleric alism as a party doctrine, de gasperi reaffirmed his party's support for the roman catholic church. He said the party "excludes anti-clericalism but safeguards liberty."

the christian democrat party is closely associated with the church. Communists and their leftist allies have charged that the ~~xxxxxxx~~ demo-christians fostered clericalism.

ROME, TUESDAY, AUG. 2-(AP)-THE CHRISTIAN DEMOCRATS NARROWLY DEFEATED THE COMMUNISTS AND THE POST-WAR FASCIST PARTY FOR CONTROL OF THE CITY COUNCIL OF PUTIGNANO, IN SOUTHERN ITALY.

RESULTS OF SUNDAY'S ELECTION, AS REPORTED TODAY BY THE NEWS AGENCY ANSA, SAID A PRO-GOVERNMENT PARTY ALLIANCE LED BY THE CHRISTIAN DEMOCRATS RECEIVED 2,674 VOTES, A COMMUNIST-SOCIALIST ALLIANCE 2,620, AND THE AVOWEDLY FASCISTIC ITALIAN SOCIAL MOVEMENT (MSI) 2,525.

THIS WAS ONE OF THE MOST SURPRISING SHOWS OF STRENGTH BY THE POSTWAR MSI, WHICH POLLED ONLY AN INSIGNIFICANT VOTE IN THE 1948 GENERAL ELECTION.

PUTIGNANO, WHICH HAS 17,000 RESIDENTS, IS IN BARI PROVINCE.

SW1028PED

PRAGUE, AUG.1-(AP)-DR. OLDRICH JOHN, C
NATIONAL PARLIAMENT, FLEW TO MOSCOW YESTE
ANNOUNCED TODAY.
THE PURPOSE OF HIS VISIT WAS NOT DIS
WOULD REMAIN FOR "SOME TIME."
DR. JOHN IS THE EIGHTH HIGH CZECHOSLOV
SOVIET UNION IN THE PAST TWO WEEKS FOR AN
THE PREVIOUS GROUP INCLUDED SIX CABINE
ARE IDENTIFIED WITH THE STATE-CHURCH CONT
FOR A MONTHS RECREATION AND STUDY IN RUSS
ONE OF THE MEASURES SCHEDULED TO COME
WHEN IT RECONVENES EARLY IN THE AUTUMN WI
COMPLETE CONTROL OVER ADMINISTRATION, FUN
CHURCHES.
FH831AED

MARIANSKE LAZNE (MARIENBAD) CZECHOSLOVAKIA,AUG.1-(AP)-DESPITE PANNING BY COMMUNIST PRESS CRITICS, AMERICAN, BRITISH AND FRENCH FILMS ARE PROVING SO POPULAR AT THE FOURTH ANNUAL INTERNATIONAL FILM FESTIVAL HERE THAT SCALPERS ARE GETTING UP TO 1,000 CROWNS ($20) FOR SINGLE TICKETS.

THE AMERICAN FILM "JOHNNY BELINDA" RECEIVED AN ENTHUSIASTIC RECEPTION AT ITS PUBLIC SHOWING. AT THE OFFICIAL SHOWING, WHERE AN ALL-CZECH JURY IS DOING THE JUDGING, THERE WAS MOSTLY SILENCE.

THE COMMUNIST PRESS WRITERS CALLED THIS PICTURE "FURTHER PROOF OF THE BANKRUPTCY OF AMERICAN FILMS." THEY LAUDED THE RUSSIAN ENTRANTS AS THE BEST FILMS IN THE FESTIVAL.

BUT IN THE BOX-OFFICE TEST, AMERICAN, BRITISH AND FRENCH FILMS SCORE A RUNAWAY VICTORY. TICKETS ARE SOLD OUT SOON AFTER THE BOOKING OFFICE IS OPENED. TICKETS FOR OTHER FILMS, SOVIET AND CZECHOSLOVAK INCLUDED, ARE AVAILABLE IN QUANTITY AT ANY TIME.

THE FESTIVAL ENTERED ITS SECOND AND CONCLUDING WEEK. THE SECOND MAJOR AMERICAN ENTRANT, "TREASURE OF SIERRA MADRE," WILL BE SHOWN WEDNESDAY.

MJ507PED

BELGRADE, YUGOSLAVIA, AUG 1-(AP)-YUGOSLAVIA'S OFFICIAL COMMUNIST PRESS LOOSED A BITTER, SARCASTIC BARRAGE TODAY AGAINST THE SOVIET UNION.

THE NEWSPAPERS CITED CHAPTER AND VERSE OF THE RECORDS OF PRISONERS HELD HERE TO REBUT RUSSIAN PROTESTS THAT SOVIET CITIZENS ARE BEING ARRESTED IN THIS COUNTRY WITHOUT CHARGES.

THE GOVERNMENT OF PREMIER-MARSHAL TITO, CHARGED BY THE RUSSIANS WITH BEING A HERETIC FROM MARXISM, HAS CALLED THE SOVIET PROTEST A "HOSTILE ACT." THE SOVIET PROTEST WAS MADE A WEEK AGO.

THREE NEWSPAPERS--BORBA, POLITIKA AND RAD--TOOK UP THE CHARGES. THE TOUGHEST REPLY WAS IN RAD, WHICH IS THE TRADE UNION ORGAN. IT COMMENTED THAT "THE CHARGES OF LEADERS OF THE SOVIET UNION AND THE COMINFORM HAVE FALLEN VERY LOW" IN EFFORTS TO DISCREDIT YUGOSLAVIA THROUGH USE OF SABOTAGE AND SPIES."

THE USE OF THE TERM "LEADERS OF THE SOVIET UNION" MAY BE SIGNIFICANT. PREVIOUSLY THE PRESS, FIGHTING BACK AGAINST THE COMINFORM ATTACK, HAS REFERRED ONLY TO "SOME" LEADERS.

G212PED

NIGHT LEAD LEOPOLD (150)

GENEVA, SWITZERLAND, AUG. 1-(AP)-BELGIUM'S EXILED KING LEOPOLD III REPLIED TODAY TO PROPOSALS FOR A REFERENDUM TO DECIDE WHETHER HE RETURNS TO THE THRONE. HIS ANSWER WAS KEPT SECRET.

FORMER BELGIAN PREMIER PAUL-HENRI SPAAK, WHO CONFERRED WITH LEOPOLD FOR FOUR HOURS, REFUSED TO TALK AS HE LEFT THE KING'S CLOSELY GUARDED RESIDENCE AT PREGNY, NEAR GENEVA. HE SAID HE WOULD MAKE HIS REPORT IN BRUSSELS TUESDAY.

I THE REFERENDUM WAS PROPOSED AS A WAY TO END A GOVERNMENT CRISIS IN BELGIUM. THE COUNTRY HAS HAD NO GOVERNMENT SINCE GENERAL ELECTIONS FIVE WEEKS AGO, IN WHICH NEITHER PRO-LEOPOLD NOR ANTI-LEOPOLD PARTIES WON A MAJORITY.

THE KING HAS BEEN EXILED SINCE 1945, UNDER FIRE FROM MANY BELGIANS FOR HIS SURRENDER AND SUBMISSION TO GERMAN CAPTIVITY IN 1940. HIS BROTHER, PRINCE CHARLES, NOW RULES AS REGENT.

SPAAK, WHOSE SOCIALIST PARTY OPPOSES LEOPOLD, AGREED TO SEEK HIS VIEWS ON THE PROPOSED REFERENDUM, IN THE HOPE OF OPENING THE WAY FOR A COALITION GOVERNMENT OF SOCIALISTS AND THE PRO-LEOPOLD SOCIAL CHRISTIAN PARTY.

SN10PED

ATHENS, AUG.1-(AP)-GREEK CIVIL SERVANTS SCHEDULED A WALKOUT FOR TOMORROW TO BACK UP THEIR DEMAND FOR A 65 PER CENT WAGE BOOST. IF THE STRIKE IS COMPLETE, IT WOULD PARALYZE ALL GOVERNMENT SERVICES INCLUDING POST AND TELEGRAPH.

THE GOVERNMENT WORKERS REJECTED A RECENT OFFER OF A 30 PER CENT INCREASE, CONTENDING THE COST OF LIVING IN GREECE HAS RISEN 100 PER CENT. THE SALARIES OF A MAJORITY OF GOVERNMENT WORKERS RANGE FROM $30 TO $100 MONTHLY.

PREMIER ALEXANDER DIOMEDES DISCLOSED THAT CIVIL SERVANTS AND PENSIONERS NOW ARE ABSORBING $230,000,000 ANNUALLY, OR 65 PER CENT OF THE TOTAL GREEK GOVERNMENT REVENUE.

IN A STATEMENT ISSUED YESTERDAY, THE CIVIL SERVANTS' UNION CHARGED THAT THE GOVERNMENT IS "CONTROLLED BY AN ECONOMIC OLIGARCHY" WHICH IS INCAPABLE OF PROVIDING SOCIAL JUSTICE.

FH953AED

NIGHT LEAD

ATHENS, AUG. 1-(AP)-THE GREEK CIVIL SERVANTS EXECUTIVE COMMITTEE ANNOUNCED TONIGHT A STRIKE SCHEDULED FOR TOMORROW HAS BEEN POSTPONED UNTIL AUG. 17. NO REASON FOR THE POSTPONEMENT WAS GIVEN.

THE EMPLOYES ARE SEEKING A 65 PER CENT WAGE INCREASE.

SN1122PED

tel aviv, i rael, aug. 1-(ap)-israeli foreign minister moshe sharett told the knesset (parliament) today israel is

prepared to place the problem of arab refugees first on the agenda if the israeli-arab talks at lausanne, switzerland, became a "real peace conference."

the conference at lausanne has been deadlocked over the refugee problem. israel has wanted the boundary problems settle before discussion of the refugee question. the four arab nations participating - syria, lebanon, egypt and hashemite jordan (trans-jordan) have taken the opposite position.

sharett did not indicate how many arab refugees israel would allow to return to israeli territory which

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they fled during the israeli-arab war. The estimates of the number of arab refugees run as high as 800,000.

reviewing the refugee problem, sharett told parliament a solution "must be sought not through return of the refugees to israel but through their resettlement in other states."

"There has been no change in this basic (israeli) attitude," the foreign minister added.

Sharett indicated that the israeli delegation in lausanne has not yet been empowered to propose any figure on arab refugee returnees. He confirmed reports, however, that some 25,000 already have returned and added there would be "thousands who presumably will have returned meanwhile under the plan to reunite arab families separated by the war." This, he indicated, would be included as a part of the israeli contribution to solving the problem. Varying figures of up to 150,000 returnees have been mentioned unofficially as the number israel would take back. #

buenos aires, ug. 1 - (AP) - yavoc tsur, first israeli minister to buenos aires, presented his credentials to president juan peron today, thus putting recently established diplomatic relations bentween the two countries on a formal basis. the envoy was escorted to governmental house in an open carriage, as 15,000 members of the jewish colony here cheered him.

rew-rt-710ped

AUG 2 1948

HAIFA, ISRAEL, AUG. 1-(AP)-THE FORD MOTOR CO. IS BEGINNING CONSTRUCTION OF AN ASSEMBLY PLANT AND WORKSHOPS ON GOVERNMENT LAND IN THE HAIFA DISTRICT.

THE PLANT IS BEING BUILT UNDER A TRADE AGREEMENT BETWEEN THE COMPANY AND THE ISRAELI GOVERNMENT CONCLUDED LAST WEEK. ISRAEL PLACED AN ORDER FOR ABOUT $4,000,000 (M) WORTH OF AUTOMOBILES WITH THE AMERICAN COMPANY. SOME 1,800 VEHICLES WITH A WORTH OF $2,000,000 WILL BE DELIVERED.

A LOCAL MANAGER FOR THE NEW PLANT WILL GO TO THE U.S. WITHIN A FEW DAYS TO ARRANGE FOR IMPORTING CONSTRUCTION MATERIALS AND MACHINERY, A RELIABLE SOURCE SAID.

RJ1003PED

AUG 2 1948

Haifa, Israel, Aug. 1—(AP)—— two hundred students from the united states and ~~xxxxxxxxxxxxx~~ 14 european nations arrived here today aboard the Israeli ship Kedmah to spend a month in labor camps for seasonal agricultural work. They are members of the world Jewish students organization.

" "

pomeranze 01-00 jrt 1-7ped

AUG 2 1949

Baghdad , Iraq, Aug. 1-(ap)-Premier Nuri Pasha Al Said left by plane today for london.

AUG 2 1949

Some ~~iraqi~~ newspapers said the premier might discuss questions concerning near east oil in the light of the failure of recently ~~xxxxxxxxxxxx~~ negotiations of an iraqi delegation in london. Other reports said the premier might discuss economic aid to ease iraq's financial situation.

However, a semi-official communique said the premier's ~~xxxxxxxxxx~~ trip is being made for health reasons, and was not connected with financial negotiations.

INDONESIAN SEPARATE (230)

BATAVIA, JAVA, TUESDAY, AUG. 2-(AP)-INDONESIAN REPUBLICANS AND NON-REPUBLICAN FEDERALISTS WERE REPORTED TODAY TO HAVE REACHED AGREEMENT ON THE STRUCTURE OF THE FORTHCOMING UNITED STATES OF INDONESIA AND A UNION WITH THE NETHERLANDS.

THE TEN DIVISIONS OF THE NEW FEDERATION WILL CONSIST OF THE REPUBLIC OF INDONESIA, WHICH HAS ITS CAPITAL IN JOGJAKARTA, JAVA, AND CERTAIN AREAS OF JAVA AND SUMATRA UNDER THE ASSEMBLY FOR FEDERAL CONSULTATION (BFO). MEMBERS OF THE LATTER ARE FREQUENTLY REFERRED TO AS THE "FEDERALISTS." REPRESENTATIVES OF THE TWO GROUPS HAVE BEEN CONFERRING HERE FOR TWO DAYS.

THE INDONESIAN PEOPLE WILL BE REPRESENTED IN THE UNION BY A HOUSE OF REPRESENTATIVES AND A SENATE, THE HOUSE WILL BE ELECTED IN PROPORTION TO POPULATION, THE INFORMANO SAID. THE VARIOUS MEMBER STATES AND AREAS, BUT THE REPUBLIC WILL BE GUARANTEED ONE-THIRD OF THE TOTAL.

IN THE SENATE, EACH STATE WILL BE REPRESENTED BY TWO MEMBERS.

THE INFORMANT SAID THAT WHEN THE UNITED STATES OF INDONESIA IS FORMED THE JAVA BANK, NOW INDONESIA'S CENTRAL BANK, WILL BE NATIONALIZED.

OTHER DECISIONS REPORTED TAKEN INCLUDED:

THE PRESENT REPUBLICAN ARMY TO BE THE BASIS OF THE UNION'S ARMY.

A WORKING PAPER WHICH THE REPUBLIC HAS PREPARED WILL BE THE BASIS FOR NEGOTIATIONS WITH THE DUTCH IN A ROUNDTABLE CONFERENCE.

THIS WORKING PAPER PROVIDES THAT THE UNITED STATES OF INDONESIA WILL BE "FREE AND SOVEREIGN MEMBERS" OF A UNION COOPERATING VOLUNTARILY ON FOREIGN AFFAIRS "AND IF NECESSARY, ON FINANCE, ECONOMIC AFFAIRS AND CULTURE," THE INFORMANT ADDED. SN153PED

AUG 2 1949

RANGOON, BURMA, AUG.1-(AP)-COMMUNIST FORCES ATTACKING FROM FOUR SIDES REOCCUPIED THE RAIL CENTER OF PYINMANA YESTERDAY, IT WAS ANNOUNCED HERE OFFICIALLY TODAY.

RENEGADE WHITE FLAG PVO'S (PEOPLE'S VOLUNTEER ORGANIZATION), WHO HAD BEEN IN POSSESSION OF THE TOWN, WERE FORCED TO FIGHT THEIR WAY OUT OF AN ENCIRCLING RING AROUND THE CITY.

THEY THEN ATTACKED THE COMMUNISTS AT A VILLAGE ON THE OUTSKIRTS OF THE TOWN, 224 MILES NORTH OF RANGOON, AND IN A HEAVY BATTLE WHICH FOLLOWED, THE COMMUNISTS SUFFERED HEAVY LOSSES.

ANOTHER OFFICIAL ANNOUNCEMENT SAID BETWEEN 200 AND 300 REBELS WERE KILLED WHEN GOVERNMENT NAVAL REINFORCEMENTS HELPED ROUT THEM FROM THE DELTA TOWN OF MOULMEINGYUN, 75 MILES WEST OF RANGOON. THE NAVAL FORCES SHELLED A VILLAGE ON THE FRINGE OF THE TOWN. THE GOVERNMENT SAID THE VILLAGE, WHICH HAD SHELTERED THE REBELS, BURNED TO THE GROUND.

IT ALSO WAS REPORTED HERE THAT THERE WAS WIDESPREAD FIGHTING BETWEEN GOVERNMENT TROOPS AND KAREN TRIBESMEN IN THE VICINITY OF HMAWBI ON THE RANGOON-PROME HIGHWAY.

HA813AED

NITE LEAD CONSULATE (190)

SHANGHAI,AUG.1-(AP)-THE DISPUTE OVER SEVERANCE PAY DEMANDS BY FORMER EMPLOYES OF THE U.S. NAVY WAS SHIFTED TO THE COMMUNIST LABOR BOARD OFFICES LATE TODAY AFTER THE CLAIMANTS HAD BESIEGED THE U.S. CONSULATE SINCE FRIDAY.

REUBEN THOMAS, CONSULAR ADMINISTRATIVE OFFICER, WAS DETAINED IN ONE ROOM OF THE CONSULATE FOR 30 HOURS BY CLAIMANTS WHO ARGUED WITH HIM IN RELAYS. HE FINALLY WAS PERMITTED TO LEAVE THE ROOM LATE SUNDAY TO GET SOME SLEEP.

TWO OTHER CONSULAR OFFICERS, ACTING CONSUL GENERAL WALTER MC CONAUGHY AND CMDR.MORGAN SLAYTON, NAVAL ATTACHE, HAD BEEN DETAINED ON UPPER FLOORS OF THE CONSULATE.

ALL EXCEPT A HANDFUL OF THE DEMONSTRATORS DRIFTED AWAY BUT THE THREE AMERICANS MADE NO EFFORT TO LEAVE THE BUILDING DURING THE DAY.

THE CLAIMANTS, MOSTLY CHINESE BUT INCLUDING SOME INDIANS AND WHITE RUSSIANS, ARE DEMANDING SIX AND ONE-HALF MONTHS' PAY. THEY CONTEND THE NAVY FAILED TO GIVE THEM PROPER DISMISSAL NOTICE WHEN IT WITHDREW FROM SHANGHAI IN APRIL.

CHINESE PAPERS, WHICH HAD HITHERTO IGNORED THE DISPUTE, REPORTED IT ONLY BRIEFLY AND MILDLY.

MH644PCSNMASKT

NIGHT LEAD STUART

NANKING,TUESDAY,AUG. 2-(AP)-AMBASSADOR J.LEIGHTON STUART TOOK OFF FOR THE UNITED STATES TODAY 35 MINUTES BEFORE WAILING SIRENS SIGNALLED AN AIR RAID OVER THE NANKING AREA.

STUART'S TWIN ENGINED CONVERTED C-47 LEFT NANKING'S HEAVILY GUARDED INNER AIRFIELD AT 7:45 A.M. (6:45 P.M., E.S.T. MONDAY) FOR OKINAWA, THE FIRST STOP.

ONLY A FEW TOP AMERICAN EMBASSY OFFICIALS WERE PERMITTED BY THE COMMUNISTS TO SEE THE AMBASSADOR OFF. THE COMMUNIST PRESS YESTERDAY SAID NANKING MILITARY AUTHORITIES HAD PRESCRIBED A STRICT ROUTE FOR THE PLANE TO FOLLOW OVER CHINESE TERRITORY.

CK1002PPS NM

HONG KONG, AUG. 1-(AP)-THE CHINESE NEWSPAPER NEW LIFE AND EVENING POST SAID TODAY A BRITISH MERCHANT SHIP WAS FORCED INTO AMOY HARBOR ON THE SOUTH CHINA COAST RECENTLY BY NATIONALIST GUNBOATS.

THE PAPER SAID THE SHIP HAD CALLED AT A COMMUNIST PORT BLOCKADED BY THE NATIONALISTS. IT QUOTED A "RELIABLE SOURCE" AS ITS AUTHORITY. THE SHIP'S NAME WAS NOT GIVEN.

WD603APS

NANKING, AUG. 1-(AP)-AMERICAN AMBASSADOR J. LEIGHTON STUART IS SCHEDULED TO START BACK TO THE UNITED STATES BY AIR TOMORROW. HIS MISSION MAY HAVE FAR REACHING EFFECT ON FUTURE UNITED STATES POLICY IN THE FAR EAST.

STUART WAS ORDERED TO LEAVTE CHINA LAST APRIL FOR A CONFERENCE IN WASHINGTON WITH STATE DEPARTMENT OFFICIALS. HIS DEPARTURE HAS BEEN DELAYED FREQUENTLY BY CONDITIONS WITHIN CHINA AND THE FACT THE CONSULATE STAFF IN RED HELD MUKDEN LONG HAD BEEN EXPECTED HERE. THE MUKDEN STAFF LAST WAS REPORTED PREPARING TO LEAVE THE CITY IN WHICH IT HAS BEEN HELD VIRTUAL PRISONER SINCE LAST FALL.

STUART, WITH SHANGHAI CONSUL GENERAL JOHN CABOT AND VICE CONSUL WILLIAM OLIVE, IS DUE IN WASHINGTN ABOUT AUG. 8.

IT WAS PRESUMED STUART'S PLANE HAS BEEN GIVEN CLEARANCE BY THE NATIONALISTS, WHOSE FIGHTER PLANES FROM FORMOSA HAVE RAIDED THE CHINESE MAINLAND ALMOST DAILY FOR THE PAST MONTH.

LW351APS

AUG 21945

MANILA,AUG.1-(AP)-PRESIDENT ELPIDIO QUIRINO TONIGHT POSTPONED HIS DEPARTURE FOR WASHINGTON BY ONE DAY. THE NEW SCHEDULE CALLS FOR HIM TO TAKE OFF AT 10 A.M. AUG. 6, MANILA TIME, ARRIVE IN SAN FRANCISCO AT 7 A.M. AUG. 7, PACIFIC STANDARD TIME, AND IN WASHINGTON AT 5:30 P.M., AUG. 8, EASTERN STANDARD TIME. NO REASON WAS GIVEN FOR THE CHANGE.

MH1051PCS

TOKYO,AUG.1-(AP)-POLICE TODAY RAIDED THE OFFICES AND PRINTING PLANT OF AKAHATA, THE JAPANESE COMMUNIST PARTY NEWSPAPER, AND CONFISCATED DOCUMENTS. NO ARRESTS WERE MADE, BUT POLICE SAID THEY EARLIER HAD ARRESTED THE PAPER'S FORMER BUSINESS MANAGER AND THE HEAD OF A SHOP THAT PRINTS COMMUNIST LITERATURE.

POLICE SAID THEY WERE CHECKING UNCONFIRMED REPORTS THAT AKAHATA (RED FLAG) OBTAINED NEWSPRINT THROUGH USE OF FAKE COUPONS.

A COMMUNIST SPOKESMAN CHARGED POLITICAL MOTIVATION, BUT POLICE DENIED THIS AND POINTED OUT THEY HAD NOT RAIDED PARTY HEADQUARTERS, WHICH IS IN THE SAME BUILDING.

KH448PCSNM

NITE LEAD BLONDE HAIR (200)

TOKYO,TUESDAY,AUG.2-(AP)-SO SORRY, THE MIZUSAWA OBSERVATORY SAID TODAY, ITS GRATITUDE REALLY BELONGS TO ANOTHER BLONDE.

IT IS MRS.FRANK WILLIAMS OF DETROIT WHO SENT STRANDS OF HAIR FROM HER THREE-YEAR-OLD DAUGHTER'S HEAD--NOT MRS.FRANK WILLIS.

AN OBSERVATORY OFFICIAL EXPLAINED THROUGH AN INTERPRETER:

"SO SORRY WE GOT THE NAME WRONG YESTERDAY. THE FIRST DONOR WAS MRS.FRANK WILLIAMS, IN CARE OF WILLIAMS WELDING CO., 3145 MELDRUM ST., DETROIT 1, MICHIGAN. MAYBE THAT MELDRUM ISN'T RIGHT--THAT'S HOW IT LOOKS. (IT (CAPS) IS (UNCAPS) OK.)

"SHE SENT FIVE BLONDE HAIRS. TODAY WE RECEIVED SIX MORE AIR MAIL LETTERS POSTMARKED PENNSYLVANIA, CONNECTICUT, NEW YORK, NEW JERSEY, MINNESOTA AND CANADA, ALL CONTAINING HAIR.

"ONE WAS FROM GERALD SCHIERENDECK, WHOSE ADDRESS IS 10TH FLOOR OF A BUILDING AT 1501 BROADWAY, NEW YORK 18. THE HAIR WAS HIS WIFE'S.

"ANOTHER WAS FROM A 57-YEAR-OLD WOMAN WHO LIVES IN MINNESOTA. SHE WROTE HER LIFE HAS BEEN MISERABLE BUT IF SOME OF HER HAIR COULD BE PUT TO GOOD USE THAT WOULD MAKE HER HAPPY.

"MANY THANK YOUS."

THE OBSERVATORY WANTED A FINE HAIR FOR ITS HYGROMETER, A SENSITIVE INSTRUMENT FOR MEASURING MOISTURE IN THE ATMOSPHERE. THE COARSE BLACK HAIR OF JAPANESE WOULDN'T DO AT ALL.

HH942PCS

NEW YORK, AUG.1-(AP)-THE HERCULEAN TASK OF RELOCATING SUBSURFACE UTILITIES IN FRONT OF THE UNITED NATIONS SITE IN FIRST AVENUE BEGAN TODAY.

THE PROJECT INVOLVES REPLACEMENT OF A MAZE OF UNDERGROUND PIPES, MAINS AND DUCTS TO MAKE ROOM FOR A $2,230,000 FIRST AVENUE VEHICULAR TUNNEL FROM 42ND TO 48TH STREETS.

SUBSURFACE UTILITIES TO BE RELOCATED ARE THE CITY WATER MAINS, USBWAY POWER DUCTS, GAS MAINS, TELEPHONE CABLE DUCTS, MAINS OF THE NEW YORK STEAM CORP., AND POWER DUCTS OF THE CONSOLIDATED TELEGRAPH AND ELECTRICAL SUBWAY CO.

THE UTILITIES NOW IN THE BED OF FIRST AVENUE WILL REMAIN IN USE UNTIL THE NEW MAINS AND CUTS HAVE BEEN INSTALLED ON EACH SIDE OF THE NEW TUNNEL SITE.

THE FIRST UNIT OF THE $65,000,000 UNITED NATIONS HEADQUARTERS IS EXPECTED TO BE OPENED BY JAN.1, 1951.

FH925AED

LAKE SUCCESS, N.Y., AUG. 1-(AP)-SIX NOTED CRIMINOLOGISTS HELD THEIR FIRST MEETING TODAY TO ADVISE THE UNITED NATIONS ON ACTION IN THE FIELD OF CRIME PREVENTION AND TREATMENT OF OFFENDERS. THEIR RECOMMENDATIONS WILL BE PLACED AT THE DISPOSAL OF COUNTRIES DESIRING TO MAKE USE OF SUCH ADVICE.

THE EXPERTS WERE PROF.DONNEDIEU DE VABRES, DIRECTOR OF THE INSTITUTE OF CRIMINOLOGY ON THE FACULTY OF LAW OF PARIS; PROF. THORSTEN SELLIN OF THE UNIVERSITY OF PENNSYLVANIA; DR.JOSE AUGUSTIN MARTINEZ, PRESIDENT OF THE HAVANA NATIONAL INSTITUTE OF CRIMINOLOGY; DR.J.M.KUMARAPPA, DIRECTOR OF THE TATA INSTITUTE OF SOCIAL SCIENCES AT BOMBAY; DR.DENIS CARROLL OF GREAT BRITAIN, VICE PRESIDENT OF THE INTERNATIONAL CRIMINOLOGICAL SOCIETY, AND SANFORD BATES, NEW JERSEY COMMISSIONER OF DEPARTMENT OF INSTITUTIONS AND AGENCIES AT TRENTON.

PROF.DE VABRES WAS NAMED CHAIRMAN OF THE GROUP AND PROF.SELLIN SECRETARY.

RUSSIA HAS NOTIFIED THE U.N. THAT IT IS NOT SENDING AN EXPERT TO THE MEETING.

MRS.ALVA MYRDAL, DIRECTOR OF THE U.N. SOCIAL AFFAIRS DEPARTMENT, TOLD THE CRIMINOLOGISTS THAT THE U.N. ECONOMIC AND SOCIAL COUNCIL HAD APPROVED ACTION IN THE FIELD OF CRIME PREVENTION AND TREATMENT OF OFFENDERS.

THIS WILL INCLUDE A STUDY OF JUVENILE DELINQUENCY; MEDICAL, PSYCHIATRIC AND SOCIAL EXAMINATION OF ADULT OFFENDERS PRIOR TO SENTENCE; PROBATION; FINES IN CONNECTION WITH SHORT TERM IMPRISONMENT; PENITENTIARY INSTITUTIONS; HABITUAL OFFENDERS; THE TRAINING OF STAFF FOR PENAL INSTITUTIONS, AND CRIMINAL STATISTICS.

SW1034PED

NEW YORK, AUG. 1-(AP)-DR. CHOUGH PYUNG OK, ENVOY EXTRAORDINARY AND AMBASSADOR PLENIPOTENTIARY OF THE KOREAN REPUBLIC TO THE UNITED NATIONS, WILL LEAVE TUESDAY FOR OTTAWA TO DISCUSS SETTING UP TRADE AND DIPLOMATIC RELATIONS BETWEEN KOREA AND CANADA.

RJ1009PED

(KX) WASHN--1ST ADD NITE LEAD FIVE PERCENTERS (A26-95WX)

XXX BY MARAGON.

IN SAN FRANCISCO, GEORGE KILLION ISSUED THIS STATEMENT:

"I SUCCEEDED DR.HENRY F.GRADY AS PRESIDENT OF AMERICAN PRESIDENT LINES AUGUST 12, 1947 UNDER PROVISIONS ESTABLISHED IN THE MERCHANT MARINE ACT OF 1936. THE RECORDS CONCERNING MY ELECTION ARE ON FILE WITH THE UNITED STATES MARITIME COMMISSION IN WASHINGTON, AND ARE AVAILABLE TO THE SENATE COMMITTEE AT ALL TIMES.

"AMERICAN PRESIDENT LINES TOOK OVER THE DOLLAR LINES ELEVEN YEARS AGO--OCTOBER 12, 1938--FOLLOWING A THOROUGH INVESTIGATION OF THE COMPANY BY A SENATORIAL COMMITTEE AND THE U.S. MARITIME COMMISSION."

HH1008PCSNM

NEW YORK,AUG.1-(AP)-THE FEDERAL JUDGE AT THE COMMUNIST CONSPIRACY TRIAL HAD TO SUMMON A MARSHAL TODAY TO MAKE A DEFENSE LAWYER STOP TALKING AND SIT DOWN.

THE LATEST DIFFICULTY BETWEEN JUDGE HAROLD R.MEDINA AND THE BATTERY OF DEFENSE ATTORNEYS CAME WHEN DEFENSE COUNSEL RICHARD F.GLADSTEIN CONTINUED A LENGTHY OBJECTION. THE COURT HAS RULED SUCH ARGUMENT PROHIBITIVE WITHOUT SPECIFIC PERMISSION.

GLADSTEIN OBJECTED AS FRANK H.GORDON, SPECIAL ASSISTANT TO THE U.S. ATTORNEY, SOUGHT TO LEARN FROM MRS.YOLANDA HALL, CHICAGO COMMUNIST, WHO SIGNED PAY CHECKS SHE RECEIVED WHILE DIRECTOR OF THE CHICAGO WORKERS SCHOOL.

"WILL YOU SIT DOWN OR MUST I CALL AN OFFICER TO PUT YOU DOWN?" MEDINA SAID TO GLADSTEIN. "YOUR FIELD DAY IS OVER."

GLADSTEIN KEPT TALKING.

"MR.MARSHAL," SAID THE JUDGE, "WILL YOU PLEASE SEE--"

AS THE MARSHAL APPROACHED GLADSTEIN, THE LAWYER DROPPED TO HIS SEAT.

OTHER DEFENSE ATTORNEYS LEAPED TO THEIR FEET, OBJECTING.

EARLIER MEDINA RULED THAT DEFENSE WITNESSES MUST STOP ACCUSING OTHER PEOPLE OF USING--OR FAVORING--FORCE AND VIOLENCE.

more

30.24- 4751

MEDINA MADE THE RULING AFTER MRS.YOLANDA HALL, COMMUNIST PARTY OFFICIAL FROM CHICAGO, TESTIFIED THAT SHE HAD REFERRED IN LECTURES TO VIOLENCE EMPLOYED AGAINST WORKING PEOPLE.

"AMONG OTHER THINGS I WILL NOT PERMIT ANY MORE," THE JUDGE SAID, "IS THE PRACTICE OF WITNESSES' MAKING COUNTER-CHARGES OF FORCE AND AGAINST SOCIETY.

"THE CHARGE IS NOT WHETHER ANYONE ELSE COMMITTED FORCE AND VIOLENCE.

"IT SEEMS TO ME THAT EVERY TIME THE QUESTION IS ASKED WE HEAR ANOTHER OF THESE SPEECHES OF FORCE AND VIOLENCE ON THE PART OF OTHERS."

THE 11 COMMUNIST LEADERS ON TRIAL ARE CHARGED WITH CONSPIRACY TO ADVOCATE THE OVERTHROW OF THE U.S. GOVERNMENT BY FORCE.

SEVERAL DEFENSE WITNESSES HAVE SAID THE COMMUNISTS DO NOT ADVOCATE THE USE OF FORCE BUT THAT "REACTIONARIES" AND ENEMIES OF WORKING PEOPLE DO.

MEDINA'S STATEMENT FOLLOWED HIS RULING LAST FRIDAY THAT HE INTENDED TO "CURTAIL THE EXPANSIVENESS" OF DEFENSE TESTIMONY. THE TRIAL IS NOW HALF-WAY THROUGH ITS SEVENTH MONTH WITH NO INDICATION WHEN IT WILL END.

IN HER TESTIMONY TODAY MRS.HALL SAID SHE HAD TAUGHT A CLASS IN COMMUNIST TACTICS THAT WHITE WOMEN HAD A RESPONSIBILITY TO WORK WITH NEGRO WOMEN "TO ELIMINATE THE FORCE AND VIOLENCE" EMPLOYED AGAINST THE LATTER.

THE CLASS, MRS.HALL SAID, WAS PART OF A FIVE-DAY COURSE HELD AT THE FINNISH WORKERS HALL IN CHICAGO IN JULY, 1948.

MRS.HALL SAID SHE TOLD A CLASS OF 10 OR 12 WOMEN THAT WOMEN FORMED AN IMPORTANT PART OF "THE PEOPLE'S COALITION AGAINST WAR AND FASCISM."

SHE SAID SHE WAS APPOINTED CHAIRMAN OF THE ILLINOIS DISTRICT WOMEN'S COMMISSION FOR THE COMMUNIST PARTY IN JANUARY, 1946.

G1247PED

NEW YORK, AUG 1-(AP)-A FORMER CLEVELAND COMMUNIST AND EX-OFFICIAL OF THE CIO FURNITURE WORKERS TODAY WAS THE STAR WITNESS IN A DEPORTATION HEARING AGAINST ALEXANDER BITTELMAN, FORMER MEMBER OF THE COMMUNIST PARTY NATIONAL COMMITTEE.

BITTELMAN, 59-YEAR-OLD NATIVE OF RUSSIA WHO FIRST ENTERED THE UNITED STATES IN 1912, WILL TAKE THE WITNESS STAND IN HIS OWN DEFENSE ON AUG. 17, HIS ATTORNEY DISCLOSED TODAY.

A NUMBER OF OTHER COMMUNIST LEADERS HAVE DECLINED TO TAKE THE STAND DURING SUCH DEPORTATION HEARINGS.

THE GOVERNMENT SEEKS TO DEPORT BITTELMANON THE GROUNDS HE IS AN ALIEN AND A MEMBER OF AN ORGANIZATION ADVOCATING VIOLENT OVER THROW OF THE GOVERNMENT.

THE CLEVELAND MAN, CHARLES BAXTER, TESTIFIED HE HAD SEEN BITTLEMAN AT COMMUNIST PARTY MEETINGS AND IDENTIFIED BITTELMAN AS THE AUTHOR OF PAMPHLETS AND ARTICLES IN "THE COMMUNIST," PARTY ORGAN NOW FUNCT.

BITTELMAN ONCE WAS EDITOR OF "THE COMMUNIST" AND HAS PUBLICLY HELD OTHER PARTY OFFICES.

BAXTER ALSO TOLD OF HIS OWN STUDIES AT THE INTERNATIONAL LENIN SCHOOL IN MOSCOW AS PART OF HIS TRAINING TO BE AN AMERICAN COMMUNIST LEADER.

THE OHIO MAN SAID HE WAS A MEMBER OF THE PARTY FROM 1927 TO 1945. AT THE MOSCOW SCHOOL, HE SAID, HE STUDIED MILITARY STRATEGY AND THE USE OF MILITARY WEAPONS.

ON CROSS-EXAMINATION BAXTER SAID HE HAD TESTIFIED IN NINE PREVIOUS DEPORTATION CASES SINCE JUNE 13, AND HAD BEEN GIVEN A JOB AS A CLERK WITH THE IMMIGRATION AND NATURALIZATION SERVICE.

HE TESTIFIED HE HAD RECEIVED $25 FOR ONE DAY'S TESTIMONY AT A DEPORTATION HEARING IN CLEVELAND.

BAXTER SAID HE WAS A FORMER MEMBER OF THE INTERNATIONAL EXECUTIVE BOARD OF THE CIO UNITED FURNITURE WORKERS.

ASKED BY DEFENSE ATTORNEY ISIDORE ENGLANDER IF HE HAD BEEN EXPELLED FROM THE UNION FOR TAKING "A $1,000 BRIBE" FROM AN EMPLOYER, BAXTER DENIED THAT THIS WAS HIS REASON FOR LEAVING THE UNION. HE DID NOT GIVE THE REASON.

AFTER LEAVING THE UNION, HE SAID, HE WORKED AS A PORTER FOR A GREAT LAKES SJIPPING COMPANY BEFORE TAKING THE JOB WITH

LAKES SHIPPING COMPANY BEFORE TAKING THE JOB WITH THE IMMIGRATION SERVICE.

RJ854PED

(250) MCCARRAN-SUBVERSIVES

WASHINGTON,AUG.1-(AP)-COMMUNIST AGENTS ARE ENTERING THE UNITED STATES IN "UNTOLD NUMBERS" THROUGH DEVIOUS WAYS, CHAIRMAN MCCARRAN (D-NEV) OF THE SENATE JUDICIARY COMMITTEE ASSERTED TODAY.

MCCARRAN SAID TESTIMONY BEFORE HIS COMMITTEE HAS DISCLOSED THAT SOME ARE COMING IN DISGUISED AS SEAMEN AND THEN JUMPING SHIP, SOME ARE BEING TAKEN OFF SHIPS IN SMALL BOATS BEFORE THE VESSEL ENTERS A HARBOR AND THEN TAKEN TO ISOLATED PLACES ALONG THE COAST FOR ENTRY, AND STILL OTHERS ARE COMING ACROSS THE CANADIAN AND MEXICAN BORDERS.

HE ASSERTED THIS IS MADE POSSIBLE BECAUSE OF THE LAXITY OF THE IMMIGRATION LAWS AND OF SCREENING PROCEDURES.

"NOTHING IS MORE CONDUCIVE TO THE BRINGING IN OF SUBVERSIVES THAN THE IMMUNITY GRANTED TO DIPLOMATIC SERVICES ABROAD, INCLUDING THE UNITED NATIONS," MCCARRAN SAID.

HE TOLD REPORTERS HE IS NOT IN POSITION TO GIVE THE FIGURES ON THE NUMBER OF ILLEGAL ENTRIES EACH YEAR "AND NEITHER IS ANYONE ELSE." THAT IS WHY, HE SAID, HE USED THE PHRASE "UNTOLD NUMBERS" BECAUSE THE NUMBER "MAY BE LARGE OR IT MAY BE SMALL."

THE JUDICIARY COMMITTEE HAS BEEN INVESTIGATING THE ENTRY OF FOREIGNERS INTO THIS COUNTRY AND HAS HEARD TESTIMONY THAT DIPLOMATS FROM THE RUSSIAN SATELLITE COUNTRIES, BOTH IN EMBASSIES AND IN THE UN, HAVE BEEN ENGAGED IN ESPIONAGE ACTIVITIES.

MCCARRAN SAID HE KNEW OF NO SPECIFIC INSTANCES WHERE AN AGENT HAD BEEN LANDED ON THE COAST AFTER HAVING BEEN TRANSFERRED FROM AN OCEAN-GOING VESSEL TO A SMALL BOAT. BUT HE ADDED THAT THE COMMITTEE HAD HEARD TESTIMONY TO THAT EFFECT.

MCCARRAN SAID AGENTS ARE COMING HERE WITH "PREPARED MISSIONS" AND UNDER SPECIFIC DIRECTIVES AS PART OF A SYSTEM "HEADED BY THE KREMLIN."

V838PED

NIGHT LEAD ATOMIC

BY FRANK CAREY

ASSOCIATED PRESS SCIENCE REPORTER

WASHINGTON, JULY 31-(AP)-THE UNITED STATES HAS GONE INTO PRODUCTION OF THE MORE EFFECTIVE ATOMIC BOMBS TESTED AT ENIWETOK IN 1948, AND HAS MADE ADVANCES ON OTHER ATOMIC FRONTS, CONGRESS WAS TOLD TODAY.

THE INFORMATION WAS PRESENTED BY THE ATOMIC ENERGY COMMISSION IN ITS SEMI-ANNUAL REPORT. PRESIDENT TRUMAN SAID IN A STATEMENT THAT THE NATION HAS "REASON FOR REASSURANCE AND FAITH" THAT THE ATOMIC PROGRAM IS BEING EFFECTIVELY PRESSED, BOTH FOR DEFENSE AND HUMAN WELFARE PURPOSES.

THIS APPARENTLY WAS HIS ANSWER TO THE CHARGES OF "INCREDIBLE MISMANAGEMENT" WHICH SENATOR HICKENLOOPER (R-IOWA) MADE AGAINST AEC CHAIRMAN DAVID E.LILIENTHAL. A CONGRESSIONAL INVESTIGATION OF THE CHARGES HAS BEEN IN PROGRESS.

THE AEC REPORTED:

1. ITS ENIWETOK-TESTED BOMBS--MORE EFFECTIVE THAN THOSE USED BEFORE 1948--ARE BEING PRODUCED ON AN "INDUSTRIAL BASIS." THIS MEANS THAT THEY HAVE PROGRESSED BEYOND THE LABORATORY-MADE STAGE, AND ARE BEING TURNED OUT BY PRIVATE MANUFACTURING COMPANIES WORKING FOR THE AEC, AND IN AEC PLANTS.

2. FISSIONABLE URANIUM AND PLUTONIUM--THE SOURCES OF ATOMIC ENERGY FOR ALL PURPOSES--ARE BEING PRODUCED IN GREATER AMOUNTS THAN EVER BEFORE.

3. INCREASING ATTENTION WAS GIVEN IN THE PAST SIX MONTHS "TO REACTOR DEVELOPMENT, AN ITEM OF PRIME MILITARY AND EVENTUAL CIVILIAN IMPORTANCE."

(A REACTOR OR PILE IS A DEVICE FOR THE CONTROLLED RELEASE OF ATOMIC ENERGY. IT IS WITH SUCH DEVICES THAT SCIENTISTS HOPE EVENTUALLY TO ACHIEVE PROPULSION FOR AIRCRAFT AND SHIPS, AND ALSO FURNISH ELECTRICAL POWER FOR INDUSTRY.)

4. THIS NATION HAS FOUND NEW SOURCES OF PRECIOUS URANIUM IN ITS OWN BACKYARD--"ENORMOUS TONNAGES" OF MATERIALS HAVING A VERY LOW CONTENT OF URANIUM. THESE MATERIALS COST MORE TO PROCESS THAN THOSE OF HIGHER URANIUM CONTENT, SAID THE AEC, "BUT THEY COULD BE UTILIZED IN THE FUTURE TO SUSTAIN AN ATOMIC ENERGY PROGRAM FOR MILITARY PURPOSES, SHOULD LOWER-COST URANIUM CEASE TO BE AVAILABLE."

AN AEC STAFF MAN TOLD A REPORTER THAT THE EMPHASIS WAS ON THE "IN THE FUTURE" PART OF THE STATEMENT. HE SAID THE AEC WAS NOT TOOLED AT THIS TIME TO TAP THESE VERY LOW-GRADE SOURCES, AND THAT ANY FUTURE USE OF THEM WOULD BE ON AN EMERGENCY BASIS.

HE DECLARED THERE WAS NO CONNECTION BETWEEN THE COMMISSION'S STATEMENT ON THESE SOURCE MATERIALS AND RECENT UNOFFICIAL SPECULATION REGARDING THIS NATION'S RELATIONS WITH THE BRITISH AND CANADIANS IN THE ATOMIC FIELD.

WE GET MOST OF OUR URANIUM NOW FROM CANADA AND THE BELGIAN CONGO. ONE UNCONFIRMED REPORT HAS BEEN THAT AEC CHAIRMAN LILIENTHAL FEARS A CUT-BACK IN OUR SUPPLY FROM ABROAD UNLESS WE SHARE OUR ATOMIC SECRETS WITH THE BRITONS AND CANADIANS. WE ALSO GET SOME URANIUM FROM LOW-GRADE URANIUM-BEARING CARNOTITE ORE OF THE COLORADO PLATEAU.

THE 203-PAGE REPORT ALSO LISTED SEVERAL NEW BUT STILL-PRELIMINARY APPLICATIONS OF ATOMIC ENERGY MATERIALS IN THE MEDICAL FIELD--NOTABLY THE FIRST TRIALS OF RADIOACTIVE COBALT IN THE TREATMENT OF HUMAN CANCER.

RADIOCOBALT HOLDS PROMISE AS A SUBSTITUTE FOR RARE AND EXPENSIVE RADIUM, THE REPORT SAID. IT DESCRIBED LIMITED CLINICAL TRIALS AT OHIO STATE UNIVERSITY AND ADDED:

"INDICATIONS ARE THAT, DUE TO THE FLEXIBILITY AND COMPARATIVE SAFETY OF RADIOCOBALT, THE UNIVERSITY WILL BE ABLE TO ACHIEVE ITS ORIGINAL OBJECTIVE OF BETTER TREATMENT FOR CANCER. EVLUATION OF RESULTS WILL REQUIRE FURTHER LARGE SCALE WORK AND SOME YEARS OF TIME."

THERE HAD BEEN SOME CRITICISM OF THE COMMISSION'S LAST REPORT IN JANUARY ON THE GROUND THAT IT CONTAINED PICTURES OF ATOMIC INSTALLATIONS THAT WOULD BE VALUABLE AS TARGET GUIDES FOR ENEMY BOMBERS. THE CRIGICS PRESUMABLY WILL FIND LITTLE TO SHOOT AT IN THE PICTORIAL LINE IN THE LATEST NUMBER.

PICTURES SHOW SUCH SUBJECTS AS:

A WHITE MOUSE NIBBLING ON RADIOACTIVE FOOD IN A GLASS VESSEL; A HORNET THAT MAY BE PROVE USEFUL IN DETECTING RADIATION "LEAKS" FROM ATOMIC ENERGY DEVICES; SOME CATTLE INADVERTENTLY EXPOSED TO RADIOACTIVE DUST IN THE FIRST ATOMIC BOMB EXPLOSION IN NEW MEXICO AND NOW BEING WATCHED FOR ANY EVIDENCE OF ILL EFFECTS; AND A FISH THAT PICKED UP SOME RADIOACTIVITY IN THE BIKINI LAGOON.

VN/GG235PED

30.24- 4753

WASHINGTON,AUG.1-(AP)-FOLLOWING IS THE TEXT OF PRESIDENT TRUMAN'S STATEMENT TODAY ON THE ATOMIC ENERGY PROGRAM (ABOUT 300)

THREE YEARS AGO I APPROVED THE ATOMIC ENERGY ACT OF 1946, WHICH ESTABLISHED POLICIES TO GUIDE THIS NATION'S DEVELOPMENT OF ATOMIC ENERGY.

FOR THE PAST THREE YEARS, THE ATOMIC ENERGY COMMISSION IN COOPERATION WITH THE ARMED SERVICES, HAS BORNE THE MAIN BURDEN OF RESPONSIBILITY FOR PRESERVING AND STRENGTHENING OUR PRE-EMINENCE IN THE DEVELOPMENT OF ATOMIC ENERGY FOR BOTH MILITARY AND PEACETIME PURPOSES. IN THIS EFFORT, THE GOVERNMENT HAS HAD THE FULL COOPERATION OF PRIVATE INDUSTRY AND OUR INSTITUTIONS OF HIGHER LEARNING.

EVERY AMERICAN SHOULD KNOW, WITHIN SECURITY LIMITS, OF THE SPLENDID PROGRESS WHICH IS BEING MADE IN THIS HUGE UNDERTAKING. THIS PRINCIPLE OF RESPONSIBLE GOVERNMENT IS BASIC TO OUR POLITICAL SYSTEM. OUR PROGRESS IS SUMMED UP IN THE SEMI-ANNUAL REPORT SUBMITTED TODAY TO THE CONGRESS BY THE ATOMIC ENERGY COMMISSION.

NOTEWORTHY ADVANCES HAVE BEEN MADE IN EVERY SECTOR OF THE ATOMIC ENERGY PROGRAM. GAINS HAVE BEEN MADE IN THE PRODUCTION OF FISSIONABLE MATERIALS AND IN THE DESIGN AND PRODUCTION OF ATOMIC WEAPONS, IN ACCORDANCE WITH THE PARAMOUNT OBJECTIVE OF ASSURING THE COMMON DEFENSE AND SECURITY. FUNDAMENTAL RESEARCH IS BEING PURSUED ON A LARGE SCALE, BECAUSE IT CONSTITUTES THE BASIS FOR FUTURE APPLICATIONS OF ATOMIC ENERGY. THE COMMISSION IS ENERGETICALLY CARRYING FORWARD ITS PROGRAM OF APPLIED RESEARCH LOOKING TOWARD THE USE OF ATOMIC ENERGY IN WAYS THAT WILL MATERIALLY IMPROVE HUMAN WELFARE. ALL THE PEOPLE WILL BENEFIT FROM THE INCREASING USE OF THE PRODUCTS OF ATOMIC ENERGY TO FURTHER THE HEALING ARTS, TO BRING ABOUT BETTER FOOD PRODUCTION, AND TO INCREASE OUR UNDERSTANDING OF THE BASIC FORCES OF LIFE ITSELF.

IT IS IMPORTANT THAT THIS PROGRAM CONTINUE TO GO FORWARD WITH UNDIMINISHED MOMENTUM AND EFFECTIVENESS.

"I BELIEVE THAT OUR NATIONAL POLICY FOR THE VIGOROUS DEVELOPMENT OF ATOMIC ENERGY IS SOUND. IT IS A BALANCED POLICY WHICH MAKES US STRONGER FROM A MILITARY STANDPOINT WHILE AT THE SAME TIME IT PROMOTES OUR PEACETIME GOALS. IT IS A POLICY WHICH HAS THE OVERHWELMING SUPPORT OF THE AMERICAN PEOPLE.

AS I REVIEW THE STATE OF THIS NATION'S ATOMIC ENERGY PROGRAM, I FIRMLY BELIEVE THAT THE PEOPLE OF THE UNITED STATES AND ALL WHO RELY ON THE STRENGTH OF THIS NATION HAVE REASON FOR REASSURANCE AND FAITH.

FR/AB133PED

MIGHT LEAD ARMS

BY JOHN B.OWEN

WASHINGTON,AUG 1-(AP)-GENERAL GEORGE C.MARSHALL URGED CONGRESS TODAY TO SEND ARMS TO WESTERN EUROPE NATIONS QUICKLY. "I AM VERY FEARFUL OF DELAY," HE SAID.

BACKING THE FULL $1,450,000,000 ADMINISTRATION PROGRAM OF MILITARY ASSISTANCE TO FRIENDLY NATIONS, THE WARTIME ARMY CHIEF OF STAFF TOLD THE HOUSE FOREIGN AFFAIRS COMMITTEE IT IS "JUST A BEGINNING" IN ESTABLISHING A FIRM FRONT TO FORESTALL ANY RUSSIAN PUSH. COMMITTEE MEMBERS HAVE INSISTENTLY ASKED WITNESSES HOW MUCH COOPERATION FOR MUTUAL DEFENSE COULD BE EXPECTED FROM RECIPIENT NATIONS.

SOME REPUBLICANS HAVE SPOKEN FOR POSITIVE ASSURANCE BEFORE SUPPORTING EVEN A REDUCED ARMS PROGRAM.

MARSHALL SAID IT WOULD BE "A VERY DANGEROUS THING" TO HOLD UP ON THE PROGRAM UNTIL CONGRESS IS ASSURED THAT WESTERN EUROPE HAS A PROGRAM WORKED OUT. HE SAID HE DOESN'T BELIEVE THERE WILL BE ANY DIFFICULTY IN GETTING EUROPEAN NATIONS TO COOPERATE.

IN FACT, HE SAID, HE THINKS "THE FORMAL CONCLUSIONS" FOR SUCH COOPERATION HAVE ALREADY BEEN REACHED.

"THEY'RE ALL IN SUCH A DELEMMA," MARSHALL SAID OF THE EUROPEAN NATIONS, "THAT I DO NOT THINK THAT WE HAVE TO FEAR THAT THEY WON'T MAKE PROGRESS IN MUTUAL COOPERATION."

COULDN'T THE PROGRAM BE CUT UNTIL COOPERATION IS GUARANTEED? REP. JUDD (R-MINN) ASKED. MARSHALL ADVISED NO. "YOU'RE TRYING TO START THE ENGINE UP," THE FORMER SECRETARY OF STATE SAID.

REP. JAVITS (R-NY) TOLD MARSHALL HE PLANS AN AMENDMENT REQUIRING PRESIDENT TRUMAN TO REACH AGREEMENTS WITH SIGNERS OF THE ATLANTIC TREATY THAT THERE BE A UNIFIED COMMAND IN DEFENSE OF WESTERN EUROPE AND OTHER UNIFICATION STEPS.

MARSHALL ADVISED JAVITS THAT SUCH A REQUIREMENT "MAY LEAD US INTO SOMETHING WE'RE NOT ANXIOUS FOR. X X X I CAN'T EXPRESS MYSELF."

OTHER WITNESSES BEFORE THE COMMITTEE HAVE DECLINED PUBLIC DISCUSSION OF COORDINATION DETAILS. SECRETARY OF DEFENSE JOHNSON HAS SAID THERE WOULD BE AN UNDERSTANDING AND "WORKING AGREEMENT." MARSHALL NOTED THAT FIVE WESTERN EUROPEAN NATIONS, ENGLAND, FRANCE, THE NETHERLANDS, BELGIUM AND LUXEMBOURG, ALREADY HAVE A UNIFIED COMMAND.

MARSHALL SAID THAT EVENTUALLY THE MEN IN THE KREMLIN WILL DESTROY THEMSELVES "BUT THIS GENERALLY TAKES SOME TIME." HE DECLINED TO ESTIMATE THE SIZE OF THE ARMS PROGRAM AT FULL SCALE. OTHER WITNESSES HAVE PREDICTED IT MAY REQUIRE ASSISTANCE UP TO FIVE YEARS TO BUILD DEFENSES STRONG ENOUGH TO DISCOURAGE ANY ASAULT ON WESTERN EUROPE.

A FIRM FRONT IS THE BEST DEFENSE, MARSHALL SAID.

THE RUSSIANS HAVE "A DANGEROUS ADVANTAGE," THE WITNESS SAID. HE EXPLAINED THAT THEIR LEADERS CAN MAKE THEIR OWN DECISIONS WITHOUT HAVING TO CONSULT ANY CONGRESS.

TWO OR THREE YEARS OF AID SHOULD PUT THE EUROPEANS IN A POSITION WHERE THEY CAN HELP THEMSELVES, HE SAID. NO PROVISION IN THE PROGRAM IS FOR AID IN ARMS PRODUCTION ABROAD.

COMMITTEE MEMBERS ASKED WHAT MARSHALL THOUGHT IS "RUSSIA'S ATTITUDE TOWARD A HOT WAR."

HE REPLIED HE DOESN'T KNOW; "THEY ARE UNPREDICTABLE."

IN REPLY TO REP. MERROW (R-NH), MARSHALL SAID HE DOES NOT THINK THE ARMS PROGRAM WOULD BEGIN A WORLD ARMAMENTS RACE.

HE SAID THE AIM IS TO GET "THE RESPECT OF RUSSIA."

GG-PF306PED NH BJT

WASHINGTON, AUG.1-(AP)-GEN.GEORGE C.MARSHALL TOLD CONGRESS TODAY THAT IT WOULD BE "A VERY DANGEROUS THING" TO DELAY PRESIDENT TRUMAN'S PROGRAM OF FOREIGN ARMS AID.

HE ADVISED THE LAW-MAKERS ALSO AGAINST CUTTING THE $1,450,000,000 PROGRAM UNTIL THE U.S. HAS IRONCLAD GUARANTEES THAT WEST EUROPE WILL COOPERATE FULLY.

"YOU'RE TRYING TO START THE ENGINE UP," MARSHALL TOLD THE HOUSE FOREIGN AFFAIRS COMMITTEE. THE PRESIDENT'S PROGRAM DOES NOT GO "WHOLE HOG", HE DECLARED.

THE FORMER SECRETARY OF STATE, WHO WAS ARMY CHIEF OF STAFF DURING WORLD WAR II, APPEARED AT THE COMMITTEE'S HEARING ON THE HISTORY-MAKING PLAN OF ARMS AID TO EUROPEAN MEMBERS OF THE NORTH ATLANTIC ALLIANCE AND TO GREECE, TURKEY, IRAN, KOREA AND THE PHILIPPINES.

SOME REPUBLICAN MEMBERS OF CONGRESS HAVE PROPOSED THAT FOREIGN ARMS AID BE LIMITED TO A SMALLER STOP-GAP PROGRAM UNTIL THE NORTH ATLANTIC ALLIES ORGANIZE A DEFENSE COUNCIL AND ADOPT AN OVER-ALL PLAN. SENATORS VANDENBERG (MICH) AND DULLES (NY), WHO HAVE BEEN LEADING SUPPORTERS OF THE BI-PARTISAN FOREIGN POLICY, HAVE BEEN AMONG THOSE MAKING THIS SUGGESTION.

UNDER QUESTIONING BY REP.MERROW (R-NH), MARSHALL SAID HE BELIEVED IT WOULD BE "A VERY DANGEROUS THING" TO HOLD UP THE PROGRAM UNTIL CONGRESS CAN ASSURE ITSELF THAT WESTERN EUROPE HAS EVOLVED A DETAILED PLAN FOR MILITARY COORDINATION, COOPERATION AND UNITY.

MARSHALL SAID HE DOES NOT BELIEVE THERE WILL BE ANY DIFFICULTY GETTING THE BENEFITTING NATIONS TO COOPERATE. HE SAID HE THINKS "THE FORMAL CONCLUSIONS" FOR COOPERATION HAVE BEEN REACHED ALREADY.

"THEY'RE ALL IN SUCH A DILEMMA," HE SAID, REFERRING TO EUROPEAN NATIONS, "THAT I DO NOT THINK THAT WE HAVE TO FEAR THAT THEY WON'T MAKE PROGRESS IN MUTUAL COOPERATION.

REP.JUDD (R-MINN) WANTED TO KNOW IF THE PROGRAM COULD NOT BE CUT UNTIL THERE IS AN IRONCLAD GUARANTEE OF MUTUAL COOPERATION.

MARSHALL DIDN'T THINK SO.

"YOU'RE TRYING TO START THE ENGINE UP," HE SAID, ADDING THAT THE PRESIDENT'S PROGRAM IS "NOT GOING WHOLE HOG."

MARSHALL DECLARED IT WOULD BE "VERY DANGEROUS TO UNDULY PROLONG THE SITUATION OF MILITARY WEAKNESS" AMONG FRIENDLY NATIONS. BY RELIEVING THAT SITUATION, HE ADDED, THE ARMS PROGRAM WOULD TEND TO "DISCOURAGE AGGRESSION."

ASKED BY REP.MERROW WHY NON-COMMUNIST CHINA SHOULD NOT BE INCLUDE IN THE PROGRAM, MARSHALL SAID THAT QUESTION WAS ANSWERED LAST WEEK BY SECRETARY ACHESON, WHO SAID IT IS NOT FEASIBLE AT THIS TIME.

"IT IS THE MOST PUZZLING SITUATION," MARSHALL COMMENTED, REFERRING TO THE CHINESE PICTURE.

MERROW WANTED TO KNOW IF THE PROGRAM WOULD START A WORLD ARMAMENTS RACE.

MARSHALL SAID HE DID NOT THINK SO.

"SUCH A RACE, IF STARTED IN THE FUTURE, COULD ONLY BE BETWEEN OURSELVES AND SOVIET RUSSIA," HE ADDED.

"WHAT WE'VE GOT TO GET IS THE RESPECT OF RUSSIA," THE FORMER SECRETARY SAID, RATHER THAN GIVE ANY IDEA OF "AGGRESSION AGAINST RUSSIA."

MARSHALL TESTIFIED THAT, WHILE FAILURE TO APPROVE THE PROGRAM AT THIS TIME WOULD RESULT IN "A MINOR ECONOMY," IT ALSO "MIGHT RESULT IN THE POSSIBILITY OF A MAJOR OUTLAY LATER ON."

ENDORSING PRESIDENT TRUMAN'S $1,450,000,000 PROGRAM, MARSHALL AGREED WITH PREVIOUS STATEMENTS BY SECRETARY OF STATE ACHESON AND THE ARMY CHIEF OF STAFF, GENERAL OMAR N.BRADLEY.

MARSHALL TOLD THE COMMITTEE THAT HE HAD NOT SAT IN ON CONSULTATIONS WHILE THE PLAN WAS BEING WORKED OUT, BUT THAT HE WAS BRIEFED ON IT AT THE STATE DEPARTMENT LAST FRIDAY.

"I HAD BEEN STRONGLY OF THE OPINION X X X THAT ACTION OF THIS NATURE WAS URGENTLY NECESSARY," HE ADDED. "AS TO THE FUNDAMENTAL POLICY INVOLVED THERE IS NO DOUBT IN MY MIND AS TO THE DESIRABILITY OF ACTION OF THIS NATURE IMMEDIATELY."

IT IS NECESSARY, HE SAID, FOR THE NATIONS OF EUROPE WHO ARE FRIENDLY TO THE UNITED STATES AND ARE RESISTING RUSSIA TO HAVE "MUTUALLY COOPERATIVE ACTION AGAINST AGGRESSION."

IN THE LONG RUN, MARSHALL TESTIFIED, THE PROGRAM WILL STRENGTHEN RATHER THAN WEAKEN THE MILITARY POSITION OF THE UNITED STATES AND WILL GIVE MOMENTUM TO OUR FOREIGN POLICY.

MARSHALL SAID THAT IN 1939, IF THE MILITARY REQUIREMENTS STATED BY THE ARMED SERVICES COULD HAVE BEEN MET "EVEN TO A MODEST DEGREE, WE COULD HAVE WHITTLED AWAY AT LEAST SIX MONTHS OF THE DURATION OF THE WAR."

HE EMPHASIZED THAT HE WAS NOT CRITICIZING CONGRESS ON THE ADMINISTRATION WHEN HE SAID THAT.

HE SAID "T

HE SAID "THE REAL ISSUE" AT THAT TIME WAS THE ATTITUDE OF THE AMERICAN PEOPLE, WHICH WAS AFFECTED BY "A REAL, AGGRESSIVE AND VOCAL MINORITY."

MARSHALL STRESSED THE VALUE OF "TIMING" IN THE PENDING PROGRAM AND SAID THE PSYCHOLOGICAL EFFECT OF ITS REJECTION WOULD NOT BE GOOD AMONG THE DEMOCRACIES.

HE WAS THE ONLY WITNESS SCHEDULED TODAY BY THE HOUSE FOREIGN AFFAIRS COMMITTEE (9:30 A.M. EST) IN ITS STUDY OF THE PLAN TO HELP ATLANTIC PACT AND OTHER NATIONS RESIST POSSIBLE SOVIET AGGRESSION. HIS APPEARANCE WAS EXPECTED IN ADVANCE TO TOUCH OFF A LIVELY DISCUSSION OF WHY CHINA WAS EXCLUDED FROM THIS ARMS AID.

MARSHALL REPRESENTED THE UNITED STATES AS SPECIAL AMBASSADOR TO CHINA FOLLOWING THE WAR AND IS CONSIDERED BY MANY COMMITTEE MEMBERS AS A FOREMOST AUTHORITY ON FAR EASTERN POLITICS.

QUESTIONING OF OTHER WITNESSES, INCLUDING SECRETARY OF STATE ACHESON AND SECRETARY OF DEFENSE JOHNSON, HAS FAILED TO SATISFY CRITICS SEEKING THE REASONS FOR NOT CUTTING WHAT REMAINS OF NON-COMMUNIST CHINA IN FOR A CHUNK OF THE PROPOSED HELP. ABOUT THE ONLY INFORMATION GIVEN TO DATE IS THAT THE FAR EASTERN SITUATION IS NOW BEING REVIEWED.

SPAIN ALSO IS NOT INCLUDED IN THE LIST OF NATIONS FOR WHICH ARMS ARE PROPOSED, AND SOME COMMITTEE MEMBERS DON'T LIKE THAT. WITHOUT ENLARGING THE PROJECTED COST OF THE PROGRAM--ABOUT $1,450,000,000 IN ALL--THEY WANT ITS SCOPE EXPANDED.

THE COMMITTEE MAY CONCLUDE ITS PUBLIC HEARINGS THIS WEEK AND START EXECUTIVE SESSIONS TO DRAFT DETAILS OF LEGISLATION. IT WANTS TO HEAR AGAIN FROM THE U.S. CHIEFS OF STAFF WHEN THEY RETURN FROM AN INSPECTION TOUR OF EUROPE NEXT WEEK.

SO FAR, ONLY A FEW PERSONS HAVE ASKED TO BE HEARD IN OUTRIGHT OPPOSITION, AND NO DECISION HAS BEEN MADE ON WHETHER TO LISTEN TO THEM. COMMITTEE SOURCES SAID THEY LARGELY REPRESENT SMALL GROUPS WHICH IN THE PAST HAVE OPPOSED ALL FOREIGN LEGISLATION AND ONE OF WHICH HAS BEEN LISTED BY THE ATTORNEY GENERAL AS A SUBVERSIVE PRO-

SOVIET ORGANIZATION.

DESPITE STIFF COMMITTEE OPPOSITION, CHAIRMAN KEE (D-WVA) TOLD NEWSMEN HE BELIEVES THE COMMITTEE WILL APPROVE THE PLAN IN SUBSTANTIALLY THE FORM REQUESTED BY PRESIDENT TRUMAN.

MAJOR OPPOSITION HAS COME FROM A GROUP DEMANDING A SHAVED-DOWN "INTERIM" PROGRAM OF LESS THAN $1,000,000,000(B) AND GUARANTEES FROM BENEFITTING NATIONS THAT THERE WILL BE COORDINATION AND UNIFICATION OF ACTION IN THE EVENT IT BECOMES NECESSARY TO USE THE ARMS PROVIDED.

"WITHOUT THAT GUARANTEE, IT WOULD BE FOOLISH TO HAVE THE PROGRAM AT ALL," SAID REP. VORYS (R-OHIO).

AUG

(350) MIGHT LEAD FOREIGN AID

WASHINGTON,AUG.1-(AP)-THE CONFUSED AND BITTER WRANGLE OVER THE BIG FOREIGN AID MONEY BILL IS ALMOST CERTAIN TO BREAK OUT AGAIN IN THE SENATE TOMORROW. THE BILL IS ONE OF ABOUT $30,000,000,000 WORTH OF JAMMED-UP APPROPRIATIONS ALREADY A MONTH OVERDUE.

MAJORITY LEADER LUCAS OF ILLINOIS SAID HE WILL TRY TO HAVE THE INDEPENDENT OFFICES APPROPRIATIONS BILL SET ASIDE SO THE SENATE CAN RE-OPEN DEBATE ON THE $5,647,724,000 FOREIGN AID BILL WHICH INCLUDES FUNDS FOR THE MARSHALL PLAN.

HE WARNED HE WILL CHALLENGE DISPUTED AMENDMENTS WHICH THE SENATE APPROPRIATIONS COMMITTEE LEFT IN THE BILL AFTER IT WAS BOUNCED BACK FOR REVISION TO CONFORM TO SENATE RULES.

EVEN THOUGH THE RIDERS HAVE BEEN RE-WRITTEN, LUAS SAID THEY STILL CONSTITUTE NEW LEGISLATION IN AN APPROPRIATIONS MEASURE AND FOR THIS REASON VIOLATE SENATE PROCEDURE.

THIS SAME DISPUTE LAST WEEK HALTED ACTION ON THE BILL WHICH CARRIES FUNDS FOR THE EUROPEAN RECOVERY PROGRAM; FOR OCCUPATION COSTS IN GERMANY, AUSTRIA, JAPAN, AND THE RYUKYU ISLANDS; AND FOR AID TO TURKEY AND GREECE.

THE COMMITTEE LEFT THREE CONTROVERSIAL AMENDMENTS IN THE REVISED BILL. THEY WOULD:

(1) REQUIRE THE ECONOMIC COOPERATION ADMINISTRATION AND THE ARMY TO EARMARK $1,800,000,000 FOR BUYING SURPLUS AMERICAN FARM PRODUCTS.

(2) EARMARK $50,000,000 IN ECA FUNDS FOR LOANS TO SPAIN.

(3) LIMIT AID TO FRANCE BECAUSE OF ALLEGED DISCRIMINATION AGAINST AMERICANS IN FRENCH MOROCCO.

"THESE AMENDMENTS ARE JUST AS OBJECTIONABLE NOW AS THEY WERE BEFORE," LUCAS TOLD A REPORTER. "THE COMMITTEE MERELY RE-PHRASED THEM AND IS TRYING TO ACCOMPLISH THE SAME PURPOSE BY COMING IN THE BACK DOOR.

CHAIRMAN MCKELLAR (D-TENN) CONTENDED, HOWEVER, THAT THE BILL'S FORM NOW CANNOT BE CONTESTED SUCCESSFULLY.

IF LUCAS RAISES A POINT OF ORDER (CHALLENGE) AGAINST THE AMENDMENTS, IT WILL CALL FOR A RULING BY VICE PRESIDENT BARKLEY AS TO WHETHER THE RIDERS CONTAIN NEW LEGISLATION.

THEN THE BARKLEY RULING WILL BE SUBJECT TO APPEAL WITH THE PROSPECT OF EVEN GREATER CONFUSION OVER THE ISSUE.

BARKLEY HAS TOLD THE SENATE ITS RULES AGAINST NEW LEGISLATION IN A MONEY BILL ARE "MUDDY" AND SHOULD BE CLARIFIED. HE SAID IT IS AN ABSURD SITUATION WHEN ONE SENATOR CAN CHALLENGE AN APPROPRIATIONS BILL RESULTING IN SENDING THE ENTIRE MEASURE BACK TO COMMITTEE.

MOST SENATORS AGREE WITH BARKLEY ON THIS POINT. BUT THE IMMEDIATE ISSUE IS HOW TO GET ACTION ON THE FOREIGN AID BILL AND BREAK THE LOG-JAM WHICH IS HOLDING UP THE BIG APPROPRIATIONS MEASURES.

V855PED

CONGRESS-ECA

WASHINGTON,AUG.1-(AP)-SENATOR LUCAS OF ILLINOIS, THE DEMOCRATIC LEADER OF THE SENATE, CALLED TODAY FOR PASSAGE OF A FARM BILL. HE INCLUDED IT ON A LONG LIST OF "MUST" MEASURES THAT MAY KEEP CONGRESS IN SESSION WELL INTO SEPTEMBER.

LUCAS TOLD A REPORTER HE SEES LITTLE CHANCE THAT CONGRESS CAN GET AWAY BEFORE LABOR DAY (SEPTEMBER 5), AT THE EARLIEST. IF IT TAKES MUCH LONGER THAN THAT TO GET ACTION ON ADMINISTRATION BILLS PILED UP ON THE CALENDAR, THE LAWMAKERS WILL JUST HAVE TO STAY HERE, HE SAI

AMONG MEASURES LUCAS SCHEDULED FOR ACTION ARE THE HOUSE-APPROVED RECIPROCAL TRADE AGREEMENTS BILL, A MEASURE TO LIFT THE MINIMUM WAGE LEVEL TO 75 CENTS AN HOUR, A HOUSE-APPROVED PROPOSAL TO INCREASE GOVERNMENT SALARIES FROM CABINET MEMBERS DOWN THE LINE, THE PENDING FOREIGN ARMS PROGRAM, A DISPLACED PERSONS BILL, APPROPRIATIONS MEASURES AND A CIVIL RIGHTS BILL.

REPUBLICAN SENATORS WILL DISCUSS TOMORROW A PROPOSAL BY SENATOR MORSE (R-ORE) THAT THEY BACK A PLAN FOR CONGRESS TO WIND UP ITS PRESENT WORK AUGUST 20 AND COME BACK NOVEMBER 15.

LUCAS SAID HE WOULD RATHER GO ON THROUGH THAN TO HAVE ANY SUCH RECESS. SENATOR TAFT OF OHIO, CHAIRMAN OF THE GOP POLICY COMMITTEE, ALSO IS AGAINST RETURNING TO WASHINGTON IN NOVEMBER.

LUCAS SAID HE WILL KEEP THE SENATE WORKING ON APPROPRIATIONS BILLS UNTIL ALL OF THEM HAVE BEEN PASSED. THE MINIMUM WAGE PROPOSAL WILL COME UP THEN, WITH RECIPROCAL TRADE AGREEMENTS LEGISLATION BEHIND IT.

THE SENATE MAY UNTANGLE ITSELF EARLY THIS WEEK FROM A PARLIAMENTARY KNOT WHICH HAS HELD UP FINAL ACTION ON THE $5,500,000,000 FOREIGN AID FUNDS BILL, MOST OF WHICH IS FOR EUROPEAN RECOVERY.

THE MEASURE WAS SENT BACK TO COMMITTEE TO STRIP OUT AMENDMENTS THAT HAD BEEN CHALLENGED AS VIOLATING THE RULE AGAINST POLICY-MAKING PROPOSALS IN MONEY BILLS. IT COMES BACK TO THE SENATE TODAY WITH SOME OF THE AMENDMENTS REWORDED.

LUCAS SAID HE WILL CONTINUE HIS FIGHT TO FORCE A REQUIREMENT FOR TWO-THIRDS APPROVAL ON TWO OF THEM. ONE WOULD EARMARK $1,800,000,000 (B) IN ECONOMIC COOPERATION ADMINISTRATION AND ARMY FUNDS FOR PURCHASE OF SURPLUS FARM CROPS, AND THE OTHER WOULD SET ASIDE $50,000,000 FOR LOANS TO SPAIN.

LUCAS'S CALL FOR PASSAGE OF A FARM BILL COLLIDED WITH REPUBLICAN CHARGES THAT THE DEMOCRATS DON'T WANT ANY COMPROMISE MEASURE APPROVED, SINCE THE HOUSE KILLED THE BRANNAN FARM SUBSIDY PAYMENT PLAN.

SENATOR BUTLER (R-NEB) TOLD A REPORTER HE IS CONVINCED THE DEMOCRATS WANT TO CAMPAIGN ON THE BRANNAN PLAN ISSUE IN 1950 AND THEREFORE WILL STYMIE EFFORTS TO REACH A COMPROMISE.

SENATOR MCGRATH OF RHODE ISLAND, THE DEMOCRATIC NATIONAL CHAIRMAN, SAID OVER THE WEEK-END THAT THE BRANNAN PLAN ISN'T DEAD. HE PREDICTED THAT IT WILL BE APPROVED BY THE NEXT CONGRESS.

DESPITE THESE CONFLICTING VIEWS, LUCAS SAID HE THINKS CONGRESS MUST ACT IN THIS SESSION ON SOME PLAN TO SUPPLANT THE FLEXIBLE PRICE SUPPORT PROGRAM VOTED BY THE REPUBLICAN 80TH CONGRESS, WHICH OTHERWISE WILL GO INTO EFFECT NEXT JANUARY.

DEMOCRATS EXPECT LENGTHY DEBATE OVER THE RECIPROCAL TRADE AGREEMENTS PROGRAM. THEY HAVE BEEN WARNED, TOO, BY MEMBERS OF THEIR OWN PARTY AS WELL AS THE REPUBLICANS, THAT THE PRESIDENT'S $1,450,000,000 (B) FOREIGN ARMS PROGRAM IS GOING TO PROVOKE A LOT OF TALK.

IT NOW IS BEING PUSHED IN THE HOUSE, WITH PROSPECTS THAT THE SENATE WILL TRY TO WORK OFF PART OF ITS LEGISLATIVE JAM BEFORE IT TAKES UP

THE ISSUE.
AS A FURTHER COMPLICATION, SENATOR WHERRY OF NEBRASKA, THE GOP FLOOR LEADER, HAS DEMANDED THAT CONGRESS ACT TO BAR THE GIVING OF ATOMIC BOMB SECRETS TO ANY OTHER NATION.
WHERRY SAID IN A STATEMENT YESTERDAY THAT THESE SECRETS ARE BEING PRESERVED NOW ONLY THROUGH A "GENTLEMAN'S AGREEMENT" ON THE PART OF THE PRESIDENT AND THE SENATE-HOUSE ATOMIC COMMITTEE THAT MR. TRUMAN WON'T SHARE THEM WITH ANYBODY ELSE UNTIL HE CONSULTS WITH CONGRESS.
WHERRY INSISTED THAT ISN'T ENOUGH PROTECTION.
ES303AED

WASHINGTON,AUG.1-(AP)-DEFENSE SECRETARY JOHNSON DESCRIBED "ISOLATIONISM AS PRACTICALLY DEAD IN AMERICA TODAY BECAUSE THIS COUNTRY HAS SEEN THAT THE WORLD WON'T LEAVE US ALONE."
JOHNSON MADE HIS REMARKS IN A SPEECH TO THE BOYS FORUM OF NATIONAL GOVERNMENT. THIS IS SPONSORED BY THE AMERICAN LEGION, OF WHICH JOHNSON IS A PAST NATIONAL COMMANDER.
NINETY SIX BOYS, REPRESENTING EVERY STATE, ARE HERE ON A WEEK'S PRIZE WINNING TRIP.
THE BOYS HAVE ELECTED THEIR OWN HEADS OF THE DEFENSE ESTABLISHMENT.
THEY ARE:
SECRETARY OF DEFENSE, CHARLES S.BROWN,JR.,17, WAR,W.VA.; ARMY SECRETARY, NORMAN COHN,16, WATERLOO,IA.; NAVY SECRETARY,LARRY OGLE,17, MIAMI,FLA., AND AIR FORCE SECRETARY GEORGE A.SARINOPOULOS,17, FAIRFIELD, ALA.
JOHNSON TOLD THE GROUP THE ONLY WAY TO KEEP PEACE IN THE WORLD IS TO HAVE A STRONG AMERICA--"AND KEEP AMERICA SO STRONG THAT WORKING WITH AND THROUGH THE UNITED NATIONS NO NATION WOULD DARE ATTACK HER."
SPEAKING JOKINGLY OF THE BOYS' DEFENSE SECRETARY, JOHNSON SAID:
"HE DOESN'T KNOW WHAT A HELL OF A JOB HE IS TAKING ON."
FR236PED

WASHINGTON, AUG 1-(AP)-A RECORD NUMBER OF DISPLACED PERSONS, 16,580, ARE EXPECTED TO BE BROUGHT TO THE UNITED STATES DURING AUGUST, THE INTERNATIONAL REFUGEE ORGANIZATION ANNOUNCED TODAY.
THE AGENCY SAID 16 CHARTERED ARMY TRANSPORTS WILL CARRY THE DP'S FROM BREMERHAVEN, GERMANY, TO BOSTON, NEW YORK AND NEW ORLEANS. THIS WOULD EXCEED BY MORE THAN 5,000 THE TOTAL 11,547 TRANSPORTED IN 13 VESSELS DURING JULY.
THE SPEED-UP IS TO ENSURE THE ARRIVAL OF 205,000 DP'S AUTHORIZED FOR ADMITTANCE INTO THE UNITED STATES BY JUNE 30, 1950.
THE AGENCY SAID THAT ON JULY 22 THE 50,000TH DP AUTHORIZED FOR ADMITTANCE UNDER THE DISPLACED PERSONS ACT OF 1948 ARRIVED AT BOSTON.
FOLLOWING ARE THE SHIPS, THEIR ESTIMATED DEPARTURE AND ARRIVAL TIMES, PORTS OF ARRIVAL AND CAPACITY:
STURGIS, AUG. 2-AUG. 11, BOSTON, 843; HEINTZELMAN, AUG. 4-AUG. 14, NEW YORK, 822; BALLOUS, AUG. 6-AUG. 16, NEW YORK, 1,272; MARINE MARLIN, AUG. 10-AUG. 20, NEW YORK, 844; BLATCHFORD, AUG. 11-AUG. 21, NEW YORK, 1,082; MUIR, AUG. 13-AUG. 23, NEW YORK, 1,280; BUNDY, AUG. 14-AUG. 24, NEW YORK, 842; HERSEY, AUG. 19-AUG. 28, BOSTON, 1,319; HOLBROOK, AUG. 20-AUG. 29. BOSTON, 1,085; HAAN, AUG. 21-AUG. 31, NEW YORK, 884; MCRAE, AUG. 22-SEPT. 5, NEW ORLEANS, 1,166; STEWART, AUG. 23-SEPT. 2, NEW YORK, 816; HOWZE, AUG. 24-SEPT. 3, NEW YORK, 1,357; TAYLOR, AUG. 25-SEPT. 4, NEW YORK, 874; HEINTZELMAN, AUG. 29-SEPT. 7, BOSTON, 822; BALLOU, AUG. 31-SEPT. 10, NEW YORK, 1,272.
PF723PED

TOKYO ROSE (2SO)
SAN FRANCISCO,AUG.1-(AP)-STILL ANOTHER GOVERNMENT WITNESS TOLD TODAY HOW TOKYO ROSE'S CAJOLING WORDS CAME TO HIM IN THE DREARY TEDIUM OF THE SOUTH PACIFIC.
"WOULDN'T THIS BE A NICE NIGHT TO BE PARKED IN A CAR WITH YOUR GIRL, AND HEAR THIS?" WERE THE WORDS.
THEN A BALLAD WAS PLAYED.
TED E.SHERDEMN, WHO SERVED WITH THE ARMY AS A LIEUTENANT COLONEL DURING THE WAR, TESTIFIED HE HEARD TOKYO ROSE BROADCAST THIS AT PORT MORESBY, NEW GUINEA, IN JANUARY OR FEBRUARY, 1944.
HE TESTIFIED AT THE TREASON TRIAL OF MRS.IVA TOGURI D'AQUINO--ALLEGED TO BE THE TOKYO ROSE OR ORPHAN ANN HEARD BY AMERICAN SERVICEMEN IN THE PACIFIC.
AT MILNE BAY, NEW GUINEA, IN JUNE, 1944, THE WITNESS SAID, HE HEARD ANOTHER BROADCAST:
"WOULDN'T THIS BE A NICE NIGHT TO GO TO A COOL CORNER DRUGSTORE AND HAVE AN ICE CREAM SODA?"
"I FELT THAT WAS VERY DAMAGING TO MY MORALE," THE WITNESS ADDED. THE JUDGE ORDERED THIS COMMENT STRICKEN.
THE GOVERNMENT CHARGES THAT MRS.D'AQUINO BROADCAST JAPANESE PROPAGANDA AIMED AT DESTROYING THE MORALE OF SERVICEMEN.
SHERDEMN, OF NORTH HOLLYWOOD, WAS FOR MANY YEARS A RADIO WRITER. DURING THE WAR HIS PRINCIPAL DUTY WAS PROVIDING EDUCATION AND ENTERTAINMENT FOR THE TROOPS.
HE SAID HE HEARD THE RADIO TOKYO ZERO HOUR PROGRAM, SIX NIGHTS A WEEK. IT WAS RECEIVED ALL OVER THE PACIFIC THEATER. AND, THE GOVERNMENT CONTENDS, THE DEFENDANT TOKYO ROSE WAS THE FEATURED SPEAKER.
SHERDEMN SAID THAT IN LATE JUNE, 1944, IN THE ADMIRALTY ISLANDS, HE HEARD THE BROADCAST:
"WOULDN'T YOU CALIFORNIA BOYS LIKE TO BE AT THE COCONUT GROVE TONIGHT WITH YOUR BEST GIRL? YOU HAVE PLENTY OF COCONUT GROVES--BUT NO BEST GIRL."
MRS.D'AQUINO, LOS ANGELES BORN OF JAPANESE ANCESTRY, WAS EDUCATED AT THE UNIVERSITY OF CALIFORNIA AT LOS ANGELES.
HH434PCS

End Aug 1, 1949

30.24- 4757

GOP ACTS TO CURB TRUMAN'S POWER UNDER ARMS PLAN

President's Right to Send Aid to Any Nation Is Protested

ACHESON LAUDS BILL

Committee Meets Again on Friday, Hearings Will Start Monday

BY MAX BOYD

WASHINGTON, Aug. 2 (AP)—A movement to deny President Truman the power to arm any nation he thinks necessary developed in the Senate's powerful combined Committee on Foreign Relations and Armed Services today.

Members said that Senator Vandenberg (R-Mich), led the drive to strip such powers from the president's $1,450,000,000 program to arm "free nations" abroad.

Although the senators did not want to be quoted by name, some of them gave reporters this account of what happened at a closed session of their joint committee with Secretary of State Acheson and Secretary of Defense Johnson:

Vandenberg Protests

Vandenberg, who has been a strong supporter of the bi-partisan foreign policy, objected vigorously to language in the foreign arms bill that would let the president supply arms to any nation and permit him to recognize a group of persons as a nation for this purpose.

The influential Republican contended this is the greatest grant of power ever asked by a president in peacetime.

Secretary Acheson defended the bill in its present form, but agreed reluctantly to discuss possible changes. He made no promise of modifications, but it was understood that the State department would report to the committee Friday on the outcome of these discussions.

Secretary Johnson told the committee he thinks it will take five years to rearm our allies fully, but that the $1,450,000,000 now proposed will be the largest single year's contribution the U. S. will have to make.

Some committee members questioned a provision of the bill which they said would permit heads of government departments, rather than the chiefs of staff, to determine what military supplies and equipment are surplus. Under the administration's program, existing surplus weapons and supplies that originally cost $450,000,000 would be sent to U. S. allies.

Meets Again Friday

Senator Connally (D-Tex), chairman of the joint Senate committee, told reporters after its meeting with Acheson and Johnson:

"We are trying to meet the objections of committee members, to the end that within the scope of the bill and its objectives we may get as large an agreement as possible."

The Senate committee will meet again in closed session Friday and begin hearing witnesses next Monday.

Three of the administration's top men in Europe recorded their support of the President's program before the House Foreign Affairs committee, which went ahead with its own hearings today.

They were Lewis Douglas, the ambassador to Britain; Henry F. Grady, ambassador to Greece, and W. Averell Harriman, the Marshall Plan's roving ambassador.

In a statement sent to the House committee, Douglas urged Congress to approve full military aid to western Europe because "this is the language which is understood" in Moscow.

He said the communists in western Europe have been losing ground during the past 18 months and that the Russians "now apear to be receptive to at least minor adjustments of our differences."

Say Would Reverse Trend

Douglas expressed belief, however, that any "slackening or faltering" on the part of the United States would reverse this trend.

He emphasized that, if the United States does not build up the western European armies, navies and air forces, it will have to build defense forces of its own capable of holding the west.

Grady appeared personally to read a statement urging Congress not to cut the military aid proposed for Greece.

He declared a policy of "too little and too late" would be the most unwise and uneconomic from the viewpoint of American interests, and the most cruel to the people of Greece.

"The provision of less than the minimum amount of aid needed to do the job would perpetuate the fighting in Greece to no purpose," the ambassador added. "We simply cannot afford the policy of the shoestring."

Grady did not specify the amount of military assistance Greece should get, but he said the best estimate of the executive branch is that Greek needs can be met within the $300,580,000 which the foreign arms bill provides for countries outside western Europe, and with help—"in the event of special contingencies"—from a proposed $45,000,000 fund for meeting emergencies wherever they may arise.

Harriman said the arms aid program is necessary to maintain the confidence that has begun to replace fear of Russia among some 200,000,000 European people.

"I believe that it is our duty to make the present sacrifices which may be necessary to protect the growing generation from war," he declared in a prepared statement.

Warns Against Delay

The ambassador said the will and ability of the North Atlantic allies can be greatly strengthened by our assistance, but that "if we turn aside today or put off action on the proposed assistance, doubts may well arise again." He added:

"The voices of the subversive elements, the appeasers, those who would trust 'neutrality,' would rise again and have an effect on the confidence and determination which now exists."

Discussing suggestions that the program be delayed until the joint military organization contemplated under the North Atlantic Alliance is set up, Harriman said he knows from his own experience that the Western Union countries have been working for over a year on a unified plan of mutual defense. U. S. military officers have sat as observers in the development of these plans, he added.

The Western Union countries are the United Kingdom, France, Belgium, the Netherlands and Luxembourg.

"As to the other countries concerned," Harriman continued, "it is my understanding the program is based on minimum needs to equip their smaller existing forces and to provide the first step in their contribution towards combined action."

Other Nations Eligible

The other European members of the North Atlantic Pact, which would be eligible for military assistance grants under the bill, are Italy, Norway, Denmark, Iceland and Portugal.

In addition, the administration's measure provides for grants to other nations whose "increased ability to defend themselves" is important to the security of the U. S.

The State department has mentioned Turkey, Greece, Iran, Korea and the Philippines as countries to which aid under this provision is now contemplated.

The president could add other countries to the list, however, if he found that their increased ability to defend themselves was important to American security.

Asked about the progress of European recovery, Harrimaun told Congressmen:

"We are ahead of what we thought could be accomplished. We find a weakening going on behind the Iron Curtain. I had not expected such a weakening for several years."

Senators Delay Foreign Arms Hearings

Washington, Aug. 2 (AP)—Senators today postponed hearings from tomorrow until Monday on the Administration's $1,450,000,000 foreign arms program amid indications that they will atempt to reduce it in size and scope.

Chairman Connally (D., Texas) said the joint Foreign Relations and Armed Services Committees will seek "the widest possible area of agreement" among members on the foreign arms plan before asking Senate action.

Harriman Urges Action

He spoke out as W. Averell Harriman, the Marshal plan's roving Ambassador in Europe, urged the House Foreign Affairs Committee to approve the arms program. He said it is needed promptly to "protect the growing generation from war."

The actual bill before the House committee would authorize $50,000,000 less than was asked by the Administration.

Connally's announcement came after Secretary of State Acheson and Secretary of Defense Johnson were closeted with the Senate group behind closed doors.

Powers Too Wide, Some Say

Some senators were reported to have told the two Cabinet members bluntly that the bill involves too wide a grant of powers to the President and more than the stopgap program on which they have been insisting.

They object primarily to a provision which would authorize President Truman to make arms available to any nation in the world.

Connally conceded that the senators discussed possible modification of the Administration bill "in some small particulars." He would not elaborate.

Modification Discussed

"We are trying to meet the objections of committee members, to the end that within the scope of the bill and its objectives that we may get as large an agreement as possible," Connally said.

He said the combined committees will meet again Friday in a closed session. This will delay the start of Senate hearings until Monday.

Harriman told the House Committee that "I earnestly believe we are winning the struggle for peace and freedom in Europe."

But, he emphasized, any delay in shipping arms to America's European allies would create doubts which might reverse this trend.

"Our Duty To Sacrifice"

"The voices of the subversive elements, the appeasers, those who would trust 'neutrality' would rise again and have an effect on the confidence and determination which now exists," he said.

Harriman, who was once the American Ambassador to Moscow, added: "I believe that it is our duty to make the present sacrifices which may be necessary to protect the growing generation from war."

The Ambassador spoke out as Democrats joined with Republicans on the committee in calling for more details on President Truman's request for approval of a $1,400,000,000 program to help friendly nations arm against Soviet aggression.

Fears Unfounded, He Says

Harriman told the congressmen their fears that the proposed program would jeopardize European recovery are unfounded.

He said the ECA is satisfied the arms program "will not impair European recovery, but on the other hand will strengthen it, since confidence is an essential condition for men to work, invest and plan for the future.

"The contribution of the European military establishments, when developed, will add immeasureably to our security and affect the size of our own security forces that we must maintain in the future."

A Full Alliance

Harriman testified that through the arms program and the North Atlantic pact the United States is not only aliying itself with the manpower of the Western nations but also with the "skill and productivity of their workmen."

He said this is "far greater than Russia and her satellites."

Harriman cited steel as an example. He said the United States has a capacity of 90,000,000 tons, to which would be joined the 40,000,000-ton output of the North Atlantic pact countries.

Russia and her satellites together, he said, probably have a production today of "less than 30,000,000 tons."

Results Of U.S. Strength

As for recovery in Europe, Harriman said during the past two years there has been "great and encouraging growth of political stability and economic progress, and above all the growth of confidence and determination."

The principal reasons for this, he said, have been the policies advocated by the United States Government—the European Recovery Program, the signing of the North Atlantic pact, the strengthening of American armed forces and now the proposal for military assistance.

"I have never been as optimistic as I am today, that the maintenance of peace and freedom is within our reach in Europe, provided we carry out vigorously the policies and programs in which we are engaged, including the military assistance program," Harriman said.

Can't Afford To Relax

"We face forces determined and persistent, which must be met with equal determination and perseverance. We cannot relax because of early successes. The task is not easy and requires continuing present-day sacrifices.

"If this arms program is not adopted, valuable time will be lost. It will cost more in the long run and put off the day when we can count on the European nations' contribution to our security."

Harriman also sought to meet criticism from congressmen who want to delay arming western Europe until a definite defense plan has been worked out.

Text of Harriman Statement Asking U. S. Military Aid to Europe

WASHINGTON, Aug. 2 (AP)—*Following is the text of the statement made by Ambassador W. Averell Harriman before the House Foreign Affairs Committee today:*

I have had the opportunity to listen to the testimony of the distinguished witnesses before this committee on the military assistance program. . . . . Secretary Acheson, Secretary Johnson, General Bradley and General Marshall. I will attempt to supplement their statements, based on my own experience during the last year as United States special representative in Europe for the Economic Cooperation Administration, and from that of our missions in the different countries. I speak also from my earlier experiences during the past nine years in which I have been in Government service at home and abroad.

On previous occasions in the past four years I have had the privilege of appearing before this committee and of talking personally with many of you, to discuss the motivations of the Kremlin and the threat to freedom and peace that comes from that source. On these occasions I have stated my concern and yet expressed my belief that peace can be maintained and the freedoms and democracy of the Western World preserved and strengthened, provided that we clearly understood the threat of internal and external aggression to us and to other free peoples, that we took the steps necessary to give leadership in uniting the common strength and purpose of nations, of like mind, and that we were willing to make the present sacrifices to attain our prime objectives.

Peace, Freedom Within Reach

I wish to state that I have never been as optimistic as I am today that the maintenance of peace and freedom is within our reach in Europe, provided we carry out vigorously the policies and programs in which we are engaged, including the military assistance program; provided we recognize that we face forces determined and persistent, which must be met with equal determination and perseverance. We cannot relax because of early successes. The task is not easy and requires continuing present-day sacrifices.

My confidence comes in the first place from the rapidity of the growth of understanding of the people of the United States and the steps they have supported, and secondly, from a similar response in Europe. I need not dwell on what would have happened if we had not given the leadership and assistance already provided. I can say that during the past two years there has been great and encouraging growth of political stability and economic progress, and above all, the growth of confidence and determination.

The principal factors have been the European Recovery Program, the strengthening of our own military establishment, the development of the great concept of the North Atlantic community finding expression in the North Atlantic Treaty, and now the proposal for military assistance. May I quote from my testimony before the Committee on Foreign Relations of the Senate given on April 29, while that committee was considering the Atlantic Pact:

"I have traveled in many of the participating countries during the period when the North Atlantic Treaty has been under consideration. I can testify that a new factor has developed—a growth of confidence, based on the belief that through the North Atlantic Pact security from external aggression can be attained. Fear is a contagious and frustrating emotion: but confidence, too, is contagious, and is a constructive and creative human emotion. Confidence is essential for the eventual success of the recovery program and the maintenance of determination to resist internal and external aggression.

Base of Pact Decision

"We are dealing with some 200,000,000 people facing varying problems, but all with a tradition of liberty and freedom. Discussions in these different countries leading up to the decision to sign the Atlantic Pact were sober and searching. This decision was based on the acceptance of the principle that neither appeasement nor neutrality could be relied upon — that it was only through unity of purpose and action of free men that there could be hope for future peace and security. This was a momentous decision. The decision was based on the two principal articles of the Pact—namely, Article 5 and Article 3—first, '* * * that an armed attack against one * * * shall be considered an attack against * * * all;' and secondly, the parties will, by '* * * means of continuous and effective self-help and mutual aid' maintain and develop their individual and collective capacity to 'resist armed attack.'

"In the European mind these two concepts have been, I feel, inseparable. The first is that unity of purpose among the free nations would be a powerful deterrent to any aggressor, and the second that, through self-help and mutual aid, effective military establishments can be developed as an assurance of defense.

"The participation of the United States in the Pact is of course the factor which is developing confidence. The Brussels Pact, entered into a year ago between Britain, France and the Benelux countries, was a search for common security measures. Yet the Europeans know that, without the United States, no association among the free peoples of Western Europe would be effective. The strength of the United States gives strength and meaning to the Pact—the Europeans have confidence in us—have confidence that in any war we would eventually be victorious.

"But they recognize only too well that as things now stand today, they would be over-run, and when their countries were again liberated, the life of their people would be irreparably destroyed*** European nations are prepared, I believe, to contribute their share in self-help and mutual aid. They cannot, however, develop an effective military establishment alone. They need military equipment and raw materials from us to supplement what they can do for themselves. Assistance from us is vital to the growth of mutual confidence. It will be concrete evidence that we have real concern for their problems of defense.

Security Hugely Increased

"From our standpoint, I feel that our security can be immeasurably increased as time goes on and as the military forces of the Western European countries are strengthened. I think we should look at the productive capacity of the signatories of the Atlantic Pact. For example, between us, we have four times the coal and steel production of the Soviet Union and its satellites, and a labor force substantially greater. The productivity of our mutual labor force is far greater than that of the backward countries of the East. The Western European participants alone have greater productive capacity than the countries behind the Iron Curtain. It does not seem unreasonable to me to have confidence that in time an effective defensive force can be developed which would provide a real sense of security. It is well to bear in mind that no one has any thought of an armament program for aggression. The only thought in anyone's mind is the thought of defense. A defensive force is relatively small and cannot be a threat.

"In looking at the world today, I feel we need strong and vigorous partners, of like mind and intentions. The North Atlantic Treaty gives us this association with like-minded people. They are help in rebuilding their strength. Of prime importance is the European Recovery Program. All agree that nothing should be permitted to interfere with that. But alongside of it, I earnestly believe we should help our associates in their own efforts to build up means to defend themselves."

I spoke then of the prime importance of the European Recovery Program. Economic recovery is essential to check and turn back, as has in fact happened, internal aggression. Sound economic conditions are the foundations on which any military establishment must be based. Those of us in ECA who have been working in Europe with representatives of the State Department and of the National Military Establishment are satisfied that the proposals for the strengthening of the European military forces on which our military assistance program is based will not impair European recovery, and on the other hand, will strengthen it, since confidence is an essential condition for men to work, invest and plan for the future.

From our own standpoint, the stronger our associates are, the greater is the deterrent to aggression. I believe that it is our duty to make the present sacrifices which may be necessary to protect the growing generation from war. We are considering military assistance to nations who have indicated by joining the North Atlantic Treaty their readiness to fight in the common cause to resist aggression. Their will to fight and their ability to fight can be greatly strengthened by assistance from us. If we turn aside today or put off action on the proposed assistance, doubts may well arise again. The voices of the subversive elements, the appeasers, those who would trust "neutrality," would rise again and have an effect on the confidence and determination which now exist.

"We Should Act Now"

For our own security, for the interests of our young people who have to deal with the conditions that our actions create, it is my conviction that we should seize this opportunity to strengthen the will and ability of these nations both to deter aggression and to reinforce them as allies.

It is not alone the size of their populations, but we should remember too that the skill and productivity of their workmen are far greater than those of Russia and her satellites. The industrial potential on which, as General Bradley said, military strength rests, is greater, and combined with ours, enormously greater. Take steel as an example. The United States has today a capacity of 90,000,000 tons. The participants in the North Atlantic pact have about 40,000,000 tons. Russia and her satellites together have probably a production today of less than 30,000,000 tons.

It does not seem unreasonable to me to believe that the free countries of Europe can develop over a period of time defensive military forces which, joined together through the Atlantic pact with our part therein, will be able to withstand aggression. The contribution of the European military establishments, when developed, will add immeasurably to our security and affect the size of our own security forces that we must maintain in the future.

It has been suggested that we should wait until the military organization of the North Atlantic Treaty be developed. From my own experience I can testify that the Western Union countries have been working for over a year on the development of a unified plan of mutual defense. These countries are the hard core of European defense. Their current military budgets provide for the equivalent of nearly $5,000,000,000. As far as they are concerned, work has already been done in remedying armament deficiencies for the first phase, namely, the equipping adequately of existing units. Our military officers have sat as observers in the development of these plans.

As to the other countries concerned, it is my understanding the program is based on minimum needs to equip their smaller existing forces and to provide the first step in their contribution toward combined action. If this program is not adopted, valuable time will be lost. It will cost more in the long run and put off the day when we can count on their contribution to our security.

It is hard also to estimate how much the uncertainty will weaken the present determination in Europe. The proposed military assistance program is designed as an immediate program to be initiated prior to the establishment of the Atlantic Pact military organization, but it is my judgment that the work already done by Western Union can give us assurance that our military authorities have ample information to screen the requirements and to assure themselves that the needs are real and that another year's study is not required. As General Marshall emphasized so forceably yesterday, action should be taken now.

In closing, I want to state that I earnestly believe that we are winning the struggle for peace and freedom in Europe.

To succeed, America must be resolute and steadfast.

U.S. Chiefs In London

London, Aug. 2 (AP)—The United States joint chiefs of staff arrived here this afternoon for two days of conferences with top military leaders of Britain, Norway and Denmark.

Flying in Truman's personal plane, Independence, Admiral Louis Denfield, chief of naval operations, Army General Omar N Bradley and Air Chief of Staff Hoyt S. Vandenberg landed at suburban Northold Airfield between rainstorms which swept the area.

U.S. TO MAINTAIN FORCES IN EUROPE

Staff Chiefs Say Jets Will Strengthen Defenses

London, Aug. 2 (AP)—Present United States armed forces in Europe will be maintained, ready for any emergency, and will be strengthened by an all-jet fighter air defense in Germany, American military chiefs disclosed today.

The Joint Chiefs of Staff gave out this news in Grafenwoehr, Ger-

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many, shortly before flying here for their second stop on a military fact-finding tour of North Atlantic treaty countries.

Gen. Omar N. Bradley, Army Chief of Staff, said there was no prospect "that I know of" that American occupation forces in Germany will be reduced. They constitute the bulk of American land forces in Europe.

Ready For Emergency

"Occupation troops are prepared for any emergency," Bradley said of the Americans who police the United States zone and guard the demarcation line with Soviet eastern Germany.

Gen. Hoyt S. Vandenberg, Air Force Chief of Staff, disclosed that jets will replace all propeller type American fighters now in Germany.

Air Force officials in Washington said there are now two fighter groups in Germany, one of F-80 Shooting Star jets and one of F-47 Thunderbolt propeller craft, each of 75 planes with five or more spares. They said jets would replace the Thunderbolts, with the bulk of the transfer taking place after January 1, 1950.

Vandenberg said the big United States Air Force base at Burtonwood, England, will remain in full operation after the Berlin airlift is cut back to skeleton size this fall. Burtonwood was established more than a year ago to service airlift planes during Russia's Berlin blockade.

Two Days In London

Bradley, Vandenberg and Admiral Louis E. Denfeld, United States Chief of Naval Operations, arrived in London tonight to continue their survey of needs for bringing the twelve-nation Atlantic treaty into military effect.

They saw Italian, Luxembourg and American occupation force military leaders in Germany and will spend two days here with British, Norwegian and Danish staff chiefs. On Thursday they will fly on to Paris to see the French, Belgians, Dutch and Portuguese.

Responsible big-power informants here said the Americans are seeking, above all, assurances that the Atlantic allies will accept big-scale unification of strategic planning, command and functioning of their armed forces.

Hope To Eliminate Doubt

The American chiefs are not discussing the $1,450,000,000 foreign-arms-aid program now before Congress in Washington. But official sources said they hope to eliminate, by the results of their tour, any doubt in congressional minds that the Atlantic treaty countries might not pull together as a team in case of aggression.

These sources said one result they hope for is that the five "Brussels pact" countries will agree to merge their own alliance into a tightly knit whole of all twelve Atlantic pact nations.

Britain, France and the Benelux countries—Belgium, the Netherlands and Luxembourg—already have a joint military staff under the western European alliance signed at Brussels March 17, 1948.

It is headed by British Field Marshal Viscount Montgomery and has worked out a strategic plan for the five countries' defense.

Bradley was asked at Grafenwoehr today if the Brussels alliance is to be superseded by the Atlantic treaty and replied:

"That is one thing to be considered."

Denfeld, speaking for the three as they arrived in England tonight, called their progress so far in the tour "encouraging." Admiral Richard L. Conolly, commanding the United States Eastern Atlantic and Mediterranean Fleet, welcomed the staff chiefs at the airport. Denfeld said they had been "most impressed by the appearance of our troops" in Germany.

17,000 March In Parade

Seventeen thousand battle-ready soldiers marched before them at Grafenwoehr in a farewell parade set off by a flight of Shooting Star jets. It was after this display that the Americans gave their assurances the United States will maintain and strengthen its European forces.

Vandenberg denied a report published abroad that the staff chiefs had said the United States air and land forces in Germany may become a part of a permanent defense plan under the Atlantic treaty.

"I'm sure none of the chiefs would have said that," he said. "We don't know ourselves. We still have to work out such things."

Official sources here said the Brussels powers have sent Washington a list of the arms they will need, classified into categories of priority, through an informal committee of American military and diplomatic officials.

They said this committee was set up about three months ago and consists of Lewis W. Douglas, Ambassador to London; W. Averell Harriman, roving ambassador for the European Co-operation Administration, Lieut. Gen. Clarence R. Huebner and one or two other experts.

It meets "casually," they said, and functions as a clearing house to see that western Europe's rearmament activities do not clash with the European Recovery Program.

The committee already has passed on several "urgent" requests for equipment to Washington, the sources said.

The requests were said to include five or six groups of American B-29's or B-17 Flying Fortresses (about 150 to 180 aircraft) for Britain's RAF, light armor and field equipment for France and the Benelux countries and radar for Norway, Denmark and Italy.

Trade Talks Break Down

Hungarian Team Leaves London After Failure on Pact

LONDON, Aug. 2 (AP).—Talks between Britain and Hungary for an estimated $100,000,000 two-way trade pact have broken down. A Board of Trade spokesman said today the Hungarian trade team which has been in Britain for several weeks went home over the week end. "There are no plans for resuming the talks," he added.

Reason for the breakdown is understood to be failure of the Hungarian authorities to reach a settlement with private British firms on future operations in the Communist-led country. The British government made agreement on this question a precondition of any trade pact.

U.S. Will Replace Planes In Germany With Jets

Grafenwohr, Germany, Aug. 2 (AP).—The United States joint chiefs of staff disclosed today that jet planes will replace all standard-type American fighter aircraft in Germany.

The military leaders also declared that American troops here are ready for any emergency. Gen Omar N. Bradley declared there will be no reduction of American troops in Germany "that I know of."

Bradley, Air Force Gen. Hoyt S. Vandenberg and Admiral Louis Denfeld of the Navy reviewed American combat troops at the former German Army training ground here.

Study Of Defenses

Attack planes and bombers and a Navy contingent joined 17,000 troops of the 1st Infantry Division and constabulary units in honoring the military leaders.

Bradley, Vandenberg and Denfeld arrived in Germany Saturday for a ten-day study of European defenses and potentialities under the Atlantic pact. They flew to Grafenwohr from Frankfurt today in President Truman's personal plane, the Independence, and then went to London to continue discussions with British defense chiefs and other European leaders.

Asked if the joint chiefs will discuss sharing atomic secrets with Britain during their visit to London, Bradley said: "We haven't come to that question." Britain and Canada have sought more information from the United States on atomic weapons.

Year After Ratification

Bradley said he hoped the military organization envisaged in the Atlantic pact will be functioning one year after the pact is ratified by all signatories.

Referring to the position of the Western European Union—Britain, France, Belgium, the Netherlands and Luxembourg—in the Atlantic pact, Bradley said: "All members of the Western Union are members of the Atlantic pact. It is to be expected that they will function within the pact."

Asked if the union will be superseded by the Atlantic pact, Bradley replied: "That is one thing to be considered."

Vandenberg made the disclosure concerning the replacement of standard fighters with jet planes. It came just a few minutes after 35 Shooting Star jets zoomed across the field to start the huge combined review. The jets were followed by 48 P-47 Thunderbolts and 24 new-type liaison planes.

Major-Gen. Frank W. Milburn, acting commander of American troops in Europe, and Brig.-Gen. Ralph J. Canine, acting commander of the First Division, greeted the joint chiefs upon their arrival.

Before the review began, the group toured the Grafenwohr area, where American troops hold some of their biggest training exercises in Germany. These exercises will be climaxed this fall in combined Army, Navy and Air Force maneuvers designed to test the readiness of American forces in Germany to repel any attack.

Vandenberg denied published reports that American troops and planes based in Germany might become part of the permanent defense under the Atlantic pact.

"I'm sure none of the chiefs would have said that," he asserted. "We don't know ourselves. We still have to work out such things.'

Germans Picket McCloy Office; He Is Away

Frankfurt, Germany, Aug. 2 (AP). Seventy Germans claiming to be "victims of Nazism" demonstrated for an hour today before the headquarters of United States Military Governor John J. McCloy in Frankfurt.

But McCloy wasn't there. He left today for two weeks' talks with Government officials in Washington.

It was the first demonstration by Germans before the huge building that has been American headquarters in Germany since 1945.

The men, women and children, in two groups, bore signs protesting that American authorities had delayed restitution of property to persons persecuted by the Nazis.

To Seek Interview

The piekets jammed the driveway to the huge former I. G. Farbenindustrie building, before military police asked them to continue their picketing out of the way of arriving and departing automobiles.

The two groups filed up and down quietly, carrying their signs. When they learned that they had missed McCloy by half an hour they said they would return and seek an interview with him when he comes back from Washington.

German-Citizenship Aspirant To Be Freed

Frankfurt, Germany, Aug. 2 (AP). Daniel McCarthy, the former GI who wanted to become a German citizen, today was granted clemency which will free him from jail on August 8. He is serving his sentence in army disciplinary barracks at Fort Hancock, N.J.

McCarthy, from New Hyde Park, N.Y., was sentenced June 13 to eight months for illegal entry into Germany, where he tried to give up his United States citizenship.

Dr. James R. Newman, United States military governor in Hesse, today ordered his early release because, he said, "McCarthy's offense was caused by youthful impetuousness and thoughtlessness rather than by criminal inclination."

Americans' Visits To Bonn Curbed

Berlin, Aug. 2 (AP)—The United States Military Government notified its employés today they must show a compelling reason in order to visit Bonn, capital of the German Republic.

This notice was published in the daily bulletin issued by headquarters in Berlin.

Informed sources said the step was taken to avoid any possibility of American pressure on the fledgling German Government.

United States Military Governor John J. McCloy, meanwhile, announced the appointment of two men to his staff.

McLain Named

Chester A. McLain, who is at present on leave from the World Bank which McCloy formerly headed, was appointed as a special adviser to McCloy.

McLain was formerly a partner in the New York law firm of Cravath, Degersdorff, Swain & Wood.

Lieut. Col. Harrison A. Gerhardt was appointed a special assistant to McCloy. He served as executive officer to McCloy from November, 1943, to October, 1945, when McCloy was Assistant Secretary of War.

Reds Quote Mann On East-West Status

Berlin, Aug. 2 (AP)—Thomas Mann thinks there is room in a peaceful world for both Soviet communism and Western capitalism, the Communist press reported today.

The German-born author was quoted to that effect in an interview published by the Soviet-licensed *Neues Deutschland*, official newspaper of the Socialist Unity (Communist) party in Germany.

The interview was at Weimar, where Soviet-zone Germans awarded Mann the Goethe Bicentennial Prize. Mann once lived in Weimar. He fled Hitler's Germany in 1933 and is an American citizen now.

"Generous Approach"

"The different and opposing so-

cial systems of the Soviet Union and the United States seem to me unnecessarily an obstacle for peaceful co-operation." Mann was quoted as saying.

"There are certain similarities between the two peoples, such as the passion for technical progress. They also have in common a generous approach to life. I, therefore, deem an understanding between the two nations as by no means impossible.

Germans Warned

"I believe the danger (of another World War) will soon lose its menace," the interview continued.

"There would be no victors emerging from this future war . . . only survivors."

Mann warned the German people against trying to "derive advantages from the tension between the Soviet Union and the United States."

VATICAN ATTACKS REDS IN EUROPE

VATICAN CITY, Aug. 2. — (AP) The Vatican radio said today the communist governments of eastern Europe, like the Roman Emperor Nero, are trying to wipe out Christianity.

The broadcast stressed that the Roman Catholic church can not yield to efforts to make it "harmonize" itself with the communist regimes, declaring:

"If at the times of Nero and Diocletian the Christian church had 'harmonized' itself with the laws of the Roman state, we probably would have had fewer martyrs, but no Christianity."

Persecuted by Nero

Nero was Roman emperor from 54 to 68 A. D. and Diocletian from 284 to 305 A. D. Both persecuted the early Christian church.

Romania, which dissolved all its Roman Catholic welfare orders yesterday, ordering 1,500 monks and nuns to retire or become laymen, thereby took another step toward "total de-Christianization," the Vatican radio said.

Warns Orthodox Church

It warned Romania's majority Orthodox church—Roman Catholics are a minority there, with about 2,800,000 of the 16,000,000 population—against the consequences of compromising with the communist regime.

Romania is "at the vanguard of all the countries dominated by Russia in the implacable work of de-Christianizaton," it said.

Details were lacking here on the situation in Romania. Bishop Gerald P. O'Hara, formerly of Savannah, Ga., is regent (charge d'affaires) of the Holy See's nunciature at Bucharest. Vatican sources reported several weeks ago he had not been allowed to carry on his diplomatic functions "for some time."

VATICAN CONDEMNS ROMANIAN REGIME

Vatican City, Aug. 2 (A. P.).—The Vatican radio charged today that Romania's Communist Government is wiping out Christianity in that country.

Commentjng on yesterday Romanian Government decree abolishing Roman Catholic orders, the Vatican broadcast called it "another step toward the total dechristianization of Romania." It added that Romania is "at the vanguard of all the countries dominated by Russia in the implacable work of dechristianization."

"While in the other countries there are attempts to mask religious persecution under specious political motives, in Romania open warfare is waged against the Catholic Church," the broadcast said.

The broadcast charged that the Romanian Government was taking advantage of the fact that the Catholics are a minority in the country, while the orthodox majority "has deemed it opportune to adjust itself in the social order created by the popular democratic state."

Pope Receives Douglas

Vatican City, Aug. 2 (AP)—Pope Pius XII today received in private audience Justice William Douglas, of the United States Supreme Court.

Czechs Say Church Plot Is Foiled

Prague, Czechoslovakia, Aug. 2 (AP)—The Communist press said today a joint Vatican-American plot to provoke civil war in Czechoslovakia over the church-state controversy had been foiled.

The charge was made by the Communist party organ, *Rude Pravo*, which said an "Organization X," allegedly under an American high command, was working to "organize espionage, sabotage and diversion in countries that have abandoned the capitalist system."

Czechoslovakia has been under Communist domination since the Prague *Coup D'etat* of February 1948, in which the Communists, with the aid of "action committees," took over the administration.

Name Brother Of Dulles

In a long article entitled "The Vatican Fifth Column," *Rude Pravo's* foreign commentator, Andre Simone, named Allen Dulles, brother of Senator John Foster Dulles, as chief of "Organization X."

Simone also listed Francis Cardinal Spellman, of New York, whom he described as "the Pope's Hjalmar Schacht," as one of the organization's members.

[In New York, Dulles said he knew nothing about the report. He said he is chairman of the executive committee of the National Committee for Free Europe, whose purpose is to further the cause of liberty and peace and to support in America political leaders who have been driven from their homes by communism.]

Identified By Vatican

"The Vatican spy service, led by a general of the Jesuit Order, Janson, and under the direct control of the state secretary of the Vatican, Montini, co-operates directly with Organization X in its endeavor to cause chaos in the people's democracies," the Communist writer said.

[The Vatican today identified a Father John Baptist Janssens as general of the Society of Jesus. He was born in Malines, Belgium, and is the twenty-seventh general of the society. He was elected to the post in September, 1946, to succeed the late Polish Father, Vlodimiro Ledoschowski.

[Msgr. Giovanni Battista Montini has been the Vatican's acting secretary of state, together with Msgr. Domenico Tardini, since the death of Luigi Cardinal Maglione, secretary of state, in 1944.]

Charge Clashes Were Provoked

The *Rude Pravo* article said: "Only thanks to the eternal watchfulness of the peoples' democratic governments have the attempts of Organization X been foiled."

In Czechoslovakio, it asserted, the plot of "the Vatican's fifth column—the Roman Catholic hierarchy," was to provoke "clashes throughout the nation."

"Unrest and riots," it said, were to be stirred up by having Archbishop Josef Beran lock himself in his palace and pretend to be a "martyr," and then have the Catholic faithful rise and fight the Communists in his defense.

Commentator Simone said after the alleged church *Putsch* failed, the Vatican "tried again with its decree excommunicating Communists—but this also proved a splash on the surface."

He concluded that although the plot had been foiled, "further Vatican fifth-column activities will continue."

Civil-War Plot Laid To Church By Czechs

Prague, Czechoslovakia, Aug. 2 (AP)—*Rude Pravo*, the Czechoslovak Communist organ, today accused the Vatican and the Roman Catholic hierarchy of trying to provoke civil war in Czechoslovakia over the state-church strife.

The newspaper cought to implicate Francis Cardinal Spellman of New York, and what it called the "American organization" in the alleged plot.

The charges were made in a long article by Andre Simone, the paper's foreign commentator. It was entitled "The Vatican Fifth Column."

After Week's Lull

The attack appeared after a week's lull in press assaults on the Church.

Simone claimed the Vatican was working in co-operation with the "American organization" whose task, he said, is to organize espionage and diversions in those countries which have deserted the capitalist system.

"To this organization belongs Cardinal Spellman, who is the Pope's Schacht, because he raises 80 per cent of the Vatican income and is potentially the mightiest man of world Catholicism next to the Pope," the article declared.

Dulles's Brother Named

Allen Dulles, brother of Senator John Foster Dulles (R., N.Y.), was named as a director of the alleged organization.

[In New York, Dulles said he knew nothing about the report. He pointed out he is chairman of the executive committee of the National Committee for Free Europe. The purpose of that organization, he said, is to further the cause of liberty and peace and to support in this country political leaders who have been driven out of their own homes by communism.]

Albania, Bulgaria Seen As Allies By Yugoslavia

Tito Says They Falter, May Join In Fight Against Comintern In Break With Russia

Belgrade, Yugoslavia, Aug. 2 (AP). Premier Marshal Tito predicted today that both Albania and Bulgaria will repudiate the Cominform and join Yugoslavia in a crusade for developing communism at home.

Albania and Bulgaria are members of the Cominform—the association of eastern Communist states from which Yugoslavia was expelled for allegedly failing to hew to the true Marxist-Lenin line.

Tito spoke at Skoplje in Yugoslav Macedonia before an audience estimated by Yugoslav officials at 350,000.

Applies To Albania

Tito declared the Bulgarian people ultimately will ignore the "slanders against Yugoslavia and extend their fraternal hand to us." He said Yugoslavia will help the Bulgarians remove any individuals who have set up obstacles "to the creation and preservation of brotherly relations."

He said this applied also to Albania—tiny southern neighbor of Yugoslavia which has become isolated from the rest of the Cominform nations in its allegiance to the Cominform cause.

Tito spoke at the observance of the fifth anniversary of the People's Republic of Macedonia—the federal state within Yugoslavia.

Fighting Independently

Tito, who desires to maintain peace at home, has gone to considerable lengths to assure Yugoslav Macedonia of equal treatment.

However, he dealt sternly today with the question of an independent Macedonia. As he has done before, he pointed out in detail benefits he said Yugoslav Macedonians enjoy under Yugoslav rule. He outlined problems they would encounter should they become a separate nation with a population containing Bulgarian and Greek minorities.

Since World War I, Macedonia has been divided between Yugoslavia, Greece and Bulgaria. Greece has the largest share and Bulgaria a remnant of her former holdings. Bulgaria still claims that part taken from her and given to Greece.

Bulgaria has proposed a United Macedonia. This has been denounced in Yugoslavia as an attempt to stir up trouble in the Balkans.

Whispering Heard

At one point Tito declared the Cominform campaign against Yugoslavia had given rise to "chauvinistic passions" in both Romania and Hungary.

"Do not think that there are no leading Communists in Hungary and Romania who are quite audibly whispering—since their countries are 'socialist' and Yugoslavia is 'capitalist'—that something could be wrenched from Yugoslavia?

"We tried with the greatest sacrifices to create the closest relations with the peoples of those countries. But it was in the interests of some people to spoil these relations."

DUTCH TO STUDY INDONESIA PLAN AT HAGUE PARLEY

BATAVIA, Java, Aug. 2 — (AP) Representatives of the Indonesian republic and 15 Dutch-backed states of the East Indies agreed today to form a United States of Indonesia which will accept sovereignty under the Netherlands crown.

The agreement still needs Dutch approval. It will be submitted at a forthcoming round-table conference on Indonesia's future which is scheduled to be held at the Hague.

The agreement calls for a European-type provisional government to be formed as soon as possible, covering all 72,000,000 inhabitants of

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the islands the Dutch once ruled as colonies.

Marks Final Step

It marks, presumably, one of the final steps toward ending the revolt against Dutch rule that has resulted in sporadic fighting since Indonesia's liberation from the Japanese in 1945.

The United Nations commission for Indonesia has announced that a formal cease-fire between the Dutch and the Republicans will be proclaimed tomorrow and go into effect a few days later.

The new country will be called "Republik Indonesia Serikat" (Republic of the United States of Indonesia). Its flag will be the republic's red and white.

To Elect Assembly

The provisional government will rule under a temporary constitution until a constituent assembly is elected.

It will consist of a president to be named by the conference delegates and an inner cabinet of five ministers, to be supplemented later by a two-house provisional parliament.

A provisional constitution will be drafted as soon as possible by a joint committee of the Republic and the Dutch-backed states.

Elections for the assembly to write a permanent constitution are to be held within a year after the Dutch transfer power to the provisional regime.

The transfer date and terms of the future union with the Netherlands are left to be worked out at the round-table conference.

Similar To British Setup

The plan is to establish the United States of Indonesia as a free and sovereign partner of the Netherlands in a union under the Dutch crown. The relationship presumably will be somewhat like that of Britain and members of the British commonwealth.

The delegates agreed that all Dutch troops should be evacuated, but left the time and other details to the Hague conference. The new country's army will be built around the existing Republican army and Indonesians who served with the Dutch.

The conference of Republicans and Federalists met July 20, 21 and 22 at Jogjakarta, the Republican capital, and reassembled here Sunday.

Jewish-Arab Talks Gain

Lausanne, Switzerland, Aug. 2 (AP)—The Jewish-Arab Peace Conference here recorded its first major progress today since the talks opened last April.

Israel's four Arab neighbors told the United Nations Palestine Conciliation Commission at a private meeting they are prepared to begin discussion of the Palestine refugee problem on terms proposed by Israel last week.

The fate of Arabs who fled from Israeli-held territory during the Palestine war has been the major problem deadlocking the conference during the past two months.

Israel's newly appointed chief delegate, Ruven Shiloah, told the commission July 29 that Israel was prepared to discuss large-scale repatriation of the refugees to Israeli-held territory on two conditions. ADD

CHINA REDS PUSH DRIVE INTO VITAL HUNAN RICE BOWL

5 MOCA

CANTON, Aug. 2—(AP) Four Chinese communist columns plunged deeper into the rice growing region of south-central China today. One column reached a town only 235 miles from this refugee nationalist capital.

The operations threatened to isolate the "rice bowl" bastion of Changsha, 363 miles north of Canton. They also menaced a government counterdrive east of Changsha.

Counter Drive Endangered

The government had lashed out east from Changsha and reached Anfu, which is 300 miles northeast of Canton. This was to put pressure on a communist column east of Anfu.

Now official Nationalist dispatches indicate this government force in turn is endangered by a Red sweep to the south of Anfu. One column was driving on Suichwan, 235 miles north of Canton.

Other Nationalist dispatches reported the Reds again had cut the railway between Changsha and Canton at Lukow about 50 miles south of Changsha.

Two other columns were cutting around the strong natural defenses of Changsha on the northwest.

Planes Hit Red Headquarters

One spearhead neared Yiyang, 50 miles northwest of Changsha. The other was closing on Yuangling, 170 miles west of Changsha.

The official dispatches asserted Nationalist planes Monday destroyed the headquarters in Hankow of Gen. Lin Piao, Red commander on this front.

The communists also were reported driving deeper into Kansu province in the far northwest.

Meanwhile, the U. S. Embassy reported that Ambassador J. Leighton Stuart had reached Okinawa. Stuart is returning to Washington by plane to report.

Red Spearheads Move Deeper In Central China

5 MOCA

Canton, Aug. 2 (AP)—The Communists drove their multiheaded southward offensive deeper into Central China today. Their gains were acknowledged by the Nationalists.

In the rice-bowl province of Hunan the Reds again severed the Canton-Hankow railway, this time 313 miles north of this refugee Nationalist capital. They pushed their drive to outflank the main Hunan defense force.

In neighboring Kiangsi province, the spearheads threatened Nationalists, who had pushed from Hunan in an attempt to cut the foes' supply lines.

Gain In Kansu Province

Far away from the main fighting front, the Communists also pressed deeper into Kansu province in a new offensive against the vast area of northwestern China ruled by Moslem warlords.

This was the picture in Hunan given by official Nationalist dispatches:

Communists driving from the east took the rail town of Lukow. This is between Changsha, the provincial capital, and Hengyang, junction point for the Canton-Hankow line and the Kiangsi railway. The Reds gave up Chuchow on the line in the same area Sunday.

Outflanking Threatened

Other Red forces moving down from the north into Hunan carried the threat of outflanking Gen. Pai Chung-hsi's Nationalist armies from the west.

One spearhead neared Yiyang, 50 miles northwest of Changsha. Another took Taoyuan in a highway drive southwest toward Yuanling, 170 miles west of Changsha.

In Kiangsi, the Reds seemed to be endangering Nationalist forces which yesterday were reported at Anfu, 150 miles east of the Canton-Hankow railway between Changsha and Yi[illegible]g. ADD

Reds Outlaw Mah Jong, China's Favorite Game

Shanghai, Aug. 2 (AP)—Now mah jong is taboo in Shanghai.

Communist authorities today decreed it was a waste of time to play China's favorite game.

Sixty-eight players were arrested, fined up to 40,000 Communist dollars each, sentenced to four hours in jail and made to sweep the streets.

Mah jong, a game with tiles, was popular in the United States in the late twenties.

Communists Clear Navy Employes

Shanghai, Aug. 2 (AP)—The Chinese Communist labor board today cleared demonstrating former employés of the United States Navy from the American consul general.

The board then put forward an arbitration plan for settlement. It asked Reuben Thomas, consulate administrative officer, to cable the terms to Washington.

Approximately 800 former employes, mostlf Chinese (but including some Indians and White Russians), besieged the consulate Friday.

The workers demanded 6½ months' wages as severance pay. The Communist terms provide for three months' severance pay. There would be a ceiling of $300 and a floor of $150 on severance pay.

[The State Department announced in Washington that the consulate would be open for business again tomorrow.]

CHIANG DELAYS PARLEY ON PACT AGAINST REDS

SEOUL, (Wednesday), Aug. 3—(AP) Generalissimo Chiang Kai-shek today postponed his visit to South Korea to discuss a Pacific pact against the Communists in the Orient.

The veteran Chinese nationalist leader advised President Syngman Rhee of the postponement. He was expected today. It is believed he will arrive in two or three days although he set no new date.

Rhee went ahead with plans for receiving the Generalissimo at Chinhae, on Korea's southern coast. Rhee had asked for a delay in Chiang's arrival to give him more time to prepare for the visit. ADD

Japs Happy To Get U.S. Blond Hair

Tokyo, Aug. 2 (AP)—So sorry, the Mizusawa Observatory said today, its gratitude really belongs to another blonde.

It is Mrs. Frank Williams, of Detroit, who sent strands of hair from her 3-year-old daughter's head—not Mrs. Frank Willis.

An observatory official explained through an interpreter:

"So sorry we got the name wrong yesterday. The first donor was Mrs. Frank Williams, in care of Williams Welding Company, 3145 Meldrum street, Detroit 1, Mich. Maybe that Meldrum isn't right—that's how it looks. (IT is O.K.)

"She sent five blond hairs. Today we received six more air-mail letters postmarked Pennsylvania, Connecticut, New York, New Jersey, Minnesota and Canada, all containing hair.

"One was from Gerald Schierenbeck, whose address is tenth floor of a building at 1501 Broadway, New York 18. The hair was his wife's.

"Another was from a 57-year-old woman who lives in Minnesota. She wrote her life has been miserable but if some of her hair could be put to good use that would make her happy.

"Many thank yous."

The observatory wanted a fine hair for its hygrometer, a sensitive instrument for measuring moisture in the atmosphere. The coarse black hair of Japanese wouldn't do at all.

Moscow Theater to Satirize Pact.

Moscow, Aug. 2 (A. P.).—"The Mad Haberdasher" is the title of a new play now in rehearsal and scheduled for a mid-August premiere. The newspaper Evening Moscow describes it as a satire on the North Atlantic pact.

U.S. REJECTS RUSS PROTEST

Charge Italy Broke Treaty To Join Pact Called False

Washington, Aug. 2 (AP)—The United States today formally rejected Russia's protest against Italy's participation in the North Atlantic defense pact.

Dean Acheson, Secretary of State branded as "utterly without foundation" Russia's accusation that Italy violated its peace treaty by joining the defense arrangement last April 4.

At the same time, he again denied Moscow's oft-repeated charge that the twelve-nation alliance was "aggressive" in aim.

The State Department made public the American reply to Moscow's note shortly after it was delivered to Russia's ambassador, Alexander Panyushkin.

Protest Made Before Vote

Russia made its accusation two weeks ago just as the Italian legislature was about to vote on whether to ratify Italy's membership in the North Atlantic treaty.

Despite the Russian blast, the Italian Chamber of Deputies approved the pact, 323 to 60. The Italian Senate followed suit last week.

Acheson said there is nothing in the Italian peace treaty to bar Italy's participation in regional defense arrangements.

He cited testimony before the Senate Foreign Relations Committee last April 28 to prove it was clearly understood by all—including the Russians—that Italy's as-

signed role in the pact would be within the military restrictions of the peace treaty.

Troops Limited

The peace treaty limits Italy to an army of 185,000 men. A police force of 65,000, and an air force of 200 fighters, reconnaissance plans and 150 transport and air rescue craft. No bombers are allowed.

Acheson assured the Russians "no changes in the military requirements of that treaty are now being sought by Italy as far as the United States Government is aware."

The secretary denied there is any secret deal with the Italian Government hidden in the exchange of notes between Italy and the United States on April 6 and 7 of this year. These notes were made public at the time and consisted of a statement by the Italian Government that the need for military assistance "continues to be very urgent."

lished by the Soviet Foreign Office last January—before the text had been decided.

"Other Considerations"

"It would thus appear that the views of the Soviet Government on this subject do not arise from an examination of the character and text of the Atlantic pact but from other considerations," Acheson wrote.

"The text makes clear the completely defensive nature of this pact, its conformity with both the spirit and letter of the Charter of the United Nations, and also the fact that the pact is not directed against any nation or group of nations, but only against armed aggression."

The American note flatly refuted Russia's contention that the peace treaty prevents Italy from joining the North Atlantic pact.

change was recommended by former President Herbert Hoover, who headed a commission that surveyed reorganization of the executive branch of the government.

Broad Powers

The secretary would have broad powers under the bill, but would not be able to transfer combat functions on the services or assign officers and men in such a way as to alter their present combat functions.

Chairman Vinson (D-Ga) of the House Armed Services committee said this curb was written into the measure to protect the Marine corps and Naval aviation.

Passage of the bill takes President Truman's proposal for reorganizing the armed forces out of the picture, Vinson told the House. The president submitted it last month, but this bill, Vinson said, includes all changes recommended by Mr. Truman.

was Tanforan, near San Francisco.

Asked Scrap Shipments

2. Hunt's request that he (Woods) go to the Commerce department to try to get steel scrap shipped from Europe to this country.

Woods said he told the investigators what he had already reported—that he did tackle the Commerce department, but didn't accomplish much. He went, he said, because scrap was sorely needed for the manufacture of soil pipe used in home construction.

The name of John Maragon, another key figure in the investigation, entered the race track questioning, Woods told reporters.

Maragon's name showed up on a list of persons who attended a meeting with housing officials on the Tanforan case, the expediter said. Otherwise, he added, he had no information that Maragon was involved.

Wood's meeting was with the staff of the Senate's special investigating commitee. The committee wants to learn about persons who charge businessmen five per cent—or some other fee—for helping them get federal contracts. The practice is deplored officially but is not illegal.

Woods said the questioning was friendly, adding:

Loopholes in Regulations

"I told them influence wasn't needed under the building rules. Once you had the regulations, anybody could find the loopholes."

The housing official, in a weekend interview, had disclosed that Hunt asked for favorable consideration of the construction job at Tanforan. At that time federal clearance was requested for all building.

Hunt also "sought our opinion," he said, as to whether Foxborough could qualify for a clearance. The agency advised him the track was eligible.

The Senate staff wanted to know about the files in these cases, Woods said after today's meeting, and about the regulations which applied.

Woods said he replied "I thought generally that the whole construction was a farce; it had so many loopholes—so many legal loopholes."

When reporters asked particularly about the clearance given Hunt in the Foxborough case, Woods said: "Anybody could have come in and got the same thing. All they had to do was get our regulations together and read the fine print, including the exemptions."

The regulations were drawn up before he became expediter in October, 1947, Woods went on. He said he told the investigators he thought that if there was to be any regulation, it should have been an effective one.

Says He Paid Hunt

In both the Tanforan and Foxborough cases, Woods added, the preliminary work on the building applications had been done before he took office.

Hunt's alleged activities in Washington were the immediate cause of the Senate investigation. Paul Grindle, a Massachusetts manufacturer, has stated that he paid Hunt, a former army officer, $1,000 for help in landing a government contract.

Grindle charged—and Hunt has denied—that Hunt claimed to have influence with government officials. Two Army major generals named by Grindle were recently suspended as a result of the Army's own investigation.

Woods, in the weekend interview, said he has known Hunt for years. He was "a friend of my family" in Chicago, he said.

And he stated that Hunt's name, so far as he knows, did not figure in either of the racetrack cases in any incriminating or improper way.

Woods said he did not know the identity of the client who paid Hunt the reported $15,000 fee in connection with the Foxborough track.

Uniform Maker Called

Rep. Hebert (D-La) announced late today that he will call Stanley J. Cummings, executive secretary of the National Association of Uniform Manufacturers, Inc., before a House Armed Services subcommittee tomorrow to ask him about a meeting with Hunt.

Hebert is chairman of a subcommittee which is investigating policies of the armed forces on supplying officers with uniforms.

Cummings will be questioned in a closed session, Hebert said. He will be asked about a report that Hunt once offered to try to get Maj. Gen. Herman Feldman, suspended head of the army quartermaster Corps, to reverse an order affecting the purchase of officers' uniforms. Hunt asked a $25,000 fee, Hebert said, but the uniform manufacturers refused to pay it.

The order in question would change the traditional system under which Army officers buy their own uniforms directly from retailers or tailors. Its intent is to have the quartermaster general procure officers uniforms and then resell them to officers at cost. Operation of the order has been held up temporarily pending a study by the House subcommittee.

U.S. Formally Rejects Pact Protest

Washington, Aug. 2 (AP)—The United States today emphatically rejected a Russian protest against Italy's membership in the North Atlantic defense pact.

Secretary Acheson termed the charges "utterly without foundation" in a note delivered to the Russian Embassy shortly before noon.

"The text of the treaty itself is the best answer to such misrepresentations and allegations," the American reply said.

Russian Charges

The Soviet Government had charged that Italy violated its peace treaty by joining in the twelve-nation defense treaty last April.

Acheson had denounced the Russian charges at his news conference last Wednesday, foreshadowing today's formal rejection of Russia's latest accusations.

In his written reply, Acheson noted that the views expressed in the Russian note of March 31 are "identical in their misinterpretation" of the nature and intent of the Atlantic treaty with those pub-

HOUSE APPROVES UNIFICATION BILL, GOES TO TRUMAN

WASHINGTON, Aug. 2—(AP) House approval, by 356 to 7, today completed Congressional action on a bill giving Secretary of Defense Johnson new powers as boss of the armed forces.

The measure went to President Truman for his signature.

The bill would:

1. Tighten Johnson's authority over policies and operations of the services by making it direct authority. The 1947 unification law gives him only "general" authority.

Civilian Business Manager

2. Set up a civilian business manager over the services' money matters. The new comptroller will be an assistant secretary of defense, and will be in charge of establishing uniform budget and accounting practices throughout the military departments.

3. Give the joint chiefs of staff a permanent chairman. They operate now without a chairman, except when one is asked to act temporarily—as General Dwight D. Eisenhower was recently.

The bill changes the present national military establishment into a new department of national defense, with the three services as military department under it. This

PROBERS QUESTION HOUSING HEAD ON RACE TRACK DEALS

5 Pct. Investigators Quiz Woods on Foxborough, Tanforan Permits

INFLUENCE WORTHLESS

Expediter Asserts Anyone Could Find Loopholes in Building Laws

WASHINGTON, Aug. 2 (AP)—Housing Expediter Tighe E. Woods today said two race tracks got a construction permit from his agency not because of influence but because postwar building controls were a "farce."

Woods spent 90 minutes closeted with the Senate's "five per cent" probers. He told newsmen their questions included the dealings of his office with James V. Hunt, Washington "management counselor," in these two matters:

1. The race track jobs. Woods has said he understands a client paid Hunt $15,000 for his services in 1947 in getting a construction clearance for one of the tracks, Foxborough, near Boston. The other

Woods Admits Building Rules Were Farce

Washington, Aug. 2 (AP)—Housing Expediter Tighe Woods said today he told Senate "five per center" investigators that his agency's postwar building regulation was a "farce."

Woods spent 90 minutes with the staff of the Senate's special investigating subcommittee and afterward told newsmen that the names of both James V. Hunt and John Maragon figured in the closed-door session.

Hunt And Maragon Discussed

Hunt, a former army officer who now is a "management counselor" here, is a key figure in the Senate inquiry.

Maragon, fabulous former Kansas City bootblack who now calls many top Government officials by their first names, appeared before the staff of the special investigating subcommittee three consecutive days last week.

Woods said that over the week end that committee investigators had found Hunt mentioned in the housing agency's files in connection with postwar construction work at two race tracks—Tanforan, at San Bruno, Cal., and Foxborough, near Boston.

Race-Track Building

Woods said then that in the Tanforan case, Hunt asked the housing agency to give favorable consideration to a 1947 application for a go-ahead on construction work at the track.

He also said that Hunt "sought our opinion" as to whether the Foxborough track could qualify for a green light on construction work. Hunt was advised, Woods said, that the track was eligible.

The housing expediter said he understands that Hunt was paid a $15,000 fee by his client in the Foxborough case. He could not name the client.

Wanted Explanation

After today's session with the Senate investigators, Woods told newsmen:

"They just wanted to know about the files in the Tanforan and the Foxborough race-track cases. They asked me to explain the (building

materials) regulations under which we operated at the time."

Woods said he told the investigators that "I thought generally that the whole construction regulation was a farce." He added:

"It had so many loopholes—so many legal loopholes."

Anyone Could Have Done It

Woods said the regulation never was intended to open the way for use of scarce building materials in race-track construction.

But, he said, "anybody could have come in and got the same thing" that Hunt got in the way of construction clearance.

"All they had to do was get our regulations together and read the fine print, including the exemptions," Woods said.

He added that the regulations had been drawn up before he took over as Housing Expediter in October, 1947, and that all the preliminary work in both the Tanforan and the Foxborough cases had been done before he came on the scene.

Woods said the investigators asked whether Maragon had figured in any way in the Tanforan case. Woods said he told them he had no information that he did.

Maragon Involved "Slightly"

The official record of Maragon's secret testimony to the subcommittee shows that Maragon was questioned at length on the Tanforan case. The record shows Maragon testified that he was involved in the case to a slight degree.

Meanwhile, committee investigators were reported to be looking into the handling of postwar priorities on steel and cement, as the result of a lead furnished indirectly by Maragon.

three years, 7,025 were made to researchers in this country.

Twenty-one foreign countries that have recived them so far are: Argentina, Australia, Belgium, Brazil, Canada, Colombia, Denmark, Finland, France, Iceland, Italy, Netherlands, New Zealand, Norway, Peru, Spain, Sweden, Switzerland, Turkey, Union of South Africa, and the United Kingdom.

Program Has Grown

Also, these other eight countries have qualified to receive shipments but have not yet placed orders, the AEC said: Chile, Cuba, Quatemala, India, Ireland, Lebanon, Mexico and Uruguay.

"The program has grown to such an extent," said the anniversary announcement, "that the Atomic Energy Commission is constructing a special area at the (Oak Ridge) laboratory to facilitate the processing and packaging of the radioactive isotopes.

"Research laboratories for improving present processing techniques are also being constructed and will soon be ready for use."

Here are some of the latest uses of radioactive isotopes outlined by the commission:

1. In medicine: Scientists are using radioactive iodine as the "tracer" material in a dye called "diiodofluorescein". This is used to locate brain tumors before a surgeon operates. The dye is taken up more selectively by brain tumor tissue than by normal brain tissue—and thus, tell-tale "signals" of radioactivity enable the operator to locate the tumor.

2. In industry: Piston rings are being made radioactive as a means of measuring engine wear. A radioactive material is incorporated into the piston rings. When the engine runs, the radioactive particles worn off the rings drop into the lubricating oil. Technicians then measure the amount of radioactivity in the oil and get a measurement of the wear on the rings.

3. In agriculture: The U. S. department of agriculture, in cooperation with the AEC, is conducting research in 14 states this summer to determine to what extent plants use phosphorous contained in fertilizer.

AEC Reports Heavy Demand For Atom Research Material

OAK RIDGE, Tenn., Aug. 2 (AP)—The Atomic Energy Commission today reported a rushing business on its third anniversary of setting up shop in the radioactive isotope line.

Since Aug. 2, 1946, a total of 7,613 shipments of the isotopes have gone to various institutions in this country and abroad.

Used In Research

Radicactive isotopes are ray-emitting forms of many common materials, such as carbon, iodine and phosphorous. They are important as "tracers" in research—that is, the rays they emit enable scientists to study processes that would otherwise be difficult to follow.

Some radioactive isotopes are also used in the direct treatment of certain diseases, such as some types of cancer.

Of the 7,613 shipments in the last

Senate Votes Full FBI Check On Atom Student Candidates

Washington, Aug. 2 (AP)—The Senate voted today to require a full FBI check of all students recommended for research fellowships under the Atomic Energy Commission.

The provision was inserted by voice vote into an independent offices appropriations bill at the request of Senator O'Mahoney (D., Wyo.). Earlier, the Senate by voice vote had approved another O'Mahoney amendment. This one put a checkrein on the AEC's spending authority.

Chairman McMahon (D., Conn.) of the Joint Senate-House Atomic Committee did not oppose either amendment. The FBI check for AEC fellowship candidates is a direct result of the disclosure last May that a fellowship had been awarded to Hans Freistadt, an avowed Communist at the University of North Carolina.

Require Loyalty Oath

Shortly after the Freistadt case became public, the National Research Council, which administers the multimillion dollar fellowship program for the AEC, agreed to require a loyalty oath and non-Communist affidavit from fellowship candidates.

But many senators thought this did not go far enough. So O'Mahoney prepared a stronger safeguard.

His amendment specifies that no part of any appropriation for the AEC shall be used to confer a fellowship on "any person who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence."

Punishment Provided

It provides for FBI check of candidates and makes violation of the amendment a felony punishable by a $1,000 fine, one year imprisonment, or both.

McMahon pointed out that fellows having access to secret atomic information already are subject to full FBI checks. He said the amendment would apply to those entering nonsecret research fields.

O'Mahoney said the spending amendment provides for "closer supervision" by the Budget Bureau and Congress over funds granted to the AEC.

McMahon called it language "under which the AEC can function without loss of efficiency," while giving more information to Congress.

House Unanimously Passes Bill Raising Veterans' Aid

Washington, Aug. 2 (AP)—Without a single vote in opposition, the House passed and sent to the Senate today a bill raising veterans' pensions and disability payments by more than $112,000,000 a year.

The measure sailed through despite objections from the White House. The Budget Bureau informed Congress that the legislation was not in accord with President Truman's program.

Even though no House member opposed the bill, there was a roll-call vote and 354 congressmen got on record as favoring the increases.

Chief Provisions Listed

The first year's cost was estimated at $112,597,300 by the Veterans Administration. It made no estimate of the cost in subsequent years.

Veterans Administration estimated that 2,024,000 veterans of the first and second World Wars and of the Spanish-American War would be affected by a section increasing disability and death payments.

Principal provisions of the bill are:

Disability and death compensation rates and basic rates for service-connected disability would be increased. The rate for total disability would go up from $138 a month to $150, with corresponding raises for partial disability.

Raises Dependents' Benefits

The monthly payments to widows and dependent children of wartime casualties would be increased from the present $100 for a widow with one child to $105. The payment for each additional child would be $25 instead of $15.

World War I veterans with disabilities legally presumed to be service-connected would get full compensation instead of the present 75 per cent.

Dependents of veterans with service-connected 50 per cent disabilities would get additional compensation benefits. At present such payments are made only if the disability is 60 per cent.

Boosts Tuberculosis Benefits

Where veterans are receiving compensation for tuberculosis, full benefits would be paid for two years after the disease is fully arrested, 50 per cent benefits for an additional four years and 30 per cent for five years more.

Under existing regulations the full payments are made for six months after the presumed cure, then half payments for four and a half years and 30 per cent for the next five years.

Backers of the bill pointed to the increased cost of living.

The Budget Bureau raised the question that if compensation payments are increased to meet rising living costs, there might be a demand to cut them when living costs decline. It would appear to be more in the interest of the veteran, the bureau said, to have a stable rate since most veterans need the money less in time of high prices and full employment than they will when jobs are harder to get.

Opposition Listed

In opposition to liberalization of payments for arrested tuberculosis cases, the Veterans Administration said the present scale is "liberal and medically sound."

Furthermore, the administration said, the legislation discriminates against veterans with more serious disabilities because it does not increase special rates provided now for them.

From 1939 until now, the administration said, 29 laws have been enacted to increase pension rates or liberalize pension requirements in specific cases.

survivors of G. I.'s killed in the war.

Chairman Doughton (D.-N. C.) said that "discrimination against veterans because of their military service" would be removed. It would be assumed—for social security credit purposes—that they would have earned an average of $160 a month during the period of their military service.

Social security insurance is paid in old age, and to dependent survivors if an insured person dies, on the basis of a person's earnings and contributions, and the duration of such payments.

President Truman signed into law yesterday a bill giving prisoners of war a year in which to file claims for veterans pensions and benefits. Their claims would run from the time they might have filed them if they had not been detained by the enemy.

WOULD GIVE VETS SOCIAL SECURITY

Washington, Aug. 2 (A. P.).—Veterans of world war I would be given social security wage credits for time spent in the service, under legislation agreed upon today by the House Ways and Means Committee.

If the House and Senate approve the legislation, it will mean not only larger retirement benefits for veterans in their old age but also increased payments to

Truman Urged To Press For '52-20'

Washington, Aug. 2 (AP)—Representative Noland (D., Ind.) urged President Truman today to use his influence to obtain House passage of the bill reviving the "52-20" veterans' unemployment-compensation payments.

Noland said he asked Mr. Truman to get the House Democratic leadership behind an effort to force Chairman Rankin (D., Miss.) to bring the bill up before the House Veterans Committee.

Stalling Alleged

Noland said that Rankin "is stalling" to prevent action on the measure, which extends for another year the payment of $20 weekly benefits to unemployed veterans up to a maximum of 52 weeks. The measure expired July 15.

Noland did not say what the President might do, but he said Mr. Truman thinks the payments to jobless veterans "are more important now" than they were last year due to increased unemployment.

AMETHYST
BY WAYNE RICHARDSON

ABOARD H.M.S. JAMAICA AT SEA, AUG. 2-(AP)-THE BATTERED LITTLE SLOOP AMETHYST LIMPED TOWARD HONG KONG TODAY WHERE A ROUSING WELCOME AWAITS THE DOUGHTY CREW WHO BROUGHT HER TO FREEDOM THROUGH CHINESE COMMUNIST GUNFIRE.

A SQUADRON OF SPITFIRES WILL DIP IN SLUATE, BANDS WILL BLARE AND A MILITARY HONOR GUARD WILL BE WAITING AT THE WHARF WHEN THE SHELL-SCARRED ROYAL NAVY CRAFT ARRIVES IN HONG KONG HARBOR TOMORROW.

THE MEDAL OF THE DISTINGUISHED SERVICE ORDER WILL BE AWARDED LIEUT. CMDR. JOHN S. KERANS, SKIPPER OF THE AMETHYST, WHICH ESCAPED SATURDAY NIGHT FROM MOORINGS ON THE YANGTZE RIVER, 60 MILES BELOW NANKING.

THE AWARD WILL BE MADE WITH THE PERSONAL APPROVAL OF KING GEORGE VI, WHO ALREADY HAS COMMENDED THE CREW FOR ITS GALLANTRY IN BRINGING THE SHIP TO SAFETY.

THE AMETHYST HAD BEEN PINNED DOWN IN THE YANGTZE SINCE APRIL 20 WHEN SHE GOT CAUGHT IN COMMUNIST SHORE FIRE DURING A CONFUSED BATTLE BETWEEN BRITISH WARSHIPS AND COMMUNISTS ARMIES.

THE BRITISH ADMIRALTY HAS ASKED THE FAR EASTERN NAVAL COMMAND TO MAKE ANY FURTHER RECOMMENDATIONS FOR CREWMEN WHO SHOWED EXCEPTIONAL VALOR IN GETTING THE AMETHYST OUT OF HER TRAP.

AN AMETHYST CREW MEMBER WHO CAME ABOARD THE JAMAICA WHICH IS ESCORTING THE AMETHYST TO HONG KONG, SAID THE FIRST THREE MONTHS OF ENTRAPMENT IN TYE YANGTZE WERE SPENT MAINLY REPAIRING DAMAGE INFLICTED BY THE REDS APRIL 20. FORTY-FOUR BRITISH SAILORS LOST THEIR LIVES IN THAT ENGAGEMENT.

WHEN THE AMETHYST SLIPPED HER CABLE SATURDAY NIGHT, THE CREWMAN SAID, SHE WAS LIGHTED PARTLY BY A PASSING STEAMER WHICH WAS CHALLENGED BY FLARE SIGNALS.

THE AMETHYST KEPT GOING, ENGAGING COMMUNIST SHORE GUNS ON BOTH SIDES. SHE WAS UNDER FIRE 30 MINUTES.

THE MEN ABOARD THE AMETHYST SAID THEY WERE FIT AND WELL. THEY WERE WELL TANNED AND SOME HAD BEARDS. THEY SUFFERED LITTLE SICKNESS DESPITE THEIR LONG STAY ON THE RIVER AND THE RATS THAT INFESTED THE SHIP.

CANVAS CONTAINERS STUFFED INTO THE SHELL HOLES CAUSED BY COMMUNIST GUNS KEPT WATER OUT OF THE SLOOP IN A SATISFACTORY MANNER.

TORPEDO OFFICER T.J.D. GRANT OF THE DESTROYER CONCORD WHICH MET THE AMETHYST AFTER HER ESCAPE ESTIMATED THAT THE SLOOP HAD SUFFERED 30 HITS IN THE APRIL 20 ATTACKS.

COXSWAIN LESLIE FRANK, WHO WAS ON THE WHEEL WHEN THE AMETHYST MADE HER FREEDOM BID DOWN THE YANGTZE SAID:

"MY EYES WERE A BIT TIRED HALFWAY DOWN. I TOOK SOME PILLS TO KEEP ME FULLY ALERT. CAPT. KERANS WAS ON THE BRIDGE ALL THE WAY AND THE WHOLE CREW WAS ON DUTY. WE HAD NO TROUBLE WITH SAND BANKS. THE SHALLOWEST WATER WE ENCOUNTERED WAS FOUR FATHOMS AND STEERING BECAME SOMEWHAT DIFFICULT."

JR325AED

HONG KONG,AUG.2-(AP)-BRITISH SPITFIRES WILL ESCORT THE SLOOP AMETHYST INTO PORT UPON HER ARRIVAL HERE TOMORROW MORNING.

MAIL FOR THE SLOOP'S OFFICERS AND MEN, WHO HAD BEEN TRAPPED BY COMMUNIST SHORE GUNS ON THE YANGTZE RIVER ABOVE SHANGHAI SINCE MID-APRIL, WILL BE RUSHED TO THEM BY THE ASSISTANT HARBOR MASTER.

ALL BRITISH NAVY AND MERCHANT SHIPS IN THE HARBOR WILL SALUTE THE PLUCKY LITTLE VESSEL, WHICH LOST 18 OF HER CREW IN GUN DUELS WITH THE REDS.

A MILITARY GUARD OF HONOR WILL BE POSTED AT HER BERTH.

A MILITARY BAND WILL PRECEDE GOVERNOR SIR ALEXANDER GRENTHAM, ADM. PATRICK BRIND, COMMANDER-IN-CHIEF OF THE BRITISH NAVAL STATION, LT. GEN.F.W.FESTING, COMMANDANT OF THE CROWN COLONY'S TROOPS, AND OTHER MILITARY AND CIVIL AUTHORITIES ABOARD THE SLOOP.

ADMIRAL BRIND WILL WELCOME THE SHIP AND HER CREW IN AN ADDRESS AND THEN WILL BE HOST AT LUNCH ABOARD HIS FLAGSHIP FOR THE AMETHYST'S OFFICERS.

ALL OFFICERS AND RATINGS WILL BE GUESTS OF THE NAVY'S EXCLUSIVE FLEET CLUB FOR A WEEK AFTER THEIR ARRIVAL.

D.BENSON, CHAIRMAN OF A PRIVATE WELFARE AND ENTERTAINMENT COMMITTEE, SAID NO FORMAL PROGRAM HAD BEEN PLANNED YET FOR THE SAILORS. THE BRITISH RESIDENTS HERE WANT TO GIVE THEIR HEROES THE EASE AND COMFORT OF REAL HOMES.

SO FAR 5,000 PACKAGES OF CIGARETTES AND MORE THAN 100 CASES OF BEER HAVE BEEN RECEIVED BY THE COMMITTEE FOR DISTRIBUTION TO THE AMETHYST'S CREW.

VR651ACS

HONG KONG, WEDNESDAY, AUG. 3-(AP)-THE SLOOP HMS AMETHYST ARRIVED HERE THIS MORNING AND WAS GIVEN A HERO'S WELCOME.

SIREN BLASTS FROM SHIPS, FIRECRACKERS AND LUSTY SHOUTS FROM ALONG HONG KONG'S ENTIRE WATERFRONT GREETED THE SHIP THAT ESCAPED FROM THE YANGTZE RIVER WHERE IT HAD BEEN PINNED FOR MONTHS BY CHINESE COMMUNIST SHORE BATTERIES.

DESPITE AN OVERCAST SKY AND HEAVY RAIN, A SQUADRON OF SPITFIRES AND A SUNDERLAND FLYING BOAT ADDED TO THE RACKET AS THEY BOARED LOW OVER THE SLOOP FROM THE TIME SHE WAS SIGHTED UNTIL THE AMETHYST REACHED HER BERTH AT THE ROYAL NAVY DOCKYARDS.

THE CREW OF THE AMETHYST WAS RELIEVED AS SOON AS THE SHIP WAS DOCKED. THE COMPANY HAS BEEN GRANTED LEAVE AS OF THIS AFTERNOON AND WILL BE GUESTS OF THE NAVY'S EXCLUSIVE FLEET CLUB FOR A WEEK.

HUNDREDS OF SPECTATORS INVITED BY THE GOVERNOR OF HONG KONG FOR THE RECEPTION APPLAUDED AS THE SHIP MANEUVERED HERSELF INTO THE BERTH. A MILITARY BLAND BLARED MARTIAL MUSIC AS GOV. ALEXANDER GRANTHAM AND HIGH NAVY OFFICERS WENT UP THE GANGWAY TO BE INTRODUCED TO THE AMETHYST'S OFFICERS.

JT107AED

LONDON, AUG. 2-(AP)-THE BRITISH ADMIRALTY HAD A BRIEF BUT TO THE POINT ANSWER TO CHINESE COMMUNIST CHARGES THAT THE AMETHYST SHELLED AND SANK A RIVER STEAMER IN ITS ESCAPE DOWN THE YANGTZE.

"CATEGORICALLY DENIED," SAID AN ADMIRALTY SPOKESMAN.

SJ335PED

FOLO HONG KONG (390)

SAN FRANCISCO,AUG 2 (AP)-THE CHINESE COMMUNISTS ACCUSED THE BRITISH SLOOP AMETHYST TODAY OF SHELLING A RIVER STEAMER AND DROWNING SEVERAL HUNDRED CHINESE IN SATURDAY'S DRAMATIC ESCAPE DOWN THE YANGTZE.

THE BRITISH NAVY IN JONG KONG SAID SUNDAY A COMMUNIST WARSHIP

WAS HIT BY RED SHORE BATTERIES, WHICH WERE FIRING TO TRY TO STOP THE 1,400-TON SLOOP.

A PROPAGANDA BROADCAST, FROM NANKING, WAS THE FIRST COMMUNIST REACTION TO THE AMETHYST'S ESCAPE.

THE SLOOP HAD BEEN A VIRTUAL HOSTAGE IN THE YANGTZE SINCE APRIL UNDER COMMUNIST GUNS. SHE HAD BEEN SHELLED AND RUN AGROUND BY COMMUNIST ARTILLERY ON A VOYAGE FROM SHANGHAI TO NANKING.

NEGOTIATIONS FOR HER RELEASE GOT NOWHERE. SATURDAY THE SLOOP SLIPPED ANCHOR AND ESCAPED DOWN RIVER UNDER FIRE.

THE BRITISH IN HONG KONG SAID THE AMETHYST SAILED IN DARKNESS JUST AFTER A CHINESE COMMERCIAL SHIP PASSED DOWNSTREAM.

THE COMMUNIST VERSION IS THAT THE AMETHYST FORCED THE CHINESE STEAMER KIANGLING TO ACCOMPANY IT AS A SHIELD.

THE BROADCAST ASSERTED COMMUNIST TROOPS ON THE YANGTZE BANK DISCOVERED THE ESCAPE AND SIGNALLED FOR THE AMETHYST TO STOP.

THEN, THE COMMUNISTS ALLEGED, "THE AMETHYST OPENED FIRE ON THE S.S.KIANGLING, WHICH CAUGHT FIRE AND SANK."

THE BRITISH SAID THE SLOOP RETURNED THE FIRE OF RED SHORE BATTERIES.

THE COMMUNIST BROADCAST, HEARD BY THE ASSOCIATED PRESS AT SAN FRANCISCO, ALSO ACCUSED THE SLOOP OF FIRING ON AND SINKING "MANY JUNKS" WHICH WERE TRYING TO SAVE PASSENGERS FROM THE KIANGLING.

THE RED RADIO QUOTED GEN.YUAN CHUNG-HSIEN, COMMUNIST COMMANDER IN THE AREA, AS SAYING THE BRITISH HAD "ADMITTED" ON JULY 27 THAT THE AMETHYST HAD SAILED INTO FRONT LINE AREAS LAST APRIL WITHOUT COMMUNIST PERMISSION.

YUAN SAID A CABLE HAD COME FROM VICE ADM.E.J.PATRICK BRIND, BRITISH NAVY COMMANDER IN THE FAR EAST. THE COMMUNISTS HAD ACCUSED THE AMETHYST OF "CRIMINAL ACTION" IN FIRING ON THE RED BATTERIES IN THE APRIL FIGHTING. THEY HAD DEMANDED REPARATIONS.

GENERAL YUAN ACCUSED THE BRITISH OF CONDUCTING THE NEGOTIATIONS AS A "TRICK" TO OBTAIN TIME FOR PLANNING THE ESCAPE.

"I FIRMLY BELIEVE," GENERAL YUAN WAS QUOTED AS DECLARING, "THAT THE PEOPLES LIBERATION ARMY (COMMUNIST) AND THE PEOPLE OF THE WHOLE COUNTRY WILL NEVER FORGET TO AVENGE THOSE SACRIFICED...

"BRITISH GOVERNMENT, DO NOT MAKE HASTE IN CELEBRATING THE SUCCESS OF THE FLEEING OF THE AMETHYST. THE WHOLE CASE WILL NOT BE CLOSED SO LONG AS THE CULPRITS IN THE ABOVE-MENTIONED CRIMES ARE NOT PUNISHED AND AN APOLOGY AND COMPENSATION FOR THE CRIMES ARE NOT MADE BY THE BRITISH GOVERNMENT."

JM1238PCS NM AST

LONDON,AUG. 2-(AP)-PRIME MINISTER ATTLEE WILL DIRECT BRITAIN'S GOVERNMENT AFFAIRS FROM HIS SICK BED FOR ANOTHER WEEK, HIS OFFICE SAID TODAY.

THE 66-YEAR-OLD PRIME MINISTER FELL ILL WITH A CHILL SATURDAY AT HIS COUNTRY HOME AT CHEQUERS, NORTH OF LONDON.

HE IS DIRECTING THE NATION'S FINANCIAL AND FOREIGN POLICIES DURING THE ABSENCE OF CHANCELLOR OF THE EXCHEQUER SIR STAFFORD CRIPPS AND FOREIGN SECRETARY ERNEST BEVIN. BOTH ARE AT EUROPEAN RESORTS RECUPERATING FROM ILLNESSES.

A SPOKESMAN FOR ATTLEE'S OFFICE SAID TREATMENT "IS PROCEEDING SATISFACTORILY," AND THAT THE PRIME MINISTER IS NOT SERIOUSLY ILL.

BQ132PED

NIGHT LEAD JORDAN (140)

LONDON, AUG. 2-(AP)-BRITAIN HAS SENT £500,000 ($2,000,000) TO HASHEMITE JORDAN (TRANS-JORDAN) TO HELP THE MIDDLE EAST KINGDOM RESETTLE PALESTINE ARAB REFUGEES ON ITS SOIL.

AN OFFICIAL BRITISH SOURCE SAID TODAY HE UNDERSTOOD THE UNITED STATES WAS MATCHING THE GIFT WITH A LIKE AMOUNT BUT A STATE DEPARTMENT SPOKESMAN IN WASHINGTON DENIED IT. THE AMERICAN SPOKESMAN SAID THERE WAS "NO FOUNDATION" TO SUCH A REPORT.

THE STATE DEPARTMENT IS, HOWEVER, CONSIDERING A U.S. CONTRIBUTION TO A UNITED NATIONS-SUPERVISED PROGRAM FOR RESETTLING THE ESTIMATED 800,000 ARAB REFUGEES FROM THE PALESTINE WAR ZONES.

BRITAIN HAS MADE SEVERAL DONATIONS IN THE PAST, MAINLY TO INTERNATIONAL RELIEF GROUPS SUCH AS THE RED CROSS AND THE INTERNATIONAL REFUGEE ORGANIZATION.

THE £500,000 DONATION IS BELIEVED TO BE THE FIRST TIME THE BRITISH HAVE MADE A DIRECT CONTRIBUTION TO AN ARAB GOVERNMENT FOR RESETTLING REFUGEES.

RW508PED

LONDON, AUG. 2-(AP)-BRITAIN HAS GIVEN HASHEMITE JORDAN (TRANS-JORDAN) £500,000 ($2,000,000) TO HELP THE ARAB KINGDOM RESETTLE PALESTINE ARAB REFUGEES ON ITS TERRITORY.

AN OFFICIAL BRITISH SOURCE REPORTED TODAY HE UNDERSTANDS THE UNITED STATES IS MATCHING THE GIFT WITH A SIMILAR AMOUNT.

OVER THE WEEKEND THE AMERICAN MILITARY CHIEFS WILL BE IN PARIS FOR CONFERENCES WITH FRENCH, BELGIAN, DUTCH AND PORTUGUESE MILITARY LEADERS, THE U.S.EMBASSY IN PARIS ANNOUNCED. THEY ARE DUE TO LEAVE LONDON SOME TIME THURSDAY, BUT THE SCHEDULE IS BEING LEFT OPEN IN CASE THEY DECIDE TO REMAIN LONGER THAN PLANNED IN THE BRITISH CAPITAL.

THEIR MEETING WITH FRENCH LEADERS IS SCHEDULED FOR FRIDAY MORNING AND THEY WILL LUNCH WITH FRENCH DEFENSE MINISTER PAUL RAMADIER LATER THAT DAY. FOLLOWING THE LUNCHEON IN PARIS THEY ARE TO VISIT FIELD MARSHALL VISCOUNT MONTGOMERY, CHIEF OF STAFF FOR THE WESTERN EUROPEAN UNION DEFENSE ESTABLISHMENT, AT MONTGOMERY'S HEADQUARTERS NEAR FONTAINEBLEAU, THE PARIS EMBASSY SAID.

BQ136PED

(THE STATE DEPARTMENT SAID IN WASHINGTON THERE IS "NO FOUNDATION" TO THE REPORT THAT THE UNITED STATES WILL MATCH BRITAIN'S GIFT. PRESS OFFICER ROGER TUBBY MADE THIS STATEMENT IN COMMENTING ON A LONDON DISPATCH QUOTING AN OFFICIAL BRITISH SOURCE TO THIS EFFECT.

(THE STATE DEPARTMENT, HOWEVER, IS KNOWN TO BE CONSIDERING AN AMERICAN CONTRIBUTION TO A UNITED NATIONS-SUPERVISED PROGRAM FOR RESETTLING THE ESTIMATED 800,000 ARAB REFUGEES FROM THE PALESTINE FIGHTING AREAS. THIS PROGRAM IS STILL IN THE FORMATIVE STAGE AND WOULD EXTEND INTO THE SECOND YEAR OF THE WORK NOW BEING CARRIED ON IN THE MIDDLE EAST.)

BRITAIN HAS MADE SEVERAL DONATIONS FOR THE RELIEF OF DISTRESS AMONG THE PALESTINE ARAB REFUGEES IN THE PAST. THESE HAVE BEEN MAINLY TO INTERNATIONAL RELIEF ORGANIZATIONS LIKE THE RED CROSS AND THE INTERNATIONAL REFUGEE ORGANIZATION.

THIS IS BELIEVED TO BE THE FIRST TIME THE BRITISH HAVE MADE A DIRECT CONTRIBUTION TO AN ARAB GOVERNMENT TO RESETTLE THE REFUGEES WHO FLED WHEN WAR CAME TO PALESTINE.

AUTHORITATIVE ESTIMATES PLACE THE NUMBER OF ARAB REFUGEES AT 500,000 TO 800,000. MANY OF THEM SOUGHT SAFETY IN KING ABDULLAH'S TERRITORY.

ABDULLAH'S GOVERNMENT ASSUMED RESPONSIBILITY FOR MANY MORE BY VIRTUE OF ITS CONTROL OF THAT PART OF PALESTINE ALLOCATED TO THE ARABS UNDER THE UNITED NATIONS' 1947 PARTITION PLAN.

ARAB AND JEWISH PEACE NEGOTIATORS IN LAUSANNE ARE ABOUT TO BEGIN DISCUSSING IN SPECIFIC TERMS THE RETURN OF TENS OF THOUSANDS OF ARAB REFUGEES TO THEIR OLD HOMES IN WHAT IS NOW ISRAEL.

FH930AED

OXFORD, ENG., AUG.2-(AP)-A BRITISH ECONOMIST SAID TODAY AMERICANS ARE BEGINNING TO RESENT FOOTING THE BILLS FOR THE SOCIALIST EXPERIMENTS OF THE LABOR GOVERNMENT.

DR. MORITZ J. BONN, LECTURER AT THE LONDON SCHOOL OF ECONOMICS, SAID AMERICANS DO NOT APPROVE THE SOCIALIST POLICIES OF THE LABORITES AND ADDED:

"WITH ADMIRABLE RESTRAINT THEY HAVE SO FAR IGNORED ITS IMPLICATIONS.

"BUT THEY ARE BEGINNING TO RESENT THAT THEY AND NOT THE BRITISH TAXPAYER HAVE HAD TO COVER THE DEFICIT FROM UNSUCCESSFUL NATIONALIZATION AND THAT THEIR CONSUMERS HAD TO GO WITHOUT SO THAT BRITISH WORKERS COULD MAINTAIN A STANDARD OF LIVING THEY ARE NOT WILLING TO EARN."

DR. BONN SPOKE AT A SUMMER SCHOOL SPONSORED BY BRITAIN'S LIBERAL PARTY.

FH828AED

SWANSCOMBE, ENG., AUG.2-(AP)-A GERMAN PRINCE BEGAN AN EIGHT-WEEK VACATION TODAY IN THE FOUR-ROOM HOME OF AN ENGLISH BUTCHER'S HELPER WHO ONCE WAS HIS PRISONER OF WAR.

PRINCE WALDEMAR ZU HOHENLOHE-OHRINGEN, 53, ARRIVED IN LONDON BY AIR LAST NIGHT FROM WUERTTEMBURG. HE CAME ON HERE WITH HIS HOST, GEORGE WICKENDEN, 30.

THE PRINCE WAS COMMANDANT OF THE BLECHHAMMER PRISON CAMP IN UPPER SILESIA DURING THE WAR. WICKENDEN, A BRITISH ARMY PRIVATE, WAS AN INMATE.

THE NAZIS DECIDED THE PRINCE WAS TOO KIND TO THE PRISONERS AND SHIPPED HIM OFF TO ITALY AS AN INTERPRETER, WICKENDEN TOLD REPORTERS.

"I THOUGHT HE WAS A WONDERFUL CHAP," HE SAID.

THAT'S WHY WICKENDEN AND HIS WIFE INVITED HIM OVER. THEY PAID THE PRINCE'S £25 ($100) PLANE FARE OUT OF MONEY THEY HAD SAVED FOR THEIR OWN VACATION FROM WICKENDEN'S SALARY, WHICH AMOUNTS TO $21.60 A WEEK.

SJ454PED

SOUTHAMPTON, ENGLAND, AUG.2-(AP)-REP. FRANCES P. BOLTON (R-OHIO) ARRIVED TONIGHT ON THE QUEEN MARY FOR A QUICK LOOK AT ENGLAND BEFORE VISITING FRANCE AND ITALY.

MRS.BOLTON, WHO WILL REMAIN A WEEK IN ENGLAND, SAID SHE WOULD REPORT HER FINDINGS IN EUROPE TO THE HOUSE FOREIGN AFFAIRS COMMITTEE. SHE IS MAKING THE TRIP AT HER OWN EXPENSE.

"I WANT TO TAKE BACK THE REAL NEWS ABOUT ENGLAND," SHE SAID. "I HAVE NOT BROUGHT ANY EXTRA RATIONS AND I INTEND TO LIVE HERE DURING MY SHORT STAY AS THE PEOPLE DO."

THE CONGRESSWOMAN SAID SOME "UNFORTUNATE REPORTS" HAVE REACHED AMERICA THAT ENGLAND IS LIVING ON THE FAT OF THE LAND "AND I WANT TO BE ABLE TO GO BACK AND SAY IT IS NOT TRUE."

SHE SAID SHE WOULD STUDY PARTICULARLY EFFECTS OF THE BRITISH NATIONAL HEALTH SCHEME, BUT ADDED SHE DID NOT ADVOCATE SUCH A PLAN FOR THE UNITED STATES.

"THERE ARE MANY OTHER THINGS WE MUST TRY FIRST BEFORE WE GO AS FAR AS THE BRITISH COMPULSORY PLAN," SHE SAID.

HA816PED

SOUTHAMPTON, ENG., AUG 2-(AP)-SIR OLIVER FRANKS, BRITISH AMBASSADOR TO THE UNITED STATES, SAILED TODAY IN THE CUNARD LINER CARONIA FOR NEW YORK. FRANKS HAS BEEN IN LONDON A MONTH FOR GENERAL CONSULTATIONS WITH THE BRITISH FOREIGN OFFICE.

THE AMBASSADOR SAID HE HOPED TO HAVE TWO OR THREE WEEKS VACATION THIS MONTH AND PLANNED TO SPEND IT AT NANTUCKET, MASS.

"I SHALL FISH, SAIL A LITTLE, BATHE A LOT, WALK A LITTLE AND SLEEP A LOT," HE SAID.

SAILING WITH FRANKS WERE HIS WIFE, LADY FRANKS, AND THEIR TWO DAUGHTERS, CAROLINE AND ALLISON.

G1039AED

LILLE, FRANCE, AUG. 2-(AP)-NINE ONE-TIME MEMBERS OF THE GERMAN SS TROOPS WENT ON TRIAL TODAY AS WAR CRIMINALS IN CONNECTION WITH THE KILLING OF 86 FRENCH HOSTAGES NEAR HERE DURING THE WAR.

THE MASSACRE TOOK PLACE IN SUBURBAN D'ASCQ IN THE NIGHT OF APRIL 1-2, 1944, FOLLOWING A FRENCH RESISTANCE ATTEMPT TO BLOW UP A TRAIN CARRYING THE 12TH SS DIVISION TO NORMANDY.

CHIEF DEFENDANT IS 31-YEAR OLD WALTER HAUCK, WHO WAS AN SS LIEUTENANT. HE DENIED ANY RESPONSIBILITY FOR THE SHOOTINGS.

RW1228PED

FRANKFURT, AUG.2-(AP)-U.S. MILITARY GOVERNMENT TIGHTENED ITS ANTI-SMUGGLING NET TODAY TO CUT OFF A HUGE FLOW OF BLACK MARKET GOODS INTO GERMANY.

DESPITE RECENT CREATION OF A CUSTOMS CONTROL FORCE, LARGE QUANTITIES OF COFFEE, CIGARETTES, CHOCOLATE AND DRUGS WERE REPORTED STILL SLIPPING INTO THE U.S. ZONE ILLEGALLY.

OFFICIALS RECENTLY ESTIMATED THE ANNUAL TOTAL AT NEARLY $600,000,000.

ONE OF TODAY'S NEW ORDERS WAS AIMED DIRECTLY AT AGENCIES WHICH SHIP IN "GIFT" PACKAGES DUTY FREE, THEN DIVERT THE GOODS INTO THE BLACK MARKET. OFFICIALS RECENTLYMDESCRIBED THIS AS ONE OF THE BIGGEST SMUGGLING RACKETS.

ANY AGENCY CAUGHT IN SUCH DEALS WILL BE PROSECUTED AND BARRED FROM OCERATION, MILITARY GOVERNMENT WARNED.

OTHER NEW SMUGGLING CHECKS INCLUDED:

NAMES OF SUSPECTED SMUGGLERS AND AUTHORIZED ROUTES OF ALL TRUCKS CROSSING GERMANY WILL BE SUPPLIED BORDER GUARDS. ANY TRUCK CAUGHT OFF ITS PRESCRIBED ROUTE WILL BE SEIZED AND ITS COMPANY'S LICENSE REVOKED IF CONTRABAND IS FOUND.

ML437PED

FRANKFURT, GERMANY, AUG. 2-(AP)-JOHN J.MCCLOY, U.S. MILITARY GOVERNOR IN GERMANY, FLEW TO WASHINGTON TODAY FOR TALKS WITH AMERICAN OFFICIALS. HE IS EXPECTED BACK ABOUT AUG. 15.

MCCLOY WAS ACCOMPANIED BY RALPH NICHOLSON, FORMER NEW ORLEANS PUBLISHER, WHO HAS BEEN NAMED THE MILITARY GOVERNOR'S DIRECTOR OF PUBLIC AFFAIRS.

MCCLOY'S MAIN TASK IN WASHINGTON, IT WAS REPORTED HERE, WILL BE TO FIND A MAN FOR THE POST OF ECONOMICS DIRECTOR IN GERMANY.

BD735AED

FRANKFURT, AUG.2-(AP)-EUROPE'S DISPLACED PERSONS ARE IMMIGRATING TO THE UNITED STATES AT THE RATE OF 16,000 A MONTH, OFFICIALS REPORTED TODAY.

ALEX E.SQUADRILLI, EUROPEAN COORDINATOR OF THE D.P. COMMISSION, SAID HE EXPECTS THIS RATE TO BE MAINTAINED FOR THE NEXT FIVE MONTHS AT LEAST.

SQUADRILLI REPORTED, 72,000 VISAS HAD BEEN ISSUED UNDER THE 1948 ACT PERMITTING DISPLACED PERSONS TO ENTER THE UNITED STATES, AND 58,000 OF THOSE OBTAINING VISAS HAD ALREADY SAILED FOR AMERICA.

ABOUT 4,000 NEW VISAS ARE BEING ISSUED EVERY WEEK.

RB938PED

FRANKFURT, GERMANY, AUG 2-(AP)-A YOUNG GERMAN JOURNALIST TOURING THE UNITED STATES HAS CONCLUDED THAT NEW YORK IS THE WORST CITY IN THE WORLD FOR ROMANCE.

"NEW YORK WOMEN HAVE NO TIME FOR ROMANCE," SAID 28-YEAR-OLD HANS HERBERT GAEBEL IN AN ARTICLE HE WROTE FROM NEW YORK FOR THE FRANKFURTER RUNDSCHAU.

IT'S ALMOST IMPOSSIBLE EVEN TO START AN "INNOCENT LITTLE FLIRTATION" WITH A WOMAN IN NEW YORK, HE WROTE. "THEY ALL ARE ON GUARD LIKE WATCHDOGS, SUSPICIOUS OF EVERY MAN THEY DON'T KNOW.

"THESE CHARMING GIRLS I'VE SEEN IN THE SUBWAY AND EVERYWHERE ABOUT THE CITY ARE APPARENTLY ONLY TO BE LOOKED AT."

WD940AED

FRANKFURT, GERMANY, AUG. 2-(AP)-PFC.ERNEST LUNARDI OF SAN FRANCISCO, CALIF., WAS ACCIDENTLY KILLED BY SHRAPNEL WHILE DIRECTING MORTAR FIRE AT THE U.S. ARMY TRAINING CENTER IN GRAFENWOHR, GERMANY, JULY 28, ARMY HEADQUARTERS ANNOUNCED TODAY.

HIS MOTHER, MRS.MARY LUNARDI, LIVES AT 21 COOK STREET, SAN FRANCISCO.

RW1150AED

BAD MERGENTHEIM, GERMANY, AUG 2-(AP)-A U.S. MILITARY GOVERNMENT COURT TODAY POSTPONED UNTIL AUG.30 THE TRIAL OF FRIEDEL POLSTERL, 29, A GERMAN GIRL CHARGED WITH STABBING TO DEATH PFC HUSTER J. MCGRATH, OF PAWHUSKA, OKLA.

DEFENSE COUNSEL OTTO HOFFMANN PLEADED HIS CLIENT WAS MENTALLY UNBALANCED. THE PRESIDENT OF THE COURT DECIDED TO SEND THE DEFENDANT TO WUERZBURG UNIVERSITY MENTAL CLINIC FOR TWO WEEKS OF OBSERVATION. HE GRANTED A STAY FOR ANOTHER 14 DAYS FOR BETTER PREPARATION OF THE DEFENSE.

G1037AED

BERLIN, AUG.2-(AP)-THE U.S. MILITARY GOVERNMENT NOTIFIED ITS EMPLOYES TODAY THEY MUST SHOW A COMPELLING REASON IN ORDER TO VISIT BONN, CAPITAL OF THE GERMAN REPUBLIC.

THIS NOTICE WAS PUBLISHED IN THE DAILY BULLETIN ISSUED BY HEADQUARTERS IN BERLIN.

INFORMED SOURCES SAID THE STEP WAS TAKEN TO AVOID ANY POSSIBILITY OF AMERICAN PRESSURE ON THE FLEDGLING GERMAN GOVERNMENT.

U.S. MILITARY GOVERNOR JOHN J. MCCLOY, MEANWHILE, ANNOUNCED THE APPOINTMENT OF TWO MEN TO HIS STAFF.

CHESTER A. MCLAIN, WHO IS AT PRESENT ON LEAVE FROM THE WORLD BANK WHICH MCCLOY FORMERLY HEADED, WAS APPOINTED AS A SPECIAL ADVISOR TO MCCLOY.

MCLAIN WAS FORMERLY A PARTNER IN THE NEW YORK LAW FIRM OF CRAVATH, DEGERSDORFF, SWAIN AND WOOD.

LT. COL. HARRISON A. GERHARDT WAS APPOINTED A SPECIAL ASSISTANT TO MCCLOY. HE SERVED AS EXECUTIVE OFFICER TO MCCLOY FROM NOVEMBER 1943 TO OCTOBER 1945 WHEN MCCLOY WAS ASSISTANT SECRETARY OF WAR.

FH926AED

BERLIN, AUG.2-(AP)-DR. HARRY J. SKORNIA, DIRECTOR OF THE RADIO DEPARTMENT OF THE UNIVERSITY OF INDIANA AT BLOOMINGTON, WILL SPEND A MONTH IN GERMANY AS A VISITING EXPERT FOR U.S. MILITARY GOVERNMENT.

AN ANNOUNCEMENT SAID SKORNIA WILL TRAIN GERMAN PERSONNEL OF U.S. SPONSORED RADIO STATIONS IN ADAPTING AMERICAN PRODUCTION AND PROGRAM TECHNIQUES. HE RECENTLY COMPLETED A TOUR OF AUSTRIA IN A SIMILAR CAPACITY.

RB1003PED

MANNHEIM, GERMANY, AUG 2-(AP)-THE COMMUNIST VOTE IN THE MANNHEIM MAYORALTY ELECTION SHOWED AN INCREASE OVER 1947, FINAL TABULATIONS OF SUNDAY'S BALLOTING REVEALED TODAY.

THE COMMUNISTS WON 34.7 PER CENT OF THE VOTES, AS COMPARED

WITH 17.8 PER CENT TWO YEARS AGO.

THE HEAVILY INDUSTRIAL CITY OF MANNHEIM IS A COMMUNIST STRONGHOLD IN THE AMERICAN ZONE. THROUGHOUT WEST GERMANY COMMUNISTS HAVE BEEN GETTING ONLY ABOUT 10 PER CENT OF THE TOTAL VOTE. POLITICAL LEADERS SAY THEY WILL GET EVEN LESS IN THE AUG. 14 ELECTION OF THE NEW WEST GERMAN REPUBLICS FIRST PARLIAMENT.

THE SUNDAY VOTE WAS 49,074 FOR SOCIAL DEMOCRAT HERMANN HEIMERICH, THE WINNING CANDIDATE, AND 26,078 FOR COMMUNIST ERWIN ECKERT. THE TOTAL VOTE WAS MUCH SMALLER THAN TWO YEARS AGO, BUT THE COMMUNIST VOTE WAS LARGER BECAUSE F A WELL-ORGANIZED CAMPAIGN TO GET VOTERS TO THE POLLS.

RJ759PED

SEGOVIA, SPAIN, AUG.2-(AP)-AN ARMY MUNITIONS DUMP BLEW UP TODAY. THE EXPLOSION CAUSED ALARM HERE BUT NO CIVILIAN CASUALTIES OR DAMAGE WAS REPORTED. THE DUMP, LOCATED IN THE ERESMA RIVER BASIN NEAR HERE, IS USED FOR STORAGE OF PROJECTILES FOR NEARBY ARTILLERY ACADEMY. OFFICIALLY ANNOUNCED CAUSE OF THE BLAST: HIGH TEMPERATURES.

RB940PED

ROME, AUG. 2-(AP)-PREMIER ALCIDE DE GASPERI DECLARED TODAY HIS DOMINANT CHRISTIAN DEMOCRATIC PARTY "EXCLUDES CLERICALISM BUT RESPECTS RELIGIOUS CONVICTIONS."

THE PREMIER ADDRESSED THE PARTY'S NATIONAL COUNCIL MEETING AT GIUGGI.

CLERICALISM REFERS TO DIRECT PARTICIPATION BY THE CLERGY IN THE POLITICAL AFFAIRS OF THE NATION. ITALY, LIKE A NUMBER OF OTHER NATIONS, HAS HAD A STRONG ANTI-CLERICAL MOVEMENT IN RECENT YEARS.

WHILE HE RULED OUT CLERICALISM AS A PARTY DOCTRINE, DE GASPERI REAFFIRMED HIS PARTY'S SUPPORT FOR THE ROMAN CATHOLIC CHURCH. HE SAID THE PARTY "EXCLUDES ANTI-CLERICALISM BUT SAFEGUARDS LIBERTY."

THE CHRISTIAN DEMOCRAT PARTY IS CLOSELY ASSOCIATED WITH THE CHURCH. COMMUNISTS AND THEIR LEFTIST ALLIES HAVE CHARGED THAT THE DEMO-CHRISTIANS FOSTERED CLERICALISM.

FH835AED

VATICAN CITY, AUG. 2-(AP)-BRIG.GEN.WILLIAM E.RILEY, ASSISTANT TO THE UNITED NATIONS MEDIATOR IN PALESTINE, WAS RECEIVED IN PRIVATE AUDIENCE TODAY BY POPE PIUS XII.

RILEY, A MEMBER OF THE U.S. MARINE CORPS, ARRIVED HERE YESTERDAY FROM LAUSANNE, SWITZERLAND, WHERE NEGOTIATIONS LOOKING TOWARD A PERMANENT HOLY LAND PEACE ARE IN PROGRESS. HE SAID HE WOULD RETURN TO LAUSANNE THURSDAY.

RW1239PED

ROME, AUG 2-(AP)-NEGOTIATIONS FOR PA YUGOSLAV-ITALIAN TRADE AGREEMENT WERE RESUME HERE TODAY. SIGNING OF THE ACCORD IS EXPECTED LATER THIS WEEK, THE FOREIGN MINISTRY ANNOUNCED.

AN EXCHANGE OF GOODS VALUED AT 54,000,000,000 (B) LIRE ($90,000,000) IS ENVISIONED IN THE PROPOSED AGREEMENT, ITALIAN SOURCES REPORTED.

YUGOSLAVIA WOULD SEND ITALY MUCH NEEDED RAW MATERIALS SUCH AS TIMBER, COPPER, BAUXITE, LEAD AND CORN. ITALY WOULD PROVIDE ITS NEIGHBOR WITH MACHINERY, TEXTILES, CORK, LEMONS AND ORANGES, ELECTRIC MACHINERY, ELECTRIC FITTINGS, MACHINE TOOLS AND CHEMICALS.

AUG 3 1949

K414PED

ROME,AUG.2-(AP)-THE ITALIAN MINISTRY FOR FOREIGN TRADE TODAY CANCELLED ALL TEMPORARY MEASURES REGULATING COMMERCE WITH SPAIN.

ALL EXCHANGES WITH SPAIN WILL HENCEFORTH BE DEALT WITH IN FREE CURRENCY (DOLLARS AND SWISS FRANCS), THE MINISTRY ANNOUNCED.

NEGOTIATIONS FOR THE RENEWAL OF THE OLD TRADE AGREEMENT BETWEEN THE TWO COUNTRIES BROKE DOWN LAST MAY, "BECAUSE OF MANY DIFFICULTIES," A SPOKESMAN FOR THE MINISTRY SAID.

THE PREVIOUS TRADE AGREEMENT WITH SPAIN HAD BEEN SIGNED JUNE 20, 1947.

A COMMUNIQUE ISSUED BY THE MINISTRY FORECAST "THAT THE SCARCE RELATIONS WITH SPAIN WILL PRACTICALLY CEASE FROM TODAY."

ML1006AED

RUDE PRAVO CLAIMED THE CZECH STATE-CHURCH STRIFE WAS DELIBERATELY BROUGHT TO A PEAK BY THE VATICAN AND THE CZECH HIERARCHY, LED BY ARCHBISHOP JOSEF BERAN, TO SPEED RATIFICATION OF THE ATLANTIC PACT BY THE AMERICAN SENATE. — PRAGUE-TO SENATE

"THE SCHEME," IT CONTINUED, "WAS FOR THE CATHOLIC HIERARCHY TO TELL THE FAITHFUL THAT FREEDOM OF RELIGION WAS IN DANGER."

CZECH BISHOPS WERE TO INCITE AGAINST THE COMMUNISTS, THE ARTICLE ASSERTED, "AND TO PRAISE IMPERIALISM--THIS TIME THE BRITISH-AMERICAN BRAND INSTEAD OF THE GERMAN."

COMMENTATOR SIMONE ASSERTED THAT AFTER THE ALLEGED CHURCH PUTSCH FAILED THE VATICAN "TRIED AGAIN WITH ITS DECREE OF EXCOMMUNICATING COMMUNISTS--BUT THIS ALSO PROVED A SPLASH ON THE SURFACE."

FH812AED

30.24- 4769

NIGHT LEAD PEACE TALKS (330)
BY MICHAEL GOLDSMITH
LAUSANNE,SWITZERLAND,AUGUST 2-(AP)-THE FIRST MAJOR PROGRESS TOWARD PERMANENT PEACE IN PALESTINE WAS MADE TODAY AFTER FOUR MONTHS OF NEGOTIATIONS.

EGYPT, SYRIA, LEBANON AND HASHEMITE JORDAN (TRANS-JORDAN) SAID THEY ARE PREPARED TO BEGIN IMMEDIATE DISCUSSION OF THE ARAB REFUGEE PROBLEM ON TERMS PROPOSED LAST WEEK BY ISRAEL.

THE ARAB REPRESENTATIVES TOLD THE UNITED NATIONS PALESTINE CONCILIATION COMMISSION THEY ARE READY TO ACCEPT THE CONDITIONS OF THE ISRAELI PROPOSAL WITHOUT RESERVATION.

ON JULY 29, ISRAEL TOLD THE COMMISSION, WHICH IS TRYING TO WORK OUT FINAL PEACE TERMS, IT IS PREPARED TO READMIT TO ISRAELI TERRITORY A SIZABLE NUMBER OF THE ESTIMATED 800,000 ARAB REFUGEES.

A COMMISSION SPOKESMAN SAID THEN THE EXACT NUMBER OF REFUGEES ISRAEL WOULD ACCEPT WAS NOT CONTAINED IN THE ISRAELI PROPOSAL. A SPOKESMAN IN HAIFA, ISRAEL, SAID, HOWEVER, ISAREAL'S ENVOY TO THE U.S. STATE DEPARTMENT HAD INDICATED THE JEWISH STATE IS READY TO ALLOW SOME 150,000 REFUGEES TO BE REPATRIATED. IN ORDER TO DO THIS, THE MONTHLY QUOTA OF JEWISH IMMIGRANTS WOULD BE REDUCED TO PERMIT 8,000 ARAB REPATRIATES TO BE ADMITTED MONTHLY, THIS SPOKESMAN SAID.

THE FATE OF THE ARABS WHO FLED FROM ISRAELI-HELD SOIL DURING THE PALESTINE WAR HAS BEEN THE CHIEF PROBLEM CONFRONTING THE U.N. COMMISSION FOR THE PAST TWO MONTHS.

PRIOR TO ITS NEW PROPOSAL, ISRAEL HAD INSISTED THAT FINAL PEACE TERMS SHOULD TAKE PRECEDENCE OVER THE REFUGEE QUESTION. ARAB REPRESENTATIVES STEADFASTLY REFUSED TO DISCUSS PEACE ISSUES BEFORE THE REFUGEE PROBLEM WAS SETTLED.

THE CONDITIONS OF THE ISRAELI PROPOSAL ARE:

FIRSTLY, THAT ANY REPATRIATION TO ISRAEL SHOULB FORM PART OF AN OVERALL RESETTLEMENT PROJECT FOR THE REFUGEES IN ARAB COUNTRIES AS WELLAS IN ISRAEL.

SECONDLY, THAT ANY RESETTLEMENT SCHEME SHOULD EVENTUALLY BE AN INTEGRAL PART OF A "GENERAL PEACE SETTLEMENT" TO BE WORKED OUT LATER.

A COMMISSION SPOKESMAN CALLED THE ARAB ACCEPTANCE OF THE ISREALI OFFER "THE FIRST DEFINITE, PRACTICAL STEP FORWARD SINCE THE CONFERENCE OPENED ON APRIL 26, AND A DEFINITELY HOPEFUL SIGN."

ISRAEL'S WILLINGNESS TO CONSIDER READMITTING A SUBSTANTIAL UMBER OF REFUGEES "MAY WELL START THE BALL ROLLING TOWARD FINAL PEACE IN THE MIDDLE EAST," THE SPOKESMAN ADDED.

ML430PED

—LAUSANNE,SWITZERLAND—XXX CONDITIONS

FIRST THAT IT WOULD BE PART OF AN OVERALL RESETTLEMENT PROJECT FOR THE REFUGEES IN ARAB COUNTRIES AS WELL AS IN ISRAEL; SECOND, THAT ANY RESETTLEMENT SCHEME WHIGH MIGHT BE WORKED OUT WOULD EVENTUALLY FORM AN INTEGRAL PART OF A "GENERAL PEACE SETTLEMENT" LAYING DOWN THE TERRITORIAL FRAMEWORK FOR ANY FUTURE PEACE TREATY.

THE FOUR ARAB DELEGATIONS CONSIDERED THE ISRAELI OFFER OVER THE WEEKEND AND INFORMED THE COMMISSION THAT THEY WERE PREPARED TO ACCEPT THE ISRAELI CONDITIONS WITHOUT RESERVATION.

A COMMISSION SPOKESMAN DESCRIBED THE ARAB ACCEPTANCE AS "THE FIRST DEFINITE, PRACTICAL STEP FORWARD SINCE THE CONFERENCE OPENED ON APRIL 26 AND A DEFINITELY HOPEFUL SIGN."

ISRAEL'S READINESS TO DISCUSS THE REPATRIATION OF A SUBSTANTIAL NUMBER OF REFUGEES "MAY WELL START THE BALL ROLLING TOWARD FINAL PEACE IN THE MIDDLE EAST," THE SPOKESMAN SAID.

THERE IS NO QUESTION OF A FINAL PEACE TREATY BEING SIGNED AT THE LAUSANNE CONFERENCE, THE SPOKESMAN DECLARED. A FULL PEACE TREATY MUST DEAL WITH CULTURAL, ECONOMIC AND OTHER MATTERS, WHICH THE DELEGATES HERE ARE NOT PREPARED TO DISCUSS, HE SAID.

TU1009AED

GENEVA,SWITZERLAND,AUG.2-(AP)-SOVIET EFFORT TO BRING THE COMMUNIST-DOMINATED WORLD FEDERATION OF TRADE UNIONS (WFTU) INTO A UNITED NATIONS COMMISSION ON TRADE UNION RIGHTS WAS VOTED DOWN TODAY BY THE ECONOMIC AND SOCIAL COUNCIL.

THE COUNCIL VOTED TO PROCEED WITH THE ORIGINAL PLAN OF HAVING THE INTERNATIONAL LABOR ORGANIZATION (ILO) SET UP A FACT-FINDING AND CONCILIATION COMMISSION ON FREEDOM OF ASSOCIATION. IT URGED THE ILO TO GO AHEAD WITH ITS LAN TO COOPERATION WITH THE U.S, SECRETARY GENERAL AND REPORT PROGRESS AT THE NEXT SESSION OF THE COUNCIL.

THE SOVIET DELEGATE, AMASASP ARUTIUNIAN, CHARGED TODAY THE ILO WAS INEFFECTUAL. THE ILO, HE SAID, "IS AN ORGANIZATION WHICH ACTS UNDER THE INFLUENCE OF EMPLOYERS AND THE MAJORITY OF WHOSE DECISIONS REMAIN DEAD LETTERS."

THE SOVIET RESOLUTION PROPOSED A COMMISSION ON PROTECTION OF TRADE UNION RIGHTS, MADE UP OF FROM THREE TO FIVE MEMBERS OF THE ECONOMIC AND SOCIAL COUNCIL AND ONE REPRESENTATIVE EACH FROM THE ILO, THE WFTU, THE LATIN AMERICAN LABOR CONFEDERATION AND THE INTERNATIONAL FEDERATION OF CHRISTIAN TRADE UNIONS. AN AMERICAN FEDERATIONOF LABOR OFFICIAL HERE SAID THE LATIN AMERICAN LABOR CONFEDERATON LIKE THE WFTU, IS COMMUNIST-DOMINATED.

THE ESTABLISHMENT OF THE COMMISSION HAD BEEN DEBATED FULLY IN COMMITTEE BEFORE REACHING THE COUNCIL, AND OPPONENTS OF THE SOVIET RESOLUTION DID NOT CHALLENGE ARUTIUNIANS ACCUSATIONS AGAINST THE ILO, EXCEPT BY THE FINAL VOTE. THE SOVIET RESOLUTION WAS DEFEATED 15 TO THREE, WITH ONLY THE SOVIET UNION, WHITE RUSSIA AND POLAND SUPPORTING IT.

THE COUNCIL'S ECONOMIC COMMITTEE, MEANWHILE, CONTINUED TO THRESH OUT PROPOSALS FOR THE TECHNICAL ASSISTANCE PROGRAM OF THE UNITED NATIONS. THE PROGRAM OF THE WORLD HEALTH OORANIZATION (WHO), PROVIDING FOR THE EXPENDITURE OF $9,152,520 NEXT YEAR AND A SLIGHTLY LARGER AMOUNT THE FOLLOWING YEAR, CAME UNDER FIRE FROM SEVERAL DELEGATES TODAY.

E.ROLAND WALKER OF AUSTRALIA SAID HE WAS "NOT IMPRESSED" WITH THE DIRECT CONTRIBUTION TO ECONOMIC DEVELOPMENT WHICH A PROPOSED EXPENDITURE OF $725,000 IN THE FIELD OF MENTAL HEALTH WOULD PROVIDE. WALKER SAID HE FELT $1,000 INVESTED IN AN AGRICULTURAL PROGRAM IN AN UNDEVELOPED COUNTRY WOULD PRODUCE GREATER RETURNS THAN $1,000 DOLLARS INVESTED IN THE WHO PROGRAM.

ML446PED

BUCHAREST, ROMANIA, AUG.2-(AP)-ROMANIA ASKED BRITAIN TODAY TO RECALL RODERICK SARREL, BRITISH CHARGE D'AFFAIRES AT BUCHAREST, "FOR ACTIVITY CONTRARY TO THE LAWS OF THE ROMANIAN POPULAR REPUBLIC AND DIPLOMATIC CUSTOM."

THE ROMANIAN NEWS AGENCY SAID THE RECALL REQUEST FOLLOWED THE ARREST JULY 27 OF A "GANG OF BLACK MARKETEERS AND SMUGGLERS" WHO HAD BEEN TRAILED FOR SOME TIME.

THE NEWS AGENCY SAID THE ACCUSED ADMITTED THEY HAD WANTED TO LEAVE ROMANIA ILLEGALLY FOR VIENNA AND THAT THEY WERE BEING HELPED BY SARREL.

THE AGENCY SAID THAT AMONG THOSE ARRESTED ARE SEVERAL EMPLOYES OF THE BRITISH INFORMATION OFFICE WHO ADMITTED DEPOSITING JEWELS, PAINTINGS AND BUGS AT THE BRITISH LEGATION IN BUCHAREST.

A BRITISH FOREIGN OFFICE SPOKESMAN LAST WEEK DESCRIBED SARREL'S ARREST BY ROMANIAN POLICE AS "INEXCUSABLE."

FOREIGN OFFICE SOURCES SAID THE AFFAIR APPEARED TO BE "AN OBVIOUS PLANT DESIGNED TO DISCREDIT SARREL AND THE BRITISH GOVERNMENT."

SARREL'S ORIGINAL REPORT ON HIS ARREST SAID ROMANIAN OFFICIALS CONFRONTED HIM WITH AN ALLEGED CONFESSION OF A MINOR EMPLOYE OF THE BRITISH LEGATION, ASSERTING THE LEGATION WAS BEING USED TO HELP SEVERAL ANTI-GOVERNMENT NATIONALS TO ESCAPE ROMANIA.

IT MADE NO MENTION OF "SMUGGLERS," SUCH AS THE ROMANIAN NEWS AGENCY DESCRIBED IN ITS REPORT FROM BUCHAREST.

SARREL IS A 36-YEAR-OLD BRITISH CAREER DIPLOMAT. HIS FIRST FOREIGN SERVICE APPOINTMENT WAS IN IRAN IN 1936. AFTER SERVICE IN THE MIDDLE EAST HE BECAME CHARGE D'AFFAIRES AT ADDIS ABABA IN 1945. THE FOLLOWING YEAR HE WAS APPOINTED FIRST SECRETARY AT THE BUCHAREST LEGATION AND IN 1947 BECAME CHARGE D'AFFAIRES THERE.

TA723PED

OSLO, NORWAY, AUG 2-(AP)-A U.S. EMBASSY SPOKESMAN SAID TODAY THE BODY OF MONA GOSSARD, 16, DAUGHTER OF MR. AND MRS.HARRY GOSSARD OF PORTALES, N.J., WAS CREMATED YESTERDAY. SHE DIED SUNDAY AT A HOTEL HERE WHILE VACATIONING IN NORWAY.

GOSSARD IS ATTACHED TO THE EDUCATION AND CULTURAL RELATIONS BRANCH OF THE U.S. MILITARY GOVERNMENT IN STUTTGART, GERMANY.

G1109AED

BRUSSELS, BELGIUM, AUG.2-(AP)-LEADERS OF THE BELGIAN SOCIAL CHRISTIAN AND LIBERAL PARTIES WILL FLY TO SWITZERLAND TODAY TO TALK TO EXILED KING LEOPOLD ABOUT HIS POSSIBLE RETURN TO BELGIUM.

AN OFFICIAL ANNOUNCEMENT SAID THE KING REQUESTED THE CONFERENCE AFTER TALKING TO ACTING PREMIER PAUL-HENRI SPAAK AND OTHER LEADERS OF THE SOCIALIST PARTY THIS WEEKEND.

THE CONSULTATIONS WITH THE KING FOLLOW A FIVE-WEEK DEADLOCK IN ATTEMPTS TO FORM A NEW POST-ELECTION BELGIAN GOVERNMENT. THE SOCIAL CHRISTIANS, WHO FAVOR THE RETURN OF LEOPOLD, WON A MAJORITY OF SENATE SEATS IN THE JUNE 26 POLLING BUT FAILED TO WIN A MAJORITY IN THE CHAMBER OF DEPUTIES.

THE SOCIALISTS AND LIBERALS OPPOSED THE RETURN OF LEOPOLD AND REFUSED TO JOIN ANY GOVERNMENT UNLESS THE SOCIAL CHRITIANS WOULD AGREE TO HOLD A REFERENDUM ON THE KING'S RETURN.

FH831AED

Trieste, Free Territory, Aug. 2--(AP)--The Italian news agency Astra said tonight it had heard the Athens radio broadcast an "extraordinary communique" of the greek high command saying greek troops "are about to liberate the country totally and definitely." Astra was quoted the radio as saying [redacted] guerrilla bands in the peloponnesus have been "virtually eliminated." (President Truman told the u. s. congress yesterday that the communist-led greek guerrillas were losing in power and that the possibility of a greek government collapse was more remote than any time since 1944.)

SYDNEY, AUSTRALIA, AUG. 2-(AP)-TWO HUNDRED POLICE CLASHED WITH 1,000 DEMONSTRATING WHARF LABORERS IN SYDNEY STREETS TODAY. TWELVE MEN WERE ARRESTED.

THE INCIDENT WAS A SIDE ISSUE IN AUSTRALIA'S CRIPPLING COAL STRIKE NOW IN ITS SIXTH WEEK.

SOLDIERS, AIRMEN AND SOME SAILORS BEGAN AT MIDNIGHT TO GET COAL FROM OPEN CUTS IN THE COAL FIELDS ON AN ORDER FROM THE FEDERAL GOVERNMENT. GOVERNMENT OFFICIALS SAID MILITARY PERSONNEL WILL MINE ENOUGH COAL TO MAINTAIN THE NATION'S RATIONED SUPPLY OF HOUSEHOLD GAS AND ELECTRICITY AND KEEP RAILWAYS OPERATING.

THE WHARF LABORERS WERE MARCHING TOWARDS THE ARBITRATION COURT WHEN INTERCEPTED BY POLICE. THEY WERE ATTEMPTING TO DEMONSTRATE BEFORE THE COURT HOUSE. INSIDE A HEARING HAD BEGUN ON AN APPLICATION BY SHIPOWNERS FOR SUSPENSION OF APPEARANCE MONEY WHILE THE GENERAL COAL STRIKE CONTINUES. WHARF LABORERS ARE PAID APPEARANCE MONEY OF 14 SHILLINGS ($2.25) A DAY WHEN THEY APPEAR FOR WORK AND NONE IS OFFERING.

AROUND 4,000 WHARF LABORERS WALKED OFF 42 SHIPS IN SYDNEY TO PROTEST THE APPLICATION.

TU936AED

NEW DELHI, INDIA, AUG. 2-(AP)-THE GOVERNMENT ANNOUNCED TODAY THAT SE KUSHO, A BROTHER OF THE TIBETAN DALAI LAMA, IS A GUEST OF THE INDIAN GOVERNMENT. HE ARRIVED FROM HONG KONG MONDAY ACCOMPANIED BY HIS WIFE. THEY WILL PROCEED FROM HERE TO LHASA, CAPITAL OF TIBET.

SE KUSHO LAID A WREATH AT RAJGHAT WHERE GANDHI WAS CREMATED AND CONFERRED WITH GOVERNOR GENERAL CHAKRAVARTI RAJAGOPALACHARI. HE WILL TALK WITH PRIME MINISTER JAWAHARLAL NEHRU LATER.

THE INDIAN GOVERNMENT LAST WEEK DISPATCHED AN ENVOY TO TIBET TO INVESTIGATE REPORTS OF A COMMUNIST-INSPIRED REVOLT IN THE HIMALAYAN MOUNTAIN STATE.

RW1241PED

30.24- 4771

TEHRAN, IRAN, AUG.2-(AP)-AN IRANIAN MILITARY TRIBUNAL TODAY SENTENCED FIVE ALLEGED LEADERS OF THE LEFTIST TUDEH PARTY TO DEATH ON CHARGES OF ACTIVITIES AGAINST THE STATE AND DIFFISION OF COMMUNIST PROPAGANDA.

SEVENTEEN OTHERS WERE SENTENCED TO PRISON TERMS UP TO 10 YEARS. THE FIVE SENTENCED TO DEATH AND SEVEN OF THOSE GIVEN PRISON TERMS WERE REPORTED TO BE IN HIDING.

THE GOVERNMENT'S DRIVE AGAINST THE COMMUNIST-BACKED TUDEH ORGANIZATION BEGAN IN FEBRUARY AFTER AN ATTEMPT WAS MADE TO ASSASSINATE THE SHAH. THE GOVERNMENT CHARGED TUDEH SPONSORED THE ATTEMPT, AND OUTLAWED THE PARTY.

INFORMED SOURCES SAID THE PARTY STILL IS OPERATING UNDERGROUND AND ARRESTS ARE CONTINUING THROUGHOUT THE COUNTRY. MARTIAL LAW, DECLARED IN FEBRUARY, STILL IS IN FORCE.

VS942PED

BY KENNETH LIKES

BATAVIA, JAVA, AUG. 2-(AP)-LEADERS OF THE INDONESIAN REPUBLIC AND 15 DUTCH-BACKED STATES IN THE EAST INDIES AGREED TODAY TO FORM A PROVISIONAL GOVERNMENT WHICH WILL ACCEPT SOVEREIGNTY UNDER THE NETHERLANDS CROWN.

IT WAS ANNOUNCED THE AGREEMENT PROVIDES FOR A PROVISIONAL GOVERNMENT OF A EUROPEAN TYPE TO HOLD POWER UNDER A TEMPORARY CONSTITUTION UNTIL A CONSTITUENT ASSEMBLY IS ELECTED. ASSEMBLY ELECTIONS WILL BE HELD WITHIN A YEAR AFTER THE TRANSFER OF SOVEREIGNTY.

OFFICIAL NAME OF THE COUNTRY WILL BE REPUBLIK INDONESIA SERIKAT (REPUBLIC OF THE UNITED STATES OF INDONESIA). ITS FLAG WILL BE RED AND WHITE. THOSE ARE THE COLORS OF THE INDONESIAN REPUBLIC WHICH HAS ENGAGED IN SPORADIC FIGHTING AGAINST DUTCH RULE SINCE THE END OF WORLD WAR II.

THE UNITED NATIONS COMMISSION FOR INDONESIA HAS ANNOUNCED THAT AN END OF FIGHTING BETWEEN THE DUTCH AND THE REPUBLICANS WILL BE PROCLAIMED TOMORROW WITH THE FORMAL CEASE-FIRE SET FOR SOME DAYS AFTER THE ANNOUNCEMENT OF TERMS BY THE TWO SIDES.

THE AGREEMENT TO FORM A PROVISIONAL GOVERNMENT WOUND UP THE WORK OF AN INTER-INDONESIAN CONFERENCE. DELEGATES AGREED TO LEAVE THE TICKLISH DETAILS OF UNION WITH THE DUTCH TO FORTHCOMING ROUND TABLE TALKS AT THE HAGUE.

THE PLAN IS TO ESTABLISH THE UNITED STATES OF INDONESIA AS A FREE AND SOVEREIGN PARTNER OF THE NETHERLANDS IN A UNION UNDER THE DUTCH CROWN.

THE DELEGATES AGREED THAT ALL DUTCH TROOPS SHOULD BE EVACUATED BUT THE METHOD AND TIME WAS LEFT TO THE HAGUE CONFERENCE. THE ARMY OF THE UNITED STATES OF INDONESIA WILL BE BUILT AROUND THE REPUBLICAN ARMY TOGETHER WITH INDONESIANS WHO SERVED IN THE DUTCH FORCES.

A PROVISIONAL CONSTITUTION WILL BE DRAFTED AS SOON AS POSSIBLE BY A JOINT COMMITTEE OF THE REPUBLIC AND THE DUTCH-BACKED STATES.

THE DELEGATES AGREED THAT AS SOON AS A PRESIDENT AND CABINET HAVE BEEN APPOINTED THE NEW GOVERNMENT WILL BE READY TO RECEIVE SOVEREIGNTY. A SENATE AND HOUSE OF REPRESENTATIVES WILL BE FORMED PROMPTLY AFTER SOVEREIGNTY IS ACHIEVED.

A TEMPORARY INNER CABINET OF FIVE WILL TAKE OVER FROM THE DUTCH. THAT CABINET WILL CONSIST OF THE SECRETARIES OF DEFENSE, FOREIGN AFFAIRS, INTERNAL AFFAIRS, FINANCE AND WELFARE.

THE PRESIDENT IN AGREEMENT WITH THE HEADS OF THE VARIOUS STATES WILL APPOINT THREE OF THE FIVE CABINET MEMBERS WHO WILL THEN CHOOSE THE OTHERS.

THE PRESIDENT OF THE TEMPORARY GOVERNMENT WILL BE APPOINTED BY THE DELEGATES WHO PARTICIPATED IN THE INTER-INDONESIAN CONFERENCE.

TU1212PED

RED TROOPS BASED AT TAIHO ON THE KAN RIVER 270 MILES NORTH-NORTHEAST OF CANTON TOOK STEPS TO PROTECT THE FLANK FOR A COMMUNIST THRUST SOUTH. THEY SENT ANOTHER COLUMN SOUTHWEST IN THE DIRECTION OF SUICHWAN, 235 MILES FROM CANTON. CANTON-XXXYENGYANG.

OFFICIAL REPORTS SAID NATIONALIST PLANES SCORED DIRECT HITS MONDAY ON RED GEN. LIN PIAO'S HEADQUARTERS AT HANKOW AND DESTROYED IT. THERE WERE NO DETAILS.

CY--HF212APS

PRECEDE NANKING (120)

CANTON, AUG. 2-(AP)-THE AMERICAN EMBASSY SAID TODAY AMBASSADOR J.LEIGHTON STUART, EN ROUTE TO WASHINGTON BY AIR, HAD REACHED OKINAWA.

THE U.S. AMBASSADOR TOOK OFF FROM COMMUNIST NANKING EARLY THIS MORNING HALF AN HOUR BEFORE AN AIR RAID ALARM WAS SOUNDED. (THE DISPATCH DID NOT FURTHER MENTION THE AIR RAID).

(WITH THE DEPARTURE OF THE AMBASSADOR, THE U.S. MINISTER IN NATIONALIST CANTON ACTS AS HEAD OF THE EMBASSY IN CHINA.)

STUART HAS BEEN CALLED TO WASHINGTON FOR CONFERENCES THAT WELL MAY HAVE A BEARING ON THE FUTURE AMERICAN POLICY IN THE ORIENT.

IN HIS PARTY WERE JOHN CABOT, CONSUL GENERAL AT SHANGHAI; HARRY HINDERER, EMBASSY ADMINISTRATIVE OFFICER; VICE CONSUL AND MRS.WILLIAM OLIVE OF SHANGHAI AND PHILIP FUGH, PRIVATE SECRETARY TO STUART.

THE PARTY TRAVELLED BY EMBASSY PLANE WHICH WAS PILOTED BY THE U.S.AIR ATTACHE, COL.JOHN DUNNING, WITH MAJ.ROBERT VAN AUSDAL AS CO-PILOT.

WD724APS

NANKING, AUG 2-(AP)-AMBASSADOR J. LEIGHTON STUART TOOK OFF FOR OKINAWA ON THE FIRST LEG OF A TRIP TO WASHINGTON TODAY A FEW MINUTES BEFORE SIRENS ANNOUNCED ANOTHER NATIONALIST AIR RAID.

STUART'S TRIP MAY HAVE A FAR REACHING EFFECT ON FUTURE AMERICAN POLICY IN THE ORIENT. HE WAS CALLED TO WASHINGTON BY THE STATE DEPARTMENT FOR A CONFERENCE.

COMMUNIST AUTHORITIES, IN GRANTING HIM PERMISSION TO LEAVE CHINA, STIPULATED THE COURSE HIS PLANE MUST TAKE OVER CHINESE TERRITORY.

HF418APS NM

SHANGHAI, AUG. 2-(AP)-THE 800-TON CARGO SHIP EDYTH MOLLER OUT OF HONG KONG RAN THE NATIONALIST BLOCKADE AND REACHED COMMUNIST SHANGHAI TODAY.

THE COASTAL VESSEL, CHARTERED BY TAHCHUNGHWA STEAMSHIP COMPANY OF SHANGHAI, IS OWNED BY MOLLER, LTD. OF HONG KONG.

THE SHIP IS AWAITING A PERMIT FROM THE COMMUNISTS TO UNLOAD 600 TONS AND PICK UP CARGO FOR HONG KONG.

THERE WAS MUCH SPECULATION HERE THAT SHIPPING INTERESTS IN HONG KONG HAD USED THE MOLLER TO TEST EFFECTIVENESS OF THE NATIONALIST BLOCKADE.

WD330APS

FIRST LEAD CONSULATE (120)

SHANGHAI,AUG.2-(AP)-DEMONSTRATING FORMER EMPLOYES OF THE U.S. NAVY WERE CLEARED FROM THE UNITED STATES CONSULATE GENERAL TODAY THROUGH DIRECT ACTION OF THE COMMUNIST LABOR BOARD.

THE BOARD'S ORDERS FREED U.S. OFFICIALS WITHIN THE BUILDING.

THE BOARD SET UP TERMS FOR SETTLING THE DISPUTE, WHICH AROSE WHEN THE EMPLOYES WERE DISCHARGED AFTER THE NAVY LEFT SHANGHAI.

ADMINISTRATIVE OFFICER REUBEN THOMAS OF THE CONSULATE WAS ASKED

TO CABLE THE BOARD'S TERMS TO WASHINGTON.

THESE TERMS CALL FOR THREE MONTHS SEVERANCE PAY FOR EACH OF THE 800 CHINESE, INDIAN AND WHITE RUSSIAN WORKERS. THE MINIMUM WOULD BE $150, THE MAXIMUM $300.

THE WORKERS HAD DEMANDED SIX AND A HALF MONTHS BONUS AS SEVERANCE PAY. THAT WAS ESTIMATED TO AMOUNT TO MORE THAN $250,000.

PAY ADJUSTMENTS HAVE BEEN GETTING INTO LARGE FIGURES SINCE THE COMMUNISTS TOOK OVER SHANGHAI. ONE FOREIGN OWNED FIRM RECENTLY PAID MORE THAN $110,000 IN BACK PAY TO CONTRACT LABOR WHICH WAS NOT DIRECTLY EMPLOYED BY IT. THERE HAVE BEEN REPORTS OF OTHER SETTLEMENTS RUNNING HIGHER.

WD330APS

WASHINGTON,AUG 2-(AP)-THE UNITED STATES HAS PROTESTED TO CHINESE COMMUNIST AUTHORITIES ABOUT THE DELAY IN TAKING ACTION TO HALT MOB VIOLENCE AT THE SHANGHAI EVENING POST AND MERCURY LAST WEEK.

IT SAID THE POLICE AT FIRST DID NOT RESPOND TO APPEALS FOR HELP.

STATE DEPARTMENT PRESS OFFICER LINCOLN WHITE GAVE THESE ADDITIONAL REPORTS ON CHINA AT A NEWS CONFERENCE:

1. THE AMERICAN CONSULATE GENERAL BUILDING AT SHANGHAI WILL BE OPEN FOR "NORMAL BUSINESS" TOMORROW. A SIEGE OF THE BUILDING BY CHINESE FORMERLY EMPLOYED BY THE U.S. NAVY HAS BEEN LIFTED. THEY WERE SEEKING A SETTLEMENT OF WAGE CLAIMS AGAINST THE NAVY.

2. WHITE DENIED REPORTS IN SHANGHAI'S CHINESE LANGUAGE NEWSPAPERS THAT AMERICAN NEGOTIATORS TRYING TO SETTLE THE WAGE ARGUMENT HAD AGREED TO THREE MONTHS SEVERANCE PAY. WHITE SAID THE TWO AMERICAN OFFICIALS HAD POWER ONLY TO NEGOTIATE. HE SAID THERE HAVE BEEN NO AGREEMENTS BUT THAT NEGOTIATIONS ARE CONTINUING.

3. PUBLISHED REPORTS THAT AN AMERICAN SHIP IS BEING PERPARED AT HONGKONG TO PICK UP AMERICANS WHO WANT TO FLEE FROM SHANGHAI ARE "NEWS TO US," WHITE DECLARED.

IN THE CASE OF THE PROTEST, THE STATE DEPARTMENT MADE PUBLIC A NOTE WHICH AMBASSADOR J.LEIGHTON STUART SENT TO NANKING OFFICIALS LAST SATURDAY.

STUART, NOW EN ROUTE HOME, REMINDED COMMUNIST AUTHORITIES THAT EDITOR RANDALL GOULD AND CHARLES F.MINER, REPRESENTATIVE OF THE OWNER OF THE SHANGHAI EVENING POST AND MERCURY, HAD BEEN CONFINED IN THEIR OFFICES FOR MORE THAN 48 HOURS BY THEIR WORKERS.

POLICE DID NOT AT FIRST RESPOND TO APPEALS FOR HELP, THE NOTE SAID, TO STOP WHAT THE DEPARTMENT CALLED "MOB ACTION."

THE MAIN SECTION OF STUART'S PROTEST:

"ALTHOUGH EVENTUAL INTERVENTION OF THE POLICE, ENABLING SETTLEMENT, IS GRATIFYING, THE GOVERNMENT OF THE UNITED STATES OF AMERICA HAS ISSUED INSTRUCTION THAT A STRONG PROTEST BE LODGED AGAINST THE FAILURE OF AUTHORITIES TO TAKE ACTION PROMPTLY ONCE THEY HAD BEEN INFORMED OF THE FACTS.

"IRRESPECTIVE OF THE INTRINSIC MERITS OF THE DISPUTE, IT IS DIFFICULT TO BELIEVE THAT THE ARBITRARY USE BY EMPLOYES AGAINST EMPLOYERS OF WEAPONS OF HUNGER, THIRST AND MENTAL ANGUISH IS APPROVED BY LOCAL AUTHORITIES. NOR DOES SUCH ACTION SEEM IN HARMONY WITH DECLARATIONS OF THE HIGHEST COMMUNIST LEADERS THAT FOREIGN LIVES AND PROPERTY WOULD BE PROTESTED."

GG343PED

NEW YORK, AUG.2-(AP)-"TWO MAJOR OPERATIONS"--MORAL AND MATERIAL AID--CAN STILL SAVE ALL OF CHINA SOUTH OF THE YANGTZE RIVER, DR. H.H.KUNG, LEADING CHINESE DIPLOMAT FOR MANY DECADES, ASSERTS.

AND IN SAVING CHINA, THE REMAINDER OF SOUTH-EAST ASIA WILL STAY OUT OF COMMUNIST HANDS, HE SAID, ADDING:

"IF ALL OF SOUTH CHINA GOES TO THE COMMUNISTS YOU CAN BE SURE ALL SOUTH-EAST ASIA WILL FOLLOW. AND THEN WHATEVER THE UNITED STATES MAY DO FOR EUROPE WILL NOT GUARANTEE ITS SAFETY."

BREAKING HIS OFFICIAL SILENCE WHICH HE HAS MAINTAINED SINCE COMING TO THE UNITED STATES IN THE LATE SUMMER OF 1947, DR.KUNG SAID, IN AN INTERVIEW, THAT "MORAL AID WOULD BE VERY EASY."

"WE ARE STILL OFFICIALLY AT WAR WITH JAPAN--BOTH CHINA AND THE UNITED STATES, AS A TREATY WITH JAPAN HASN'T BEEN MADE, "HE SAID. "THEREFORE WE ARE STILL ALLIES. IF THE PRESIDENT OR SOME RESPONSIBLE PERSON IN THE UNITED STATES GOVERNMENT WERE TO PUT THEIR PRESTIGE BEHIND MORAL AID TO THE NATIONALIST GOVERNMENT IT WOULD HAVE A VERY GREAT EFFECT IN CHINA."

AS TO MATERIAL AID, DR. KUNG, FORMER CHAIRMAN OF THE BOARD OF THE BANK OF CHINA DN NOW AN EXECUTIVE DIRECTOR OF THE BANK, PROPOSED THAT THE UNITED STATES SHOULD MAKE A LOAN TO CHINA OF 569,000,000 OUNCES OF SILVER ORIGINALLY BOUGHT FROM CHINA, HE SAID, AT AN AVERAGE OF 46 CENTS AN OUNCE. THIS SHOULD BE SOLD BACK TO CHINA AT THE SAME PRICE, HE SUGGESTED, WITH THE STIPULATION THAT PAYMENT WOULD BE MADE GRADUALLY IN DOLLARS.

AS THE CHINESE GOVERNMENT IS NOW USING SILVER AND NOTES EXCHANGEABLE ON SILVER--IN OTHER WORDS A SILVER STANDARD--DR. KUNG DECLARED THIS ACTION WOULD STABILIZE THE CHINESE CURRENCY, BOLSTER MORALE, AND CONTRIBUTE MIGHTILY TO THE WAR EFFORT AGAINST THE COMMUNISTS.

THE INTERVIEW WAS CONDUCTED IN THE BANK OF CHINA OFFICES ON WALL STREET WHERE DR.KUNG, BELIED HIS 68 YEARS WITH A VIGOROUS DEFENSE OF NATIONALIST POLICIES. SHORT AND STOCKY, HE WORE A BLUE SUIT, WHITE SHIRT WITH A BOW-TIE AND WORE A HEAVY GOLD RING AND A GOLD WRIST WATCH. HE LAUGHED OFF THE REPORT OF HIS BEING ONE OF THE WORLD'S RICHEST MEN, SAYING ALL THE FAMILY PROPERTIES HAD BEEN CONFISCATED IN MANCHURIA AND OTHER PARTS OF CHINA AND THAT HE WAS JUST A SMALL SHAREHOLDER OF THE BANK OF CHINA.

DR. KUNG SAID THAT WHEN HE WAS MINISTER OF FINANCE FROM 1933 TO 1937, THE CHINESE CURRENCY WAS KEPT AT THE RATIO OF 20 CHINESE DOLLARS TO ONE AMERICAN DOLLAR, THAT THE BUDGET WAS BALANCED AND THIS WAS KNOWN AS "THE GOLDEN AGE OF CHINA." HE SAID THAT DURING THIS TIME CHINA WAS ABLE TO CONTINUE HER WAR AGAINST JAPAN "WITHOUT SEVERE INFLATION."

"YOU CAN'T ASK A SOLDIER TO FIGHT WHEN HE KNOW HIS PAY IS NO GOOD, THAT ITS VALUE WILL BE NOTHING BY THE NEXT DAY," HE ELABORATED. "SHOULD THE UNITED STATES MAKE A LOAN OF THAT SILVER TO CHINA, THE CURRENCY COULD BE STABILIZED AND A REAL FORWARD STEP TAKEN IN OUR BATTLE."

HE SAID WHEN HE RESIGNED DUE TO ILL-HEALTH FROM THE MINISTRY OF FINANCE IN 1944 THAT HE LEFT GOLD AND FOREIGN EXCHANGE IN THE NATIONAL TREASURY AMOUNTING TO OVER $1,000,000,000 UNITED STATES DOLLARS. HE CONTENDED THAT THE SUBSEQUENT INFLATION WAS "DUE TO MANY REASONS; ONE OF WHICH WAS THE FREQUENT DEPRECIATION OF THE CURRENCY CAUSING THE PEOPLE TO LOSE CONFIDENCE IN IT."

DR.KUNG SAID HE BELIEVED THE CHINESE GOVERNMENT HAD PREPARED A PROGRAM IN CASE THE UNITED STATES GRANTED FURTHER AID AND ADDED THE GOVERNMENT "WOULD NO DOUBT WELCOME CLOSE AMERICANCO-OPERATION TO AS-

SURE EFFICIENT HANDLING."
TALES OF CHINESE GOVERNMENT INEFFICIENCY AND CORRUPTION, DR.KUNG ASCRIBED TO THE CLEVER "MALICIOUS SMEAR PROPAGANDA" CAMPAIGN OF THE COMMUNISTS IN THE UNITED STATES. WHILE ADMITTING DURING WAR DAYS "A CERTAIN AMOUNT OF BRIBERY AND CORRUPTION COULD NOT BE AVOIDED," DR.KUNG SAID THEY MADE EVERY EFFORT TO PUNISH OFFENDERS--BOTH ON THE GIVING AND RECEIVING ENDS.
ASKED ABOUT PROMISED NATIONALIST GOVERNMENT REFORMS, DR.KUNG, WHO HAS ALSO HELD THE OFFICE OF PRESIDENT OF THE EXECUTIVE YUAN (PREMIER) REPLIED:
"THE MAIN OBJECTIVE OF THE NATIONALIST GOVERNMENT HAS ALWAYS BEEN THE INSTITUTION OF REFORMS TO CREATE A DEMOCRATIC GOVERNMENT BASED ON DR. SUN-YAT-SEN'S 'THREE PEOPLE'S PRINCIPLES.' MANY REFORMS WERE CARRIED OUT BEFORE THE JAPANESE INVASION IN 1937.
"AS SOON AS THE WAR WAS OVER, OUR GOVERNMENT ADOPTED ITS PERMANENT CONSTITUTION AND TERMINATED THE SO-CALLED ONE PARTY GOVERNMENT. HAD IT NOT BEEN FOR THE COMMUNIST TROUBLE, NUMEROUS POLITICAL, SOCIAL, AND ECONOMIC REFORMS WOULD HAVE BEEN CARRIED OUT."
ASKED IF IN HIS OPINION GENERALISSIMO CHIANG KAI-SHEK AND ACTING PRESIDENT LI TSUNG-JEN ARE CO-OPERATING WHOLE-HEARTEDLY IN THE FIGHT AGAINST THE REDS, DR. KUNG ASSERTED THERE WAS NO DOUBT OF THEIR COOPERATION. HE ADDED, "RECENT STATEMENT MADE BY BOTH OF THEM AND CURRENT EVENTS HAVE CONFIRMED THIS FACT."
HE EXPLAINED THAT UNDER THE CHINESE CONSTITUTION CHIANG WAS STILL PRESIDENT OF CHINA..."AND LI IS THE VICE PRESIDENT WHO IS NOW ACTING AS PRESIDENT BECAUSE THE CONSTITUTION DOESN'T PROVIDE FOR THE RESIGNATION OF THE PRESIDENT."
ASKED IF HE BELIEVED THE CHINESE GOVERNMENT WOULD ISSUE A STATEMENT SHOULD THE U.S. STATE DEPARTMENT ISSUE A WHITE PAPER ON CHINA THIS WEEK, AS HAS BEEN REPORTED, DR.KUNG SAID: "I PRESUME THE FORTHCOMING WHITE PAPER ON CHINA WILL STATE PROVEN FACTS CONCERNING AMERICAS RELATIONSHIP WITH CHINA. IF THERE ARE POINTS OF DISCUSSION OR DISAGREEMENT, I THINK THE CHINESE GOVERNMENT MAY MAKE STATEMENTS TO CLARIFY."
QUESTIONED ABOUT BANK DEPOSITS IN THE UNITED STATES HELD BY CHINESE NATIONALS, DR.KUNG SAID WHILE HE WAS MINISTER OF FINANCE HE HAD BEEN INFORMED BY THE U.S. TREASURY DEPARTMENT THAT THE TOTAL DEPOSITS OF CHINESE NATIONALS, INCLUDING BUSINESS ORGANIZATIONS, WAS LESS THAN $80,000,000. THIS DID NOT INCLUDE CHINESE GOVERNMENT FUNDS.
DR.KUNG, A BROTHER-IN-LAW OF CHIANG KAI-SHEK, SAID HE HAD NO IMMEDIATE PLANS TO RETURN TO CHINA. HE SAID HE ORIGINALLY CAME HERE BECAUSE HIS WIFE WAS ILL AND HE HIMSELF HAD HAD TWO MAJOR OPERATIONS IN THE PAST TWO YEARS. MADAME CHIANG, WHO IS NOW STAYING WITH HIM IN NEW YORK WOULD RETURN TO CHINA BUT JUST WHEN DR.KUNG COULD NOT SAY.
AS TO THE POSSIBILITY OF WAR. DR. KUNG SAID, "THE MENACE IS THERE. AND IF IT COMES, DON'T YOU THINK IT WOULD BE GOOD FOR THE UNITED STATES TO HAVE SOMEONE FIGHTING ITS BATTLES IN OUR PART OF THE WORLD?"
HA726PED

PHILIPPINES
WASHINGTON,AUG.2-(AP)-THE SENATE APPROVED A $12,685,000 (M) GRANT TO THE PHILIPPINES TODAY FOR BUILDING HOSPITALS AND GIVING MEDICAL CARE TO WORLD WAR II VETERANS.
THE APPROPRIATION WAS ADDED BY VOICE VOTE TO FUNDS FOR THE VETERANS ADMINISTRATION AT THE URGING OF SENATOR O'MAHONEY (D-WYO).
IT PROVIDES $9,400,000 (M) FOR BUILDING AND EQUIPPING HOSPITALS AND $3,285,000 (M) FOR MEDICAL CARE AND TREATMENT OF VETERANS.
THE MONEY IS TO BE MADE AVAILABLE AS SOON AS THE BILL GETS FINAL APPROVAL OF BOTH HOUSES OF CONGRESS AND IS SIGNED BY THE PRESIDENT.
MD1114PED

TOKYO, AUG 2-(AP)-EIGHTY-EIGHT AMERICANS MADE HOMELESS BY A TYPHOON AT OKINAWA JULY 23 WILL SAIL FOR THE UNITED STATES SOON. THE ARMY TRANSPORT GENERAL BUCKNER, ARRIVING AT YOKOHAMA FRIDAY, WILL PICK UP THE OKINAWA REFUGEES ON ITS RETURN TO THE STATES.
HF215APS

TOKYO, AUG.2-(AP)-JAPAN'S FUTURE TRADE WITH BRITAIN AND THE STERLING AREA WILL BE DETERMINED "WHOLLY AND COMPLETELY" BY HOW MUCH JAPAN BUYS FROM THEM, A BRITISH TRADE REPRESENTATIVE SAID TODAY.
"WE CANNOT AFFORD TO SPEND A SINGLE DOLLAR IN JAPAN FOR ANY PURPOSE WHATSOEVER," ALAN S.GILBERT OF THE BRITISH BOARD OF TRADE TOLD A NEWS CONFERENCE. HE IS HERE FOR TRADE TALKS.
"WE HAVE SPENT IN THE LAST YEAR," GILBERT SAID, "ABOUT $36,000,000 MORE IN JAPAN THAN JAPAN HAS BOUGHT FROM US. WE MUST BUY LESS FROM JAPAN UNTIL WE KNOW WHAT JAPAN WILL BUY FROM US."
GILBERT SAID MUCH RAW MATERIAL SUCH AS RUBBER, IRON ORE AND WOOL, WERE AVAILABLE TO JAPAN FROM THE STERLING AREA.
H.C.MENZIES, AUSTRALIAN MEMBER OF THE MISSION, ADDED THAT "THE SKY'S THE LIMIT ON WOOL PURCHASES BY JAPAN ON THE OPEN MARKET. HE SAID JAPAN'S WOOL PURCHASES FROM AUSTRALIA WERE BUT A FRACTION OF THE PRE-WAR TRADE.
C0836PCS

TOKYO, WEDNESDAY, AUG.3-(AP)-GENERAL MACARTHUR SAID TODAY "ELIMINATIO OF MONOPOLISTIC ECONOMIC POWER WHICH DOMINATED PREWAR JAPANESE LIFE HAS BEEN ACCOMPLISHED EFFECTIVELY."
THIS WAS THE OFFICIAL ANNOUNCEMENT OF THE END OF ONE OF THE MOST CONTROVERSIAL PROGRAMS UNDERTAKEN BY THE ALLIED OCCUPATION. FROM THE BEGINNING IT HAD BEEN UNDER FIRE HERE AND ABROAD AS "SOCIALIZATION" AND "FRAGMENTATION OF INDUSTRY". SOME OBSERVERS CALLED IT A SUCCESS, OTHERS A FAILURE.
A HEADQUARTERS PRESS STATEMENT SAID EXAMINATION HAS BEEN COMPLETED OF ABOUT 1,200 COMPANIES WHICH HAD BEEN AFFILIATED WITH THE ZAIBATSU HOLDING COMPANIES "THROUGH WHICH A SMALL NUMBER OF FAMILIES EXERCISED ALL - PERVASIVE CONTROL OVER THE INDUSTRY, COMMERCE AND FINANCE OF JAPAN."
MACARTHUR SAID A FIVE-MAN DECONCENTRATION REVIEW BOARD WHICH CAME HERE A YEAR AGO FROM WASHINGTON HAS FINISHED ITS WORK, SUBMITTED ITS FINAL REPORT AND WILL BE DISSOLVED IMMEDIATELY.
BOARD CHAIRMAN JOSEPH ROBINSON SAID 11 GIANT JAPANESE CORPORATIONS WERE RECOMMENDED DECONCENTRATED OUT OF 325 DESIGNATED FOR EXAMINATION. NINE OTHER COMPANIES WERE RECOMMENDED FOR DIVESTMENT OF CERTAIN HOLDINGS.
ROBINSON TOLD A NEWS CONFERENCE AFTER MACARTHUR'S ANNOUNCEMENT:
"I FEEL THERE IS IN JAPAN TODAY NO EXCESSIVE CONCENTRATION OF

ECONOMIC POWER. I KNOW OF NO JOB WHERE A MONOPOLY HAS BEEN DEALT WITH SO SUCCESSFULLY WITHOUT ADVERSE AFFECT ON FINANCE OR INDUSTRY."

MACARTHUR'S PRESS STATEMENT SAID "COMPETENT OBSERVERS POINT TO THE 50 PER CENT INCREASE IN PRODUCTION ALONG WITH CONSIDERABLE PROGRESS TOWARD STABILIZATION DURING THE PAST YEAR AS EVIDENCE OF THE GROWING HEALTH OF THE JAPANESE ECONOMY."

THIS IS THE FINAL RESULT OF THE BOARD'S TASK:

"ELEVEN ENTERPRISES WERE RECOMMENDED FOR STRUCTURAL REORGANIZATION, THREE WERE REQUIRED TO DISPOSE OF SPECIFIED PLANTS OR STOCK HOLDINGS, TWO WERE REFERRED TO THE FAIR TRADE COMMISSION WITH SPECIFIC RECOMMENDATIONS REGARDING THEIR TRADE PRACTICES, TWO WERE RECOMMENDED FOR COMPLETE REORGANIZATION THROUGH INDUSTRY-WIDE ACTION, ONE WAS REQUIRED TO DIVEST ITSELF OF GOVERNMENTAL PREROGATIVES."

THE REPORT ADDED:

"IN ALL INSTANCES HWERE TOTAL OR PARTIAL REORGANIZATION WAS INVOLVED, THE COMPANIES WERE PERMITTED TO SUBMIT THEIR OWN PLANS FOR MEETING THE REQUIREMENTS AND IN ALL CASES IT WAS EMPHASIZED THAT ANY MODIFICATION IN CORPORATE STRUCTURE WERE TO BE MADE WITHOUT REDUCING OUTPUT."

KK1054PCS

SEOUL--FIRST ADD SECOND NIGHT LEAD CHIANG (TOP ON AYE) X X X THE VISIT.

LATER RHEE TOOK OFF IN A THREE-PASSENGER PLANE OF THE AMERICAN NAVAL ATTACHE FOR CHINHAE. THE KOREAN AIR FORCE HAS ONLY TWO-PLACE LIAISON PLANES.

THE PLANE WAS PILOTED BY LT.PAUL A.GRABLER, ASSISTANT NAVY ATTACHE OF 56 MAPES AVE., NEWARK, N.J., WITH CHIEF AVIATION CONTROLMAN CURTIS R.ALLEN OF CHINCOTEAGUE ISLAND, VA., AS CO-PILOT.

C0838PCS NM

SEOUL, AUG. 2-(AP)-GENERALISSIMO CHIANG KAI-SHEK, CHINA'S NATIONALIST LEADER,MAY COME TO KOREA TOMORROW TO DISCUSS THE PROPOSED PACIFIC PACT AGAINST COMMUNISM WITH PRESIDENT SYNGMAN RHEE.

CREDENCE TO THE REPORT WAS LENT TODAY BY THE ARRIVAL OF A CHINESE C-47 TRANSPORT PLANE BEARING 10 MEMBERS OF THE NATIONALIST AIR FORCE AND TWO CIVILIANS. ONE WAS QUOTED AS SAYING THE GROUP WOULD SPEND SEVERAL DAYS HERE.

WD344APS

BY SPENCER DAVIS

MANILA,AUG.2-(AP)-THE PHILIPPINES WILL COME OUT THIS WEEK WITH ITS IDEAS ON HOW SOUTHEAST ASIA CAN COUNTERACT AND CONTAIN COMMUNISM WITH A PACIFIC UNION.

PRESIDENT ELPIDIO QUIRINO WILL DISCUSS BOTH ECONOMIC AND POLITICAL MEASURES IN A STATEMENT SHORTLY BEFORE HE LEAVES ON A TRIP TO THE UNITED STATES.

AT THE SAME TIME HE IS EXPECTED TO MAKE IT CLEAR HE WILL NOT TAKE UP FORMALLY HIS PET PLAN FOR AN ANTI-RED ASIAN PACT DURING HIS STAY IN WASHINGTON.

THE U.S. HAS MAINTAINED ALOOFNESS TO THE PROJECTED PACIFIC COUNTERPART OF THE ATLANTIC ALLIANCE. IT HAS, HOWEVER, ENCOURAGED ASIAN NATIONS TO GO AHEAD ON THEIR OWN IF THEY CHOOSE.

THERE MAY BE PRIVATE CONVERSATIONS AT HIGH LEVEL ON THE MATTER AFTER QUIRINO ARRIVES IN WASHINGTON NEXT WEEK. BUT THE PACIFIC UNION PLAN HAS NOT PROGRESSED TO A POINT THAT IT IS READY FOR IMPLEMENTATION.

BIGGEST OBSTACLE TO THE ALLIANCE, SOME INFORMED OBSERVERS HERE SAY, IS THAT NATIONALIST CHINA IS ONE OF THE FOUNDERS. ITS GROUNDWORK WAS LAID BY GENERALISSIMO CHIANG KAI-SHEK AND QUIRINO EARLY IN JULY WHEN THE CHINESE LEADER FLEW TO THE PHILIPPINES FOR THE BAGUIO CONFERENCE.

THESE SOURCES REFER TO THE FADING NATIONALIST REGIME AS A "DEAD ALBATROSS." AND UNLESS IT IS CAST LOOSE, THEY FORESEE GREAT DIFFICULTY IN BRINGING BRITISH COMMONWEALTH COUNTRIES INTO THE UNION.

THEIR PARTICIPATION IS CONSIDERED ESSENTIAL TO AN EFFECTIVE ALLIANCE.

THE TROUBLE IS THIS: UNDER TERMS OF THE BAGUIO ACCORD EACH MEMBER OF THE UNION WOULD BE PLEDGED TO AT LEAST THE MORAL ASSISTANCE OF NATIONALIST CHINA.

IN VIEW OF THE RED THREAT TO HONG KONG AND MALAYA, THIS MAY BE FARTHER THAN THE COMMONWEALTH COUNTRIES ARE PREPARED TO GO AT THIS TIME.

VR526ACS NM

MOSCOW, AUG. 2-(AP)-THE COMMUNIST PARTY NEWSPAPER, PRAVDA, TODAY HEADLINED THE U.S. JOINT CHIEFS OF STAFF'S VISIT TO EUROPE AS "AMERICAN PRESSURE ON COUNTRIES IN WESTERN EUROPE."

BD636AED

MOSCOW, AUG. 2-(AP)-THE NEWSPAPER SOVIET SPORT SAID TODAY THE INTEREST OF "AMERICAN MILITARY TOURISTS" IN NORWAY IS REMINISCENT OF THE INTEREST OF GERMAN SPIES IN THE GUISE OF TOURISTS BEFORE WORLD WAR II.

THE NEWSPAPER SAID AMERICAN OFFICIALS OF THE EUROPEAN RECOVERY PROGRAM IN NORWAY TRIED TO FORCE THE NORWEGIANS TO CONSTRUCT MORE MILITARY COMMUNICATIONS AND FACILITIES, UNDER PRETEXTS OF PROVIDING COMMUNICATIONS FOR TOURISTS.

TU943AED

MOSCOW, AUG. 2-(AP)-TRUD HAS DEVOTED A LENGTHY STORY TO "PROGRESSIVE FORCES IN THE UNITED STATES TRADE UNION MOVEMENT."

THE TRADE UNION NEWSPAPER SAID THE LEFT WING OF THE CIO HAS DEMADED SUPPORT OF THE PROGRESSIVE PARTY, UNITY OF THE WORLD TRADE UNION MOVEMENT, FRIENDSHIP WITH THE U.S.S.R., AND RENUNCIATION OF THE MARSHALL PLAN AND THE COLD WAR BY THE USA.

TRUD SAID 11 CIO UNIONS NOW MAKE THESE DEMANDS, "ALTHOUGH NOT COMPLETELY HARMONIOUSLY AND WITH VARYING DEGREES OF CONSISTENCY." IT LISTED THE STEVEDORES (WEST COAST), ELECTRICAL WORKERS, FURRIERS, WORKERS OF THE FOOD AND TOBACCO INDUSTRIES, WORKERS OF AGRICULTURAL MACHINE CONSTRUCTION, MINERS, FURNITURE WORKERS, COMMUNICATIONS WORKERS, GOVERNMENT AND MUNICIPAL WORKERS, SEAMEN COOKS AND STEWARDS, AND OFFICE WORKERS.

TRUD SAID THESE TOTAL 1,200,000 WORKERS.

THE ARTICLE SAID THAT THE POSTWAR YEARS IN THE USA HAVE BEEN MARKED BY A "POWERFUL UPSURGE" OF THE STRIKE MOVEMENT, THE LIKES OF WHICH ARE UNKNOWN IN THE HISTORY OF THE COUNTRY.

TU1151AED

KINGSTON, ONT., AUG 2-(AP)-JUSTICE DELFIN JARANILLA OF THE PHILIPPINES, VISITING HERE WITH HIS WIFE AND DAUGHTER, SAID TODAY IN AN INTERVIEW THAT THE PHILIPPINES IS RECOVERING RAPIDLY FROM THE EFFECTS OF THE WAR, DESPITE HEAVY DAMAGE TO INDUSTRY AND ECONOMY.

HE SAID CLOSE TIES EXIST BETWEEN THE UNITED STATES AND THE PHILIPPINES, WHICH BECAME INDEPENDENT IN 1946, AND U.S. BUSINESS MEN ARE WELCOMED IN THE PACIFIC STATE.

JUSTICE JARANILLA, WHO WAS IMPRISONED BY THE JAPANESE WHEN THEY OCCUPIED THE PHILIPPINES, WAS ONE OF THE 11 JUDGES ON THE INTERNATIONAL MILITARY TRIBUNAL WHICH SAT FOR MORE THAN TWO YEARS IN TOKYO. HE NOW IS EN ROUTE HOME AFTER VISITING EUROPE AND THE UNITED STATES.

G1112AED

NIGHT LEAD COMMUNISTS (250)

NEW YORK, AUG.2-(AP)-NATIONAL COMMUNIST CHAIRMAN WILLIAM Z.FOSTER WAS QUOTED IN COURT TODAY AS SAYING "IMPERIALIST AMERICA" WOULD FIND NO ALLIES AMONG THE PEOPLE'S GOVERNMENTS OF EUROPE IN THE EVENT OF WAR WITH THE SOVIET UNION.

EDWARD JOSEPH CHAKA, A COMMUNIST OFFICIAL FROM CLEVELAND, APPEARED FOR THE DEFENSE IN THE COMMUNIST CONSPIRACY TRIAL TO GIVE HIS VERSION OF WHAT FOSTER SAID TO AN OHIO CONVENTION OF THE PARTY IN JULY, 1948.

WILLIAM CUMMINGS, A GOVERNMENT WITNESS, HAD QUOTED THE NATIONAL CHAIRMAN AS SAYING THAT IF WAR CAME THE "FREE COUNTRIES OF EUROPE" WOULD RALLY TO THE SUPPORT OF THE SOVIET UNION.

CHAKA SAID THAT WASN'T WHAT FOSTER SAID.

"MR. FOSTER SPOKE ON THE PEOPLE'S GOVERNMENTS," HE TESTIFIED, "AND SAID THAT IN CASE OF AN IMPERIALIST WAR BETWEEN THE SOVIET UNION AND THE UNITED STATES, IMPERIALIST AMERICA WOULD NOT FIND ANY ALLIES AMONG THOSE PEOPLE IN EUROPE."

FOSTER AND 11 OTHER TOP COMMUNIST LEADERS ARE UNDER INDICTMENT ON CHARGES OF CONSPIRING TO ADVOCATE OVERTHROW OF THE U.S. GOVERNMENT BY FORCE. THE 11 OTHERS ARE ON TRIAL BUT FOSTER HIMSELF WON A POSTPONEMENT ON GROUNDS OF ILL HEALTH.

CHAKA TESTIFIED EARLIER THAT STEEL WORKERS WERE A PRIME TARGET FOR RED ORGANIZERS AND THAT HE HAD SERVED AS "STEEL COORDINATOR" FOR THE PARTY TO PUSH SUCH ORGANIZATION.

HE SAID GUS HALL, ONE OF THE DEFENDANTS, HAD TOLD HIM STEEL WORKERS WERE STRONGLY IN FAVOR OF TRADE UNIONS BUT THAT IT WAS NECESSARY TO "DEVELOP THEM POLITICALLY."

HALL, HE SAID, WAS OHIO CHAIRMAN OF THE COMMUNIST PARTY.

HA631PED

FIRST LEAD COMMUNISTS

NEW YORK,AUGUST 2-(AP)-AMERICAN STEEL WORKERS WERE DESCRIBED BY A COMMUNIST TRIAL DEFENSE WITNESS TODAY AS A PRIME TARGET OF RED ORGANIZERS.

THE WITNESS, EDWARD JOSEPH CHAKA OF CLEVELAND, SAID DEFENDANT GUS HALL TOLD HIM A FEW YEARS AGO:

"WE MUST GENERALLY TRY TO INTEREST THE STEEL WORKERS IN SOCIALISM AND BRING THEM INTO OUR PARTY."

THE REASON, CHAKA QUOTED HALL, WAS THAT "THAT IS WHERE LARGE SECTIONS OF WORKERS ARE CONCENTRATED."

HALL WAS OHIO CHAIRMAN FOR THE COMMUNIST PARTY AND TGE WITNESS SAID HE (CHAKA) WAS NAMED "STEEL COORDINATOR" FOR THE PARTY IN AN EFFORT TO PUSH SUCH ORGANIZATION.

CHAKA SAID HALL TOLD HIM STEEL WORKERS WERE STRONG FOR TRADE UNIONISM AND, ONCE ORGANIZED IN LABOR UNIONS, "IT WAS NECESSARY TO DEVETOP THEM POLITICALLY."

CHAKA, A COMMUNIST POLITICIAN IN CLEVELAND, WAS CALLED AS DEFENSE WITNESS YESTERDAY TO CHALLENGE TESTIMONY OF AN FBI UNDERCOVER AGENT ABOUT A PARTY SCHOOL NEAR THE OHIO CITY.

THE FOUNDRY WORKER TOOK THE STAND WITH THE TRIAL IN ITS 29TH WEEK BEFORE FEDERAL JUDGE HAROLD R.MEDINA AND A JURY.

HE DENIED PROSECUTION TESTIMONY THAT A 1946 COMMUNIST PARTY SCHOOL HELD AT EINTRACHT FARM WAS AN UNDERGROUND GROUP ENGAGED IN COMMUNIST REVOLUTIONARY IDEOLOGY.

THE PROSECUTION TESTIMONY WAS GIVEN BY JOHN LA BLANC, WHO SAID HE WAS PLANTED IN THE COMMUNIST PARTY BY THE FBI.

CHAKA TESTIFIED HE JOINED THE COMMUNIST PARTY 18 YEARS AGO AFTER BECOMING INTERESTED AS A YOUTH IN THE THEORIES OF HIS FATHER, WHOM HE DESCRIBED AS "AN OLD SOCIALIST."

THE WITNESS SAID HE IS A CANDIDATE FOR THE CLEVELAND CITY COUNCIL FROM THE 13TH WARD ON A NON-PARTISAN BASIS. HE SAID THAT IN 1943 HE RAN UNSUCCESSFULLY FOR THE SAME OFFICE WITH "THE OPEN ENDORSEMENT OF THE COMMUNIST PARTY."

CHAKA SAID HE RAN FOR OHIO STATE REPRESENTATIVE IN CLEVELAND WITH COMMUNIST BACKING IN 1946.

CHAKA TOOK THE STAND AFTER MRS.YOLANDA HALL, A CHICAGO COMMUNIST, HAD COMPLETED HER TESTIMONY FOR THE ELEVEN TOP COMMUNIST LEADERS ON TRIAL ON CHARGES OF CONSPIRACY TO ADVOCATE VIOLENT OVERTHROW OF THE GOVERNMENT.

SHE ADMITTED UNDER CROSS-EXAMINATION THAT IN THE PAST SHE HAD TOLD LIES "UNDER CERTAIN CIRCUMSTANCES."

SHE SAID SHE HAD BEEN "BLACKLISTED" FOR UNION ACTIVITY AT THE BENDIX AVIATION CORPORATION PLANT, AND SOMETIMES AFTER THAT MADE FALSE STATEMENTS WHEN APPLYING FOR JOBS.

"A PERSON HAS TO MAKE A LIVING, AND YOU ARE SOMETIMES FORCED TO LIE," SHE EXPLAINED.

JUDGE HAROLD R.MEDINA, WHO INVOKED NEW CURBS ON DEFENSE COUNSEL YESTERDAY IN ANOTHER SERIES OF BITTER CLASHES WITH THEM, TOOK OVER THE QUESTIONING OF BOTH MRS.HALL AND CHAKA AT TIMES.

BD534AED

JAMESTOWN, N.Y., AUG.2-(AP)-CHARLES A. DOYLE, FORMER INTERNATIONAL VICE-PRESIDENT OF THE CIO UNITED CHEMICAL WORKERS, WAS CONVICTED TODAY ON A CHARGE OF ENTERING THE UNITED STATES ILLEGALLY.

THE 44-YEAR-OLD NATIVE OF SCOTLAND, WHOSE DEPORTATION AS AN ALIEN WITH ALLEGED COMMUNIST CONNECTIONS HAS BEEN SOUGHT BY THE FEDERAL GOVERNMENT FOR MORE THAN A YEAR, WAS CONVICTED ON THE ENTRY CHARGE BY A FEDERAL DISTRICT GRAND JURY AFTER A THREE-HOUR TRIAL.

JUDGE JOHN KNIGHT WILL SENTENCE DOYLE AUG.15. THE MAXIMUM PENALTY IS A YEAR'S IMPRISONMENT OR A $1,000 FINE, OR BOTH. MEANWHILE, DOYLE IS FREE IN $2,000 BAIL.

DOYLE WAS TURNED BACK AT THE CANADIAN BORDER AFTER ATTENDING A LABOR

MEETING AT WINDSOR, ONT., IN JANUARY, 1948. HE APPEARED IN NEW YORK CITY FEB.20, 1948, HOWEVER, AND FACED A DEPORTATION HEARING. THE HEARING WAS ADJOURNED SUBJECT TO RECALL.

MEANWHILE, THE GOVERNMENT CONDUCTED A LENGTHY INVESTIGATION TO LEARN HOW DOYLE HAD RE-ENTERED THE COUNTRY. HE WAS INDICTED IN BUFFALO LAST MARCH ON THE ILLEGAL ENTRY CHARGE AND WAS ARRESTED WHEN SEEN THERE JUNE 28.

DEFENSE COUNSEL SOUGHT ACQUITTAL TODAY ON THE GROUND THE GOVERNMENT STILL HAD NOT SHOWN HOW, WHEN OR WHERE DOYLE RE-ENTERED THE COUNTRY.

X1001PED

WASHINGTON CROTDSTRX YEATS

THREE OF THE ADMINISTRATION'S TOP MEN IN EUROPE RECORDED THEIR SUPPORT OF THE PRESIDENT'S PROGRAM BEFORE THE HOUSE FOREIGN AFFAIRS COMMITTEE, WHICH WENT AHEAD WITH ITS OWN HEARINGS TODAY.

THEY WERE LEWIS DOUGLAS, THE AMBASSADOR TO BRITAIN; HENRY F.GRADY, AMBASSADOR TO GREECE, AND W.AVERELL HARRIMAN, THE MARSHALL PLAN'S ROVING AMBASSADOR.

IN A STATEMENT SENT TO THE HOUSE COMMITTEE, DOUGLAS URGED CONGRESS TO APPROVE FULL MILITARY AID TO WESTERN EUROPE BECAUSE "THIS IS THE LANGUAGE WHICH IS UNDERSTOOD" IN MOSCOW.

HE SAID THE COMMUNISTS IN WESTERN EUROPE HAVE BEEN LOSING GROUND DURING THE PAST 18 MONTHS AND THAT THE RUSSIANS "NOW APPEAR TO BE RECEPTIVE TO AT LEAST MINOR ADJUSTMENTS OF OUR DIFFERENCES."

DOUGLAS EXPRESSED BELIEF, HOWEVER, THAT ANY "SLACKENING OR FALTERING" ON THE PART OF THE UNITED STATES WOULD REVERSE THIS TREND.

HE EMPHASIZED THAT, IF THE UNITED STATES DOES NOT BUILD UP THE WESTERN EUROPEAN ARMIES, NAVIES AND AIR FORCES, IT WILL HAVE TO BUILD DEFENSE FORCES OF ITS OWN CAPABLE OF HOLDING THE WEST.

GRADY APPEARED PERSONALLY TO READ A STATEMENT URGING CONGRESS NOT TO CUT THE MILITARY AID PROPOSED FOR GREECE.

HE DECLARED A POLICY OF "TOO LITTLE AND TOO LATE" WOULD BE THE MOST UNWISE AND UNECONOMIC FROM THE VIEWPOINT OF AMERICAN INTERESTS, AND THE MOST CRUEL TO THE PEOPLE OF GREECE.

"THE PROVISION OF LESS THAN THE MINIMUM AMOUNT OF AID NEEDED TO DO THE JOB WOULD PERPETUATE THE FIGHTING IN GREECE TO NO PURPOSE," THE AMBASSADOR ADDED. "WE SIMPLY CANNOT AFFORD THE POLICY OF THE SHOE-STRING."

GRADY DID NOT SPECIFY THE AMOUNT OF MILITARY ASSISTANCE GREECE SHOULD GET, BUT HE SAID THE BEST ESTIMATE OF THE EXECUTIVE BRANCH IS THAT GREEK NEEDS CAN BE MET WITHIN THE $300,580,000 WHICH THE FOREIGN ARMS BILL PROVIDES FOR COUNTRIES OUTSIDE WESTERN EUROPE, AND WITH HELP--"IN THE EVENT OF SPECIAL CONTINGENCIES"--FROM A PROPOSED $45,000,000 FUND FOR MEETING EMERGENCIES WHEREVER THEY MAY ARISE.

HARRIMAN SAID THE ARMS AID PROGRAM IS NECESSARY TO MAINTAIN THE CONFIDENCE THAT HAS BEGUN TO REPLACE FEAR OF RUSSIA AMONG SOME 200,000,000 EUROPEAN PEOPLE.

FROM MY OWN EXPERIENCE, HE SAID, "I CAN TESTIFY THAT THE WESTERN UNION COUNTRIES HAVE BEEN WORKING FOR OVER A YEAR ON THE DEVELOPMENT OF A UNIFIED PLAN OF MUTUAL DEFENSE. THESE COUNTRIES ARE THE HARD CORE OF EUROPEAN DEFENSE." WASHINGTON XXX OUT.

HE RECALLED THAT AMERICAN MILITARY OFFICERS HAVE SAT AS OBSERVERS IN THE DEVELOPMENT OF THESE PLANS. IN ADDITION, HE SAID, WORK HAS ALREADY BEEN DONE BY THE EUROPEAN GOVERNMENTS THEMSELVES IN DETERMINING WHAT WEAPONS AND EQUIPMENT ARE NEEDED.

COMMITTEE MEMBERS HAVE BEEN ASKING SPECIFICALLY WHETHER THERE IS AN IRONCLAD AGREEMENT THAT NATIONS RECEIVING AMERICAN ARMS WILL USE THEM AS A TEAM IF ACTION BECOMES NECESSARY.

REP.MANSFIELD (D-MONT) TOLD NEWSMEN HE STILL ISN'T CONVINCED THAT A PLAN OF COORDINATED ACTION HAS BEEN WORKED OUT AND WILL BE EFFECTIVE.

LIKE OTHER DEMOCRATS ON THE COMMITTEE, HOWEVER, HE SAID IT MAY BE NECESSARY TO TAKE THE PROGRAM ON FAITH UPON THE ASSURANCES OF SUCH MEN AS SECRETARY OF STATE ACHESON, SECRETARY OF DEFENSE JOHNSON AND FORMER SECRETARY OF STATE GEORGE MARSHALL THAT THE PROGRAM IS A "MUST."

"I THINK THE ANSWERS TO OUR QUESTIONS ON THE SUBJECT OF UNIFIED ACTION WILL BE GIVEN BEFORE THE HEARINGS ARE ENDED," SAID REP.GORDON (D-ILL).

GORDON JOINED CHAIRMAN KEE (D-WVA) IN PREDICTING THAT THE COMMITTEE WILL APPROVE THE BILL EVENTUALLY IN SUBSTANTIALLY THE FORM REQUESTED BY PRESIDENT TRUMAN.

REPUBLICANS STILL INSISTED THAT SOMETHING DEFINITE IN THE LINE OF ASSURANCES OF COORDINATED ACTION BE PROVIDED. UNLESS IT IS, THEY SAID, THEY WON'T BE INCLINED TO FAVOR THE PROGRAM BUT WILL VOTE FOR AN INTERIM SETUP OF ABOUT HALF THE AMOUNT REQUESTED.

MILITARY HEADS OF THE ARMY, THE NAVY AND THE AIR FORCE NOW ARE IN EUROPE CONFERRING WITH LEADERS OF SOME OF THE NATIONS LISTED FOR AID UNDER THE PRESIDENT'S PROGRAM. THEY ARE SCHEDULED TO TESTIFY WHEN THEY RETURN NEXT WEEK.

MARSHALL EASED SOME OF THE FEARS OF COMMITTEE MEMBERS YESTERDAY WHEN HE SAID HE FELT CERTAIN THAT CONCLUSIONS ON THE SUBJECT OF UNIFIED ACTION HAVE BEEN REACHED.

THE EX-SECRETARY OF STATE AND WARTIME ARMY CHIEF OF STAFF WHOLEHEARTEDLY ENDORSED THE ARMS-AID PROGRAM IN AN OFF-THE-CUFF DISCUSSION WITH THE COMMITTEE YESTERDAY.

WHILE REFUSAL TO APPROVE IT, HE SAID, MIGHT BE A MINOR ECONOMY NOW, IT COULD RESULT IN THE EXPENDITURE OF UNTOLD BILLIONS LATER.

BACK IN 1939, MARSHALL RECALLED, CONGRESS WAS RELUCTANT TO PROVIDE FUNDS TO MEET THE REQUESTS OF THE ARMED SERVICES. HAD THE REQUESTS BEEN MET, HE SAID, BILLIONS OF DOLLARS AND THOUSANDS OF LIVES COULD HAVE BEEN SAVED THROUGH THE WHITTLING OF AT LEAST SIX MONTHS FROM THE LENGTH OF WORLD WAR II.

HE EMPHASIZED THAT HE DIDN'T BLAME CONGRESS OR THE ADMINISTRATION FOR THAT STATE OF AFFAIRS BUT RATHER PUBLIC SENTIMENT FANNED BY A VOCAL MINORITY.

SO FAR THE COMMITTEE HAS HEARD NO OPPOSITION TO THE PRESIDENT'S PROGRAM, BUT COMMITTEE SOURCES SAID SEVERAL PERSONS HAVE REQUESTED AN OPPORTUNITY TO TESTIFY IN OPPOSITION. THE COMMITTEE WANTS TO FINISH HEARINGS AND START WRITING A BILL IN TIME FOR HOUSE ACTION AROUND THE MIDDLE OF THIS MONTH.

SAID ACHESON: WASHINGTON XXX FACT

"ITALY IS LEFT QUITE FREE BY THE PROVISIONS OF THE PEACE TREATY TO JOIN WITH OTHER STATES IN A COLLECTIVE DEFENSE ARRANGEMENT."

AND HE CONCLUDED:

"IN VIEW OF THE FOREGOING CONSIDERATIONS THE UNITED STATES GOVERNMENT MUST REJECT AS UTTERLY WITHOUT FOUNDATION THE CHARGES CONTAINED IN THE SOVIET NOTE."

THE BRITISH AND FRENCH FOREIGN OFFICES ALSO ANNOUNCED REJECTION OF THE SOVIET NOTE.

TU1234PED

30.24- 4777

(430) FOREIGN AID-APPROPRIATIONS

BY DON WHITEHEAD

WASHINGTON,AUG.2-(AP)-SENATE LEADERS TRIED HARD TODAY TO BREAK LOOSE THE $30,000,000,000 PILE-UP OF MONEY BILLS.

SENATOR LUCAS (D-ILL), THE DEMOCRATIC LEADER, SAID HE WOULD MOVE TO GET THE $5,647,724,000(B) FOREIGN AID MEASURE BACK TO THE FLOOR SOMETIME DURING THE DAY.

THIS IS A KEY LOG IN THE JAM BUT EVEN IF RELEASED IT MAY GET TIED UP A SECOND TIME IN A CONFUSED PARLIAMENTARY TANGLE.

THE SENATE ORDERED THE BILL RETURNED TO THE APPROPRIATIONS COMMITTEE LAST WEEK ON THE GROUNDS THAT FIVE DISPUTED AMENDMENTS CONTAINED POLICY-MAKING LEGISLATION--WHICH AMENDMENTS TO APPROPRIATION BILLS AREN'T SUPPOSED TO DO.

THE COMMITTEE PUT TOGETHER A REVISED BILL WITH ABOUT THE SAME MONEY CONTENT--BUT IT KEPT THREE OF THE AMENDMENTS IN THE BILL IN RE-WRITEN FORM.

LUCAS TOLD A REPORTER HE WILL RAISE A POINT OF ORDER (A CHALLENGE) AGAINST THESE AMENDMENTS IN AN EFFORT TO HAVE THEM THROWN OUT.

BUT SENATOR MCCLELLAN (D-ARK) SAID IF LUCAS MAKES A POINT OF ORDER, THEN HE (MCCLELLAN) MAY FIGHT TO HAVE THE BILL SENT BACK TO THE COMMITTEE AGAIN.

LUCAS IS CENTERING HIS ATTACK ON TWO MAJOR AMENDMENTS: ONE WOULD REQUIRE THE ECONOMIC COOPERATION ADMINISTRATION AND THE ARMY TO EARMARK ABOUT $1,800,000,000(B) FOR BUYING SURPLUS AMERICAN FARM COMMODITIES. IT WAS DRAFTED BY MCCLELLAN. THE SECOND WOULD FREEZE $50,000,000(M) OF ECA FUNDS FOR LOANS TO SPAIN.

"THEY RE-WROTE THESE TWO RIDERS," LUCAS SAID, "BUT THEY STILL ARE LEGISLATION. ALL THEY DID WAS TRY TO BRING THEM IN THE BACK DOOR."

WHEN LUCAS RAISES A POINT OF ORDER--VICE PRESIDENT BARKLEY WILL BE REQUIRED TO RULE WHETHER OR NOT THE RIDERS CONTAIN NEW LEGISLATION.

WHATEVER HIS RULING, SENATORS SAID AN APPEAL IS ALMOST CERTAIN. AND THIS COULD PLUNGE THE FOREIGN AID PROGRAM INTO DEEPER CONFUSION.

MCCLELLAN DENIES HE IS TRYING TO FORCE THE DUMPING OF SURPLUS FARM PRODUCTS ON THE EUROPEAN MARKET. ECA CHIEF PAUL HOFFMAN SAYS SUCH A RESTRICTION WOULD JUST ABOUT WRECK THE RECOVERY EFFORT AND AT THE SAME TIME GIVE COMMUNISTS GROUNDS FOR THE CHARGE THAT AMERICA WANTS TO DUMP ITS SURPLUSES ON EUROPE.

LUCAS SAID HE WILL ASK THAT THE $7,600,000,000(B) INDEPENDENT OFFICES MONEY BILL BE SET ASIDE FOR THE FOREIGN AID BILL.

THE SENATE IS MOVING SLOWLY THROUGH THE INDEPENDENT OFFICES BILL WITH AN ECONOMY BLOC TRYING TO PARE DOWN ALMOST EVERY ITEM.

THE LATEST SCRAP WAS OVER THE MARITIME SCHOOLS FOR TRAINING MERCHANT SEAMEN AND OFFICERS.

THE HOUSE VOTED $6,586,000(M) FOR THE SCHOOLS BUT THE SENATE APPROPRIATIONS COMMITTEE TRIMMED THIS TO $3,151,000(M) ON THE GROUNDS THE MERCHANT MARINE NEEDS NO MORE SEAMEN AND OFFICERS.

A MAJORITY IN THE SENATE DISAGREED. THEY PUT THE BILL BACK AT $6,586,000.

THE SCHOOLS ARE LOCATED AT KINGS POINT, N.Y., SHEEPSHEAD BAY, N.Y., PASS CHRISTIAN, MISS., ST.PETERSBURG, FLA., ALAMEDA, CALIF., AND THE U.S.MARITIME SERVICE INSTITUTE.

ES338AED

WASHINGTON,AUG.2-(AP)-SENATOR YOUNG (R-ND) SAID TODAY THERE IS GRAVE DANGER THAT APPROVAL OF THE ADMINISTRATION'S $1,450,000,000 (B) FOREIGN ARMS PROPOSAL MIGHT PROVOKE AGGRESSIVE ACTION BY RUSSIA.

THE NORTH DAKOTAN SAID HE IS OPPOSED TO THE PROGRAM AND ADDED "IF CONGRESS APPROVES ANY SUM AT ALL IT WILL BE FOR A FAR SMALLER AMOUNT."

YOUNG, A SUPPORTER OF THE MARSHALL PLAN AND OTHER FOREIGN AID PROGRAMS, VOTED AGAINST THE ATLANTIC TREATY WHEN IT WAS RECENTLY APPROVED 82 TO 13 BY THE SENATE.

"MY VOTE AGAINST THE PACT WAS DIRECTLY DUE TO THE FACT THAT THE ARMS PROGRAM BECAME TIED RIGHT IN WITH IT," YOUNG TOLD A REPORTER.

"IF THE ARMS PROPOSAL HAD NOT BEEN IN THE PICTURE, I WOULD HAVE VOTED FOR THE ATLANTIC PACT."

HE ALSO SAID:

"IF THERE WAS FAIR ASSURANCE THAT THE $1,450,000,000 ASKED BY PRESIDENT TRUMAN WOULD ACTUALLY ACT AS A PHYSICAL BAR TO RUSSIA IN THE EVENT SHE EVER DECIDED TO MOVE AGAINST WESTERN EUROPE, THEN I WOULD LOOK AT IT IN AN ENTIRELY DIFFERENT MANNER.

"IN MY OPINION, HOWEVER, IT WOULD NOT DO THIS AND ZOULD MEAN MERELY THAT MUCH MORE OF A DRAIN ON THIS COUNTRY.

"EVEN A FIVE OR TEN BILLION DOLLAR ARMS PROGRAM WOULD NOT PUT THE PACT NATIONS ON AN EQUAL FOOTING WITH SOVIET RUSSIA WHICH HAS BEEN ARMING ITSELF SINCE THE END OF THE WAR.

"I HAD ORIGINALLY INTENDED TO VOTE FOR THE ATLANTIC TREATY. BUT WHEN IT BECAME PLAIN THAT THE TREATY ACTUALLY COMMITTED US TO THE ARMS PROGRAM, THEN I DECIDED I COULD NOT SUPPORT IT."

YOUNG SAID THIS COUNTRY "SHOULD USE EVERY EFFORT TO REACH AGREEMENT WITH RUSSIA "ON DIFFERENCES BETWEEN THE TWO.

"IN ANY CASE," YOUNG SAID, "WE CAN AT LEAST WAIT UNTIL THE NEXT SESSION OF CONGRESS BEFORE DECIDING ON AN ARMS PROGRAM FOR WESTERN EUROPE."

ES452AED

(350) WASHINGTON,AUG 2-(AP)-THE ARMY GAVE A CLEAN BILL OF HEALTH TODAY TO SAM L.WAHRHAFTIG, WHO WAS FIRED AS A POLITICAL ANALYST FOR THE AMERICAN MILITARY GOVERNMENT IN GERMANY EARLIER THIS YEAR AFTER CHARGES OF DISLOYALTY HAD BEEN MADE AGAINST HIM.

THE NATIONAL MILITARY ESTABLISHMENT ANNOUNCED THAT THE ARMY SECURITY REVIEW BOARD WHICH INVESTIGATED THE CHARGES RECOMMENDED UNANIMOUSLY THAT THE 33-YEAR-OLD POLISH-BORN AMERICAN BE REINSTATED.

DETAILS OF THE CHARGES WERE NOT MADE PUBLIC.

GORDON GRAY, SECRETARY OF THE ARMY, CONCURRED IN THE BOARD'S RECOMMENDATION. THE MILITARY ESTABLISHMENT SAID THIS MEANS THAT WAHRHAFTIG, WHOSE HOME IS IN BROOKLYN,N.Y. (1527 LINCOLN PLACE), WILL BE REINSTATED TO HIS OLD POSITION IN GERMANY, OR TO A SIMILAR ONE, IF SUCH JOBS STILL EXIST. IF THE RAPIDLY CHANGING SITUATION OF THE MILITARY GOVERNMENT IN GERMANY LEAVES NO SUITABLE PLACE FOR HIM, THE ANNOUNCEMENT ADDED, HE WILL STILL BE REINSTATED FOR THE PURPOSE OF BEING REIMBURSED FOR THE SALARY LOST SINCE HIS SUSPENSION LAST JANUARY AND HIS DISMISSAL IN MARCH.

MILITARY GOVERNMENT IN GERMANY WILL DEAL DIRECTLY WITH WAHRHAFTIG IN CARRYING OUT THE DECISION.

FOLLOWING ANNOUNCEMENT OF THE RULING, WAHRHAFTIG ISSUED A STATEMENT TO THE PRESS AND RADIO EXPRESSING GRATIFICATION AND SAYING HE EXPECTS TO RETURN TO HIS JOB. HE PROMISED TO DO EVERYTHING HE CAN WITHIN THE SCOPE OF HIS DUTIES "TO SERVE THE INTERESTS OF MY COUNTRY IN THE TROUBLESOME SITUATION IN GERMANY."

"NO ONE CAN FEEL MORE DEEPLY THAN I A COMPLETE SENSE OF LOYALTY AND DEDICATION TO THIS COUNTRY AND TO ITS DEMOCRATIC INSTITUTIONS," HE

SAID. "I HAVE NEVER IN THE SLIGHTEST DEVIATED FROM THIS BELIEF OR FROM ITS PRACTICE."

WAHRHAFTIG SAID THE LAW FIRM OF ARNOLD, FORTAS AND PORTER REPRESENTED HIM IN THE CASE WITHOUT COST, BUT THT RESISTANCE TO THE CHARGES NEVERTHELESS CAUSED HIM TO SPEND THOUSANDS OF DOLLARS, INCLUDING THE EXPENSE OF A TRIP TO GERMANY TO SECURE EVIDENCE.

THE CHARGES MEANT MUCH SUFFERING AND SADNESS FOR HIMSELF, HIS FAMILY AND FRIENDS, HE SAID, AND HE HOPES ONE RESULT WILL BE TO BRING HOME TO GOVERNMENT AUTHORITIES "THE URGENT NECESSITY OF AVOIDING CARELESS AND RECKLESS CHARGES AGAINST ANY EMPLOYEE'S LOYALTY."

HY903PED

(400) WASHINGTON,AUG. 2-(AP)-ARMY OFFICIALS HAVE REJECTED A POINTED PROTEST BY SEVEN REPUBLICAN SENATORS AGAINST A BARTER DEAL FOR ABOUT 7,000,000 BUSHELS OF RYE FROM POLAND, A SATELLITE OF COMMUNIST RUSSIA.

THE POLISH RYE WOULD BE OBTAINED FROM ENGLAND IN A SWAP FOR AN EQUAL AMOUNT OF UNITED STATES CORN.

IF OBTAINED, THE RYE WOULD BE USED FOR BREAD GRAIN IN OCCUPIED GERMANY.

TRACY S.VOORHEES, ASSISTANT SECRETARY OF THE ARMY, INFORMED THE ANGRY SENATORS--ALL FROM RYE PRODUCING STATES--THAT PRELIMINARY DISCUSSIONS ARE BEING HELD ABROAD ABOUT TRADING U.S. CORN FOR POLISH RYE BUT THAT NO AGREEMENT WILL BE MADE WITHOUT APPROVAL FROM WASHINGTON.

THE ARMY DEPARTMENT MEMORANDUM DENIED THAT THE UNUSUAL BARTER DEAL WOULD "DEPRIVE THE AMERICAN FARMERS OF A MARKET FOR RYE" OR THAT IT WOULD TURN OVER PART OF THE POSSIBLE MARKET FOR U.S. GRAINS TO A RUSSIAN SATELLITE NATION.

TWO OF THE PROTESTING SENATORS--YOUNG (R-ND) AND MCCARTHY (R-WIS)--TOLD A REPORTER THAT THE ARMY REPLY INDICATES THAT SECRETARY OF AGRICULTURE BRANNAN IS FORCING THE ARMY INTO THE BARTER DEAL. THE AGRICULTURE DEPARTMENT DOES THE BUYING FOR THE ARMY AND SENATORS SAID BRANNAN REFUSES TO PAY HIGH ENOUGH PRICES TO OBTAIN THE SURPLUS RYE IN THIS COUNTRY.

"IT SEEMS INCREDIBLE THAT SECRETARY BRANNAN CAN'T MAKE RYE AVAILABLE TO THE ARMY WHEN WE HAVE A SURPLUS HERE THAT IS DEPRESSING PRICES BELOW GOVERNMENT SUPPORT LEVELS," YOUNG SAID.

MCCARTHY SAID "EVERY BUSHEL OF RYE SOLD BY THE RUSSIAN-DOMINATED AREA IS COSTING FARMERS AND TAXPAYERS A LOSS IN THIS COUNTRY."

MCCARTHY SAID BRANNAN HAD BEEN SUPPORTING RYE IN THIS COUNTRY AT "ABOUT $1.20 A BUSHEL OR 72 PER CENT OF PARITY AND FARMERS CAN'T AFFORD TO SELL IT AT THAT LEVEL."

THE REPUBLICANS PROTESTED IN A LETTER TO SECRETARY OF ARMY GRAY ON JUNE 27 BUT IT WAS NOT MADE PUBLIC UNTIL TODAY. IN ADDITION TO YOUNG AND MCCARTHY THE LETTER CARRIED THE NAMES OF SENATORS WHERRY (R-NEB), THYE (R-MINN), MUNDT (R-SD) AND LANGER (R-ND).

VOORHEES IN HIS REPLY DATED AUGUST 1 SAID THE ARMY HAD ASKED FOR PURCHASE OF 120,000 TONS OF RYE IN THIS COUNTRY BUT WAS NOTIFIED BY THE AGRICULTURE DEPARTMENT THAT "ONLY ABOUT 27,000 TONS COULD BE PROCURED" AT PRICES FIXED BY THE AGRICULTURE DEPARTMENT.

IT ADDED THAT THE "BRITISH HAD SUGGESTED INFORMALLY" THE TRADE O: POLISH RYE FOR U.S. CORN. THE ARMY NOTED THAT RYE IS A BREAD GRAIN COMMONLY USED IN GERMANY AND SAID THAT THE SAME TONNAGE OF RYE WOUL' PRODUCE ABOUT 22 PER CENT MORE ACTUAL FLOUR THAN THE SAME TONNAGE O: CORN.

VOORHEES TOLD THE SENATORS THAT BEFORE ANY SWAP OF CORN FOR RYE IS ARRANGED, "WE WILL MAKE SURE THAT T ; WILL NOT OCCASION ANY OF THE DELETERIOUS EFFECTS UPON THE AMERICAN FARMER ENVISAGED BY YOUR LETTERS."

VX-MD938PED

WASHINGTON FIRST ADD UNIFICATION (A17WX) X X BY MR.TRUMAN.

CONGRESSIONAL APPROVAL OF THE MEASURE WAS HAILED AS A SIGNIFICANT FORWARD STEP FOR THE UNITED STATES AND "BAD NEWS IN MOSCOW" IN A STATEMENT ISSUED BY ROBERT L.JOHNSON, CHAIRMAN OF THE CITIZENS COMMITTEE FOR THE HOOVER REPORT.

HE SAID IT PAVES THE WAY FOR SAVINGS OF AT LEAST A BILLION DOLLARS A YEAR, MAYBE MORE, AND DEMONSTRATES THAT AMERICANS CAN BE "TOUGH-MINDED, UNITED AND STRONG IN A COLD WAR."

"WE CAN NOW COUNT OUR MILITARY PENNIES AND KEEP OUR POWDER DRY IN THE BEST NATIONAL TRADITION," JOHNSON SAID.

HY757PED

WASHINGTON,AUG.2-(AP)-DEFENSE SECRETARY JOHNSON TODAY DIRECTED THAT ALL MILITARY SA TRANSPORT BE CONSOLIDATED UNDER NAVY CONTROL AND THAT THE ARMY BEGIN TURNING OVER ITS OCEAN-GOING VESSELS OCT.1 TO THE NEW AGENCY.

THIS NEW AGENCY, THE MILITARY SEA TRANSPORT SERVICE (MSTS), IS TO BE COMMANDED BY A FLAG OFFICER APPOINTED BY THE CHIEF OF NAVAL OPERATIONS WITH APPROVAL OF THE SECRETARY OF THE NAVY.

THE MSTS IS SIMILAR IN OBJECTIVES TO THE MILITARY AIR TRANSPORT SERVICES SET UP MORE THAN A YEAR AGO UNDER CONTROL OF THE AIR FORCE BUT SERVING THE ARMY, NAVY AND AIR FORCE. A PLAN IS UNDER WAY TO GIVE THE ARMY RESPONSIBILITY FOR ALL MILITARY TRANSPORTATION ON LAND.

ASSIGNMENT OF SEA TRANSPORTATION TO THE NAVY AND LAND TRANSPORTATION TO THE ARMY WAS RECOMMENDED LAST DECEMBER IN A REPORT TO THE LATE DEFENSE SECRETARY FORRESTAL. HE APPROVED IT AND ASKED THAT A PLAN OF PROCEDURE BE WORKED OUT.

UNDER THIS PLAN, NOW ENDORSED BY JOHNSON, THE MSTS INITIALLY WILL OPERATE 223 PERSONNEL TRANSPORTS, CARGO VESSELS AND TANKERS. PART OF THESE WILL COME FROM THE NAVY'S TRANSPORTATION SERVICE AND PART FROM THE ARMY'S.

THE VESSELS ASSIGNED FROM THE NAVY TO MSTS INCLUDED NINE PERSONNEL TRANSPORTS, 12 CARGO VESSELS AND 73 TANKERS--A TOTAL OF 94.

NOW UNDER ARMY OWNERSHIP AND TO BE TRANSFERRED TO MSTS ARE 129 OCEAN-GOING VESSELS, INCLUDING 66 PASSENGER TRANSPORTS, 58 CARGO TRANSPORTS AND FIVE TANKERS.

THE ARMY ALSO HAS NOW UNDER CHARTER 191 VESSELS ON WHICH MSTS CAN RENEW THE CHARTERS IF THEY ARE NEEDED.

V635PED

MARAGON WAS SAID TO HAVE GIVEN A SENATOR, NOT A MEMBER OF THE COMMITTEE, A STORY OF PRIORITIES TRANSACTIONS INVOLVING CERTAIN GOVERNMENT OFFICIALS WHOSE RELATIVES ALLEGEDLY RECEIVED FAVORS FROM THE BUSINESS FIRMS INVOLVED. WASHINGTON - 5 - REPORTERS XXX MARAGON,

COMMITTEE MEMBERS SAID THE INFORMATION, TRANSMITTED IMMEDIATELY TO THE INVESTIGATING STAFF, PROBABLY WILL REQUIRE EXTENSIVE CHECKING.

THEY ADDED THIS MIGHT PROVIDE A NEW SLANT FOR THEIR INQUIRY INTO THE ACTIVITIES OF PERSONS WHO CHARGE BUSINESSMEN A 5 PER CENT FEE FOR USING CLAIMED INFLUENCE IN HELPING GET GOVERNMENT CONTRACTS. THE PRACTICE ISN'T ILLEGAL, BUT THE COMMITTEE IS INTERESTED IN THE QUESTION OF INFLUENCE ON PUBLIC OFFICIALS.

30.24- 4779

MEANWHILE, SENATOR MUNDT (R-SD) TOLD A REPORTER THE COMMITTEE EXPECTS TO CHECK THOROUGHLY ON BANK ACCOUNTS SAID TO HAVE BEEN MAINTAINED BY MARAGON. THE LATTER HAS DENIED HE EVER ACTED AS A FIVE PERCENTER.

MARAGON ALREADY HAS BEEN QUESTIONED IN CLOSED COMMITTEE SESSIONS ABOUT HIS INCOME TAX RETURNS. MUNDT SAID THAT IF BANK RECORDS SHOW WHAT THE COMMITTEE BELIEVES TO BE DISCREPANCIES BETWEEN MARAGON'S REPORTED INCOME AND THE AMOUNT OF MONEY ON DEPOSIT UNDER HIS NAME, THE INFORMATION WILL BE TURNED OVER TO THE INTERNAL REVENUE BUREAU FOR FURTHER INVESTIGATION.

MARAGON TOLD REPORTERS YESTERDAY THAT HE MAINTAINED AN ACCOUNT IN A SAN ANTONIO, TEX., BANK UNTIL ABOUT THREE YEARS AGO. HE REFUSED TO SAY WHAT BALANCE WAS INVOLVED.

MUNDT SAID THIS ACCOUNT HAD BEEN UNDER INVESTIGATION BY THE COMMITTEE BECAUSE MEMBERS WONDERED WHY MARAGON, WHOSE BUSINESS INTERESTS SEEMED TO BE CENTERED IN WASHINGTON AND THE EASTERN SEABOARD SHOULD HAVE HAD AN ACCOUNT IN TEXAS.

MARAGON IMPLIED THAT WHATEVER DEPOSITS WERE SHOWN, THE MONEY WAS NOT NECESSARILY HIS.

"YOU CAN BE IN BUSINESS AND MAKE TRANSACTIONS AND THE DEPOSIT LEDGER WILL SHOW BIG AMOUNTS, BUT THE QUESTION IS HOW MUCH OF IT IS YOURS," HE SAID.

MARAGON TOOK OCCASION TO DENY THAT HE HAD OBTAINED A JOB ON A 1946 MISSION TO GREECE THROUGH EFFORTS OF MAJ.GEN.HARRY VAUGHAN, PRESIDENT TRUMAN'S MILITARY AIDE. HE ADDED THAT HE HADN'T BEEN FIRED FROM THE MISSION AT MR.TRUMAN'S INSISTENCE, AS FAR AS HE, MARAGON, KNEW.

MARAGON SAID HE HAD SEEN U.S. AMBASSADOR HENRY F. GRADY QUOTED AS SAYING HE WAS GETTING READY TO DISCHARGE MARAGON WHEN ORDERS CAME FOR HIS RETURN TO WASHINGTON.

"I AM GOING TO SUGGEST TO THE SENATE COMMITTEE," SAID MARAGON, "THAT SINCE GRADY FOUND AN OPPORTUNE TIME TO ATTACK ME, THAT THE COMMITTEE THROW ITS SPOTLIGHT ON MR.GRADY'S AND GEORGE KILLION'S ACTIVITIES IN TAKING OVER THE DOLLAR STEAMSHIP LINE AND ON THE PRIVATE ACTIVITIES OF GRADY AS AMBASSADOR TO GREECE."

GRADY, NOW IN WASHINGTON, TOLD REPORTERS HE HAD "NO IDEA WHAT MARAGON WAS DRIVING AT."

IN SAN FRANCISCO, KILLION, FORMER DEMOCRATIC NATIONAL TREASURER, SAID IN A STATEMENT:

"I SUCCEEDED HENRY F.GRADY AS PRESIDENT OF THE AMERICAN PRESIDENT LINES AUGUST 12, 1947 UNDER PROVISIONS ESTABLISHED IN THE MERCHANT MARINE ACT OF 1936. THE RECORDS CONCERNING MY ELECTION ARE ON FILE WITH THE UNITED STATES MARITIME COMMISSION IN WASHINGTON, AND ARE AVAILABLE TO THE SENATE COMMITTEE AT ALL TIMES."

ES349AED

WASHINGTON,AUG.2-(AP)-MILITARY MAIL-ORDER BUSINESS WILL BE ABANDONED AT ONCE, AND COMMISSARIES WILL BE CLOSED IN METROPOLITAN AREAS BY THE END OF THIS YEAR, THE HOUSE ARMED SERVICES COMMITTEE WAS ADVISED TODAY.

REP.PHILBIN (D-MASS), CHAIRMAN OF A SUBCOMMITTEE ASSIGNED TO INVESTIGATE RETAIL ACTIVITIES BY THE MILITARY FORCES, REPORTED THAT THE SERVICES HAVE AGREED TO FOLLOW RECOMMENDATIONS MADE BY HIS GROUP.

THE AGREEMENT WAS REACHED, HE SAID, AFTER THE SUBCOMMITTEE THREATENED LEGISLATIVE ACTION.

PHILBIN SAID THE SERVICES OPERATED 215 COMMISSARIES--GROCERY STORES --DURING 1948. AND DID A GROSS BUSINESS OF $79,670,000 IN THE UNITED STATES. THEY RAN 374 POST EXCHANGES AND SHIPS' SERVICES STORES, WITH A GROSS BUSINESS OF $291,386,000 AND A NET PROFIT OF $19,455,000.

AN INVESTIGATION WAS ORDERED BY THE COMMITTEE AFTER CIVILIAN RETAILERS COMPLAINED OF UNFAIR COMPETITION. THE SERVICES DO NOT PAY FEDERAL OR LOCAL TAXES, AND MANY OF THEIR OPERATING COSTS, SUCH AS RENT AND UTILITIES ARE PAID BY THE GOVERNMENT.

"THERE CAN BE NO QUESTION THAT THE ARMED FORCES ARE ACTIVELY COMPETING WITH ESTABLISHED PRIVATE BUSINESS," PHILBIN SAID. "IT IS INEVITABLE THAT THESE STORES CAN SELL MERCHANDISE AT A MUCH LOWER PRICE THAN MERCHANTS IN THE SAME VICINITY."

AS A RESULT OF THE SUBCOMMITTEE'S WORK, PHILBIN SAID, THE FOLLOWING MAJOR CHANGES IN POLICY HAVE BEEN AGREED TO BY THE SERVICES:

1. THEY BEGAN THIS MONTH COLLECTING THE FEDERAL EXCISE TAX ON LUXURIES.

2. COST LIMITS HAVE BEEN SET ON ITEMS SOLD OVER THE COUNTER SO AS TO EXCLUDE EXPENSIVE GOODS SUCH AS JEWELRY, SILVER TABLEWARE, AND CLOTHING.

3. SPECIAL ORDERS--ORDERS BY MAIL THROUGH POST EXCHANGES AND SHIPS'

SERVICE STORES--WILL BE DISCONTINUED AT ONCE. THE ARMY AND AIR FORCE HAVE LIMITS OF $300 PER PURCHASE ON THESE ORDERS, BUT THE NAVY SETS NO LIMIT.

4. THE SERVICES WILL INSTITUTE NEW SYSTEMS FOR MAKING SURE THA UNAUTHORIZED PURCHASERS DO NOT TRADE AT SERVICE STORES, AND DO NOT BUY GOODS FOR GIFT OR RESALE TO UNAUTHORIZED PERSONS.

5. ON JANUARY 1,1950, ALL STORES WILL BECOME EXCHANGES. THE DIFFERENCES IN NAMES BETWEEN THE VARIOUS SERVICES WILL BE DROPPED.

6. COMMISSARIES IN METROPOLITAN AREAS WILL BE CLOSED BY THE END OF THIS YEAR. EACH SERVICE WILL DETERMINE FOR ITSELF WHICH ONES WILL BE CLOSED.

7. ALL RETIRED PERSONNEL, AND WIDOWS, WILL BE ALLOWED TO TRADE AT EXCHANGES AND COMMISSARIES. THE NAVY AND MARINE CORPS EXTEND THIS PRIVILEGE NOW, BUT THE ARMY AND AIR FORCE DO NOT.

FRILLPED

NIGHT LEAD TOKYO ROSE
BY KATHERINE PINKHAM

SAN FRANCISCO,AUG.2-(AP)-A FORMER NAVY PETTY OFFICER TESTIFIED TODAY THAT TOKYO ROSE IN WARTIME URGED U.S. SERVICEMEN:

"WAKE UP, YOU BONEHEADS. WHY DON'T YOU SEE YOUR COMMANDING OFFICER AND DEMAND TO BE SENT HOME? YOU DON'T WANT TO STAY OUT IN THIS STINKING, MOSQUITO-INFESTED JUNGLE ANY LONGER AND LET SOMEONE ELSE RUN OFF WITH YOUR GIRL FRIENDS." THAT WAS IN MID-FEBRUARY, 1944.

"IF YOU BONEHEADS WANT TO GO HOME, YOU BETTER GO PRETTY SOON. OR HAVEN'T YOU HEARD YOUR FLEET IS PRACTICALLY SUNK?" THAT WAS LATE IN FEBRUARY, 1944:

THE WITNESS WAS MARSHALL HOOT, 49, ALHAMBRA,CALIF., MEAT DEALER AND WARTIME CHIEF BOATSWAIN'S MATE.

THE GOVERNMENT, TRYING IVA TOGURI D'AQUINO, 33, ON EIGHT CHARGES OF TREASON, SAID SHE MADE THE BROADCASTS OVER RADIO TOKYO WITH INTENT TO WEAKEN AMERICAN FIGHTING MEN'S MORALE.

HOOT AND JULES I. SUTTER,JR., OF BURBANK,CALIF., WERE TWO OF THE STAUNCHEST WITNESSES YET TO TESTIFY AGAINST THE DEFENDANT. THEY TOLD OF SEVERAL BROADCAST ITEMS NOT CONTAINED IN RECORDINGS MONITORED BY THE GOVERNMENT. THEY STUCK TO THEIR TESTIMONY DURING A VIGOROUS GOING-OVER ON CROSS EXAMINATION.

SUTTER WAS A SIGNAL CORPS LIEUTENANT ON SAIPAN IN 1944 AND 1945. HOOT WAS ON SAIPAN OR ABOARD SHIP IN THE GILBERT ISLANDS VICINITY FROM DECEMBER, 1943 TO AUGUST, 1944.

SUTTER TESTIFIED THAT HE HEARD THIS BROADCAST ABOUT SEPTEMBER 4, 1944:

"THE ISLANDS OF SAIPAN IS MINED WITH HIGH EXPLOSIVES. YOU'LL HAVE 48 HOURS TO CLEAR THE ISLAND. IF YOU DON'T DO IT, YOU'LL BE BLOWN SKY HIGH."

IN THE SPRING OF 1945, HE QUOTED HER: "IT'S FUTILE TO FIGHT THE JAPANESE. YOU'LL ONLY LOSE YOUR LIFE. THE JAPANESE HAVE THE WILL TO WIN. THEY NEVER GIVE UP."

BESIDES THESE, HE TESTIFIED AS OTHERS HAVE ALREADY DONE ABOUT THE NUMEROUS REFERENCES TO FORGETFUL SWEETHEARTS AND WIVES, BIG STEAKS, SODAS AND BEER.

HOOT WOULD NOT BE SHAKEN ON HIS IDENTIFICATION OF THE ANNOUNCER'S VOICE. "THE VOICE ON THOSE RECORDS IS THE VOICE OF THE WOMAN I HEARD IN THE PACIFIC," HE ASSERTED.

DJ919PCS

FIRST LEAD TOKYO ROSE (220)

SAN FRANCISCO,AUG 2 (AP)-A FEDERAL JURY HEARD TRANSCRIPTIONS OF TOKYO ROSE WARTIME BROADCASTS TODAY AS THE GOVERNMENT CONTINUED ITS PROSECUTION OF MRS.IVA TOGURI D'AQUINO ON TREASON CHARGES.

THE RECORDS WERE PLAYED TO SUPPORT THE GOVERNMENT'S CONTENTION THAT THE 33-YEAR-OLD LOS ANGELES BORN "TOKYO ROSE" USED THIS PROPAGANDA MEDIUM IN AN EFFORT TO UNDERMINE THE MORALE OF U.S.FIGHTING MEN.

AFTER THE RECORDS WERE PLAYED, THE PROSECUTION CALLED JULES I. SUTTER JR., OF BURBANK, A SIGNAL CORPS LIEUTENANT ON SAIPAN IN 1944 AND 1945. HE SAID THE VOICE WAS THE ONE HE KNEW WELL ON RADIO TOKYO'S "ERO HOUR" PROGRAM. HE RECALLED SEVERAL BROADCAST ITEMS THAT THE RECORDINGS DIDN'T CONTAIN.

IN THE EARLY SPRING OF 1945, HE SAID, THE SOLDIERS HEARD:

"WONDER WHO YOUR WIVES AND GIRL FRIENDS ARE OUT WITH TONIGHT? MAYBE A 4-F, OR SOMEBODY FROM A WARPLANT, MAKING A LOT OF MONEY, WHILE YOU ARE OUT FIGHTING, KNOWING YOU CAN'T SUCCEED."

"IT'S FUTILE TO FIGHT THE JAPANESE. YOU'LL ONLY LOSE YOUR LIFE. THE JAPANESE HAVE THE WILL TO WIN. THEY NEVER GIVE UP."

ABOUT SEPT. 4, 1944:

"THE ISLAND OF SAIPAN IS MINED WITH HIGH EXPLOSIVES. YOU'LL HAVE 48 HOURS TO CLEAR THE ISLAND. IF YOU DON'T DO IT, YOU'LL BE BLOWN SKY HIGH."

IN MARCH OR APRIL, 1945:

"HOW WOULD YOU LIKE TO BE SITTING DOWN TO A NICE, BIG THICK STEAK, WITH ALL THE TRIMINGS?"

SUTTER RECALLED, IN THAT CONNECTION, THAT THE ONLY MEAT THEY HAD HAD FOR A LONG TIME WAS "STRONG NEW ZEALAND MUTTON."

IN THE LATE SPRING, 1945, HE SAID, THEY HEARD THIS TOKYO ROSE BROADCAST: "I'LL HAVE TO BE GOING NOW. I'M GOING TO GET MY LOVING TONIGHT. HOW ABOUT YOU?"

THIS WAS THE SECOND DAY OF RECORD-PLAYING.

BUT ONLY JUDGE MICHAEL J. ROCHE, THE JURY, THE ATTORNEYS AND REPORTERS WERE FURNISHED EARPHONES TO HEAR THE RECORDINGS YESTERDAY IN MRS. D'AQUINO'S TREASON TRIAL. SO THE "ZERO HOUR" PROGRAM ON PLAYBACK WAS DULL BUSINESS FOR THE SPECTATORS.

DEFENSE ATTORNEYS SEEMED NOT A BIT WORRIED OVER THE CONTEXT OF THE PROGRAMS, AND MOST NEWSMEN EXPRESSED THE OPINION THE SPOKEN FEMININE VOICE CARRIED LESS IMPACT THAN DID THE PRINTED TRANSCRIPT.

THE STUFF WAS FRANKLY LABELED PROPAGANDA BY THE SPEAKER IN ONE SIGNOFF. IT WENT THIS WAY:

"ACCORDING TO UNION HOURS, WE'RE ALL THROUGH TODAY. WE CLOSE UP ANOTHER CHAPTER OF SWEET PROPAGANDA IN THE FORM OF MUSIC FOR YOU, MY

30.24- 4781

DEAR LITTLE ORPHANS WANDERING IN THE PACIFIC..."
THE GOVERNMENT CONTENDS MRS. D'AQUINO WAS THE TOKYO ROSE BROADCASTING DEMORALIZING PROGRAMS TO THE YANKS IN THE PACIFIC AND THUS AS A U.S. CITIZEN IS GUILTY OF TREASON.
THE DEFENSE ARGUES HER "ZERO HOUR" PROGRAM NEVER GOT BEYOND THE POINT OF BUILDING UP A GI AUDIENCE AND ENTERTAINMENT.
HF225APS

SAN FRANCISCO, AUG 2-(AP)-KIRSTEN FLAGSTAD MAY SING IN THE SAN FRANCISCO WAR MEMORIAL OPERA HOUSE THIS FALL AFTER ALL.
TRUSTEES OF THE WAR MEMORIAL VOTED 6 TO 5 LAST NIGHT TO LIFT THEIR BAN ON THE NORWEGIAN SOPRANO. THE OPERA ASSOCIATION QUICKLY ANNOUNCED THE 1949 SEASON, PERILLED BY THE PROSPECTIVE LOSS OF ITS TOP STAR, WOULD GO ON AS SCHEDULED.
WITH ONE MEMBER ABSENT, THE TRUSTEES VOTED 6 TO 4 TWO WEEKS AGO TO BAR THE WAR MEMORIAL BUILDING TO MISS FLAGSTAD ON GROUNDS HER APPEARANCE MIGHT RESULT IN DISTURBANCES. THE MAJORITY RESOLUTION AT THE TIME SAID SHE JOINED HER HUSBAND, AN ACCUSED QUISLING, IN NORWAY DURING THE WAR.
IN VOTING LAST NIGHT TO RESCIND THE BAN, THE SIX TRUSTEES DISREGARDED HEATED DEMANDS BY COUNTY COUNCILS OF THE AMERICAN LEGION AND THE VETERANS OF FOREIGN WARS THAT THE SINGER BE DENIED THE RIGHT TO USE THE [illegible]

REVERSAL OF THE TRUSTEES STAND FOLLOWED THE RETURN OF SIDNEY EHRMAN, AN ATTORNEY, FROM A VACATION TO CAST HIS BALLOT FOR MISS FLAGSTAD AND A CHANGE IN VOTING BY MEL HERTZ.
HERTZ SAID HE WAS ANGRY BECAUSE SOMEONE HAD TELEPHONED HIS EMPLOYER, A REALTY FIRM, AND THREATENED TO PICKET THE PLACE IF HE CHANGED HIS VOTE.
WD331APS

End Aug. 2, 1948

30.24- 4783

ALLIED CHIEFS MAP DEFENSE PROGRAM

British, American Commanders Speed Plans to Protect Pact Nations

LONDON Aug. 3—(AP)—Plans for defending the Atlantic Pact nations of Western Europe took form today at the first conference of top-level British and American commanders here since the end of the war.

Following a closely guarded, four-hour conference, Admiral Louis E. Denfeld, U. S. chief of naval operations, said the completion of a defense setup under the North Atlantic treaty "might be done before the end of the year."

"I should not think it would take too long," Denfeld said, reporting "considerable progress" by the joint chiefs of staff of the two nations.

Three Hour Session

Denfeld, Gen. Omar Bradley, Army Chief of Staff, and Gen. Hoyt S. Vandenberg, U. S. Air Force chief, met formally for three hours, then chatted informally an hour longer with British commanders. They were accompanied by Maj. Gen. A. M. Gruenther, U. S. joint staff secretary.

The four Americans flew here last night after talks in Germany with Italian and Luxembourg military chiefs and U. S. occupation commanders. They will see Danish and Norwegian armed forces leaders here tomorrow, then proceed to Paris for talks with the French, Belgians, Dutch and Portuguese.

The Americans and the Danish and Norwegian staff chiefs were received by King George VI at Buckingham palace tonight for what a palace source called a "friendly, informal talk."

Details of today's discussions at the British cabinet offices in Whitehall were not disclosed.

It was known, however, that they centered on two problems:

1. The type and size of land, sea and air forces necessary to keep the peace in Europe against any threat of Communist aggression.

2. The extent of financial and military aid necessary from the United States—and to a lesser extent from Britain—to insure the creation of such forces.

Montgomery on Hand

Another problem is fitting the existing five-nation Brussels Alliance —Britain, France, Belgium, the Netherlands and Luxembourg—into the broader framework of the 12-country Atlantic treaty.

British Field Marshal Viscount Montgomery, the Brussels Alliance chief of staff, is visiting London from his headquarters near Paris and was called in briefly at today's meetings. He will see the Americans again in Paris.

Gen. Bradley said after the meeting: "We have been discussing the details of the organization and I am very happy about the course the talks have taken."

The British defense ministry said in a communique:

"The chiefs of staff have discussed problems concerning the military organization to be established in the implementation of the provisions of the North Atlantic Pact."

Prompt, Large-Scale Aid Seen As American Aim

London, Aug. 3 (AP)—American and British military leaders met today to talk over plans for speedy unification of western Europe's armed forces under the Atlantic pact.

Responsible officials said the United States joint chiefs of staff want Britain and other pact partners to promise prompt, large-scale military unity in a common defense program.

The United States military staff chiefs—Army Gen. Omar N. Bradley, Air Forces Gen. Hoyt S. Vandenberg and Navy Admiral Louis E. Denfeld—arrived last night from Germany for two days of conferences in London before going to Paris late Thursday.

Western Pact A Factor

Denfield said the British and Americans were considering how the twelve-nation Atlantic alliance would absorb the military staff already set up by the five-nation western European union. Britain, France, Belgium, Holland and Luxembourg last year established a joint military committee headed by Field Marshal Viscount Montgomery.

Informed sources here said the United States chiefs of staff want the five western union powers to merge their forces and defense resources into the Atlantic framework.

Some reluctance against such a full-scale merger has been unofficially reported among the western union partners.

Keep Congress In Mind

The informants said the United States military chiefs hope to get an agreement on unification to allay any doubt among members of the United States Congress that the Atlantic treaty partners might not act as a team in case of aggression.

Denfeld, Bradley and Vandenberg have said their tour does not include discussion of President Truman's $1,450,000,000 arms aid program because it is still being debated by Congress. But other officials here feel that failure to agree on unification would jeopardize congressional approval of such aid.

The United States chiefs were scheduled to see Montgomery at his headquarters in Fontainebleau, France, on Friday. But they might talk with him earlier because Montgomery arrived here last night without advance notice on what his aides described as a routine visit.

Talks Scheduled

Talks today were scheduled with Field Marshal Sir William Slim, chief of the imperial general staff; Admiral of the Fleet Lord Frazer, first sea lord, and Marshal of the Royal Air Force Lord Tedder, chief of the air staff.

Tomorrow they are scheduled to meet Norwegian and Danish military leaders who are here. The United States military chiefs plan to leave late tomorrow for Paris where they will confer with French, Belgian, Dutch and Portuguese chiefs of staff.

The American and British chiefs held a three-hour meeting behind closed doors. A spokesman said their formal discussions were "fully completed." Denfeld told reporters: "We made good progress in a very cordial atmosphere."

Lord Tedder To Be Host

The top commanders will gather again tonight at an official British government dinner, with Lord Tedder as host.

A spokesman for the American officers said attempts were being made to arrange a news conference tomorrow following the joint chiefs meeting with the Danish and Norwegian military commanders.

The joint chiefs will inspect headquarters of the American Air Force Third Division in suburban Ruislip before flying to Paris.

Wartime Security Measures

At Paris the chiefs of staff are expected to confer with Belgian, Dutch and Portuguese leaders as well as with the French high command.

Security precautions reminiscent of wartime days have been attending the meetings. All visitors to the conference building had been screened and even British and American officers in uniform were carefully questioned at the doors.

BRADLEY EXPECTED TO BE NEW HEAD OF STAFF CHIEFS

WASHINGTON, Aug. 3. — (AP) The appointment of General Omar N. Bradley as the nation's highest ranking military officer—chairman of the joint chiefs of staff—was predicted confidently at the Pentagon today.

Officials said they expect President Truman to make the appointment shortly after signing new legislation tightening the military unification law.

The legislation, which completed its journey through Congress yesterday, establishes the post of permanent chairman of the joint chiefs and makes several other far-reaching changes in the military establishment. It gives the secretary of defense greater direct control over the Army, Navy and Air Force, and provides for the installation of a business-type budgeting and accounting system expected to save hundreds of millions of dollars.

Bradley Top Choice

Bradley is viewed as the standout claimant for the chairmanship of the chiefs of staff—the operating heads of the three fighting services.

By virtue of his present assignment as army chief of staff, he now is a member of the group along with Adm. Louis Denfeld of the Navy and Gen. Hoyt Vandenberg of the Air Force. He has a distinguished war record as commander of the First Army and later of the 12th Army group. He was the spokesman for the three chiefs last week in explaining the foreign arms proposal to Congress.

The new permanent chairman of the joint chiefs would have no vote or command authority. But his prestige would be enormous. The group he heads would serve as chief military advisers to the president and the secretary of defense.

Eisenhower Temporary

Gen. Dwight D. Eisenhower, wartime supreme allied commander in Europe, has been serving as chairman of the joint chiefs on a temporary basis.

If Bradley gets the job, some army officer must be named to fill his assignment as army chief of staff. Among the possibilities are Gen. Thomas Troy Handy, 4th Army commander; Gen. Mark W. Clark, 6th Army commander; Lt. Gen. Walter Bedell Smith, former ambassador to Russia; Lt. Gen. George C. Wedemeyer, wartime commander in the China-Burma-India theater; and Gen. J. Lawton Collins, vice chief of staff.

The new unification legislation creates three assistant secretaries of defense. Wilfred J. McNeil, who has worked with Secretary of Defense Louis Johnson as a special assistant on budget matters, is expected to get one of these positions, with special authority as comptroller.

Marx Leva, another of Johnson's special assistants, may get one of the assistant secretaryships. The third appointee is anybody's guess.

Other vacancies in the defense set-up include undersecretary of the Army, assistant secretary of the Army, and assistant secretary of the Navy for air. Assistant Army Secretary Tracy Voorhees is expected to be moved up to undersecretary.

FOREIGN AID BILL FARM AMENDMENT BEATEN IN SENATE

Attempt to Limit Spending on Farm Surplus by ECA Is Rejected

DEBATE OPENS TODAY

Decision Removes Principal Threat to Passage of Big Money Measure

WASHINGTON, Aug. 3. — (AP) The administration won an important victory on the big foreign aid appropriation bill today when it beat back an attempt to require that $1,350,000,000 of European recovery funds be spent for surplus U. S. farm crops.

A similar amendment to so obligate $450,000,000 of army funds for relief in occupied areas remained pending, but the Senate's decision made its chances dim.

The farm amendment went out on a point of order, upheld by the Senate 52 to 32 when it was appealed.

Vice President Barkley, the Senate's presiding officer, ruled that the amendment offered by Senator McClellan (D-Ark) was an attempt to write new legislation into an appropriation bill, forbidden by Senate rules.

Lucas Raises Point

Senator Lucas of Illinois, raised the point of order. Senator McKellar (D-Tenn) appealed from Barkley's ruling.

The decision, taken late in the day, removed the biggest threat to final approval of the measure, now confidently anticipated by its backers. A similar but somewhat more involved parliamentary dispute last week had sent the $5,647,724,000 measure back to the appropriations committee.

But the possibility still remained

that the big money bill may be forced back into the Appropriations committee a second time before a final vote.

McClellan sent the bill back to committee last week on a technical point. And he said he may do the same thing again.

"I want to give Senator McCarran (D-Nev) a chance to get a vote on his aid-for-Spain amendment," McClellan told reporters. "Then I may raise a point of order against the entire bill."

Debate Opens Today

The McCarran amendment would earmark $50,000,000 in ECA funds for loans to Spain. The Senate will open debate on it tomorrow.

The bill contains $3,628,380,000 for Marshall plan spending in the current fiscal year by the Economic Cooperation Administration (ECA), as well as $1,074,000,000 ECA money for the last quarter of the 1949 fiscal year, $900,000,000 for the army's government and relief expenses in occupied areas, and smaller sums to furnish economic aid to Greece and Turkey.

In a lengthy speech, McClellan insisted on consideration of his crop amendment. If adopted, none of the money set up for the purchase of surplus crops could have been used for any other purpose.

McClellan called his proposal a taxpayers' amendment.

"It relieves them of paying out dollars for farm surpluses and the paying out extra dollars for Europe to buy those same products elsewhere," he said.

He said the opponents of his amendment seemed to take the position that "we've just got to get rid of these dollars somehow" even if Europe doesn't need the farm products it asked last February.

Administration Fought Plan

The administration fought the proposal with everything it had. ECA Administrator Paul Hoffman contended its adoption would tie his hands and threaten the success of the entire recovery program. He stood in the corridor outside the Senate chamber and conferred frequently with opponents of the amendment.

Senator Clinton Anderson (D.-N. M.), former Secretary of Agriculture, denounced the proposal on the floor and urged its rejection. He said the United States should obtain its farm markets throughout the world on a basis of merit, not compulsion.

The ECA takes the stand that it should not be obliged to spend money for foodstuffs in the exact quantity and kind specified in estimates months ago, if they are not needed now.

Senator Vandenberg (R.-Mich.), upholding ECA's position, declared the actual result of adopting the McClellan amendment would be to reduce the appropriation by $500,000,000.

Would Protect Taxpayers

McClellan said, however, that he was merely trying to protect the American taxpayers. He said that Congress does not allow other government agencies to obtain appropriations for one purpose, then spend them for something else.

Chairman McKellar (D.-Tenn.) of the Senate Appropriations committee was on McClellan's side. He said if American farmers have a surplus, and the United States is making gifts to Europe, then it is "reasonable, fair and just" to specify that a portion of the gifts be in the form of crop surpluses.

Before the farm dispute bobbed up a second time, the Senate had made a little progress on the bill. Repeating action taken last week, the senators voted a 10 per cent cut in the European recovery program for the current year, making $3,628,380,000 available. It also approved $1,074,000,000 ECA spending in the last quarter of the year which ended June 30. AP

TRUMAN'S POWER UNDER ARMS PLAN MAY BE TRIMMED

WASHINGTON, Aug. 3—(AP) Republicans predicted tonight that power for the President to arm any nation will be stripped from the $1,450,000,000 foreign arms bill before it gets out of the House Foreign Affairs committee.

The committee spent today behind closed doors, questioning Gen. Lyman Lemnitzer of the Army, Dr. Lloyd V. Berkner of the State Department, and a battery of assistants.

When it quit for the day, two Republican members told reporters that broad presidential powers to decide what nations shall get arms and how much they shall receive will be cut from the bill before the committee sends it to the house for action.

GOP Confident

"I can guarantee that section won't be in the bill when it is reported out," declared Rep. Judd (R-Minn).

Rep. Fulton (R-Pa) agreed, saying:

"The bill can't get out of the committee with that section in it."

Both expressed concern as to why the provision was put in the bill in the first place.

"Either there is a situation much more serious than anyone has even suggested to us," Judd said, "or there is a bureaucratic attempt to get more power."

Fulton said that administration spokesmen who urge prompt action "refuse to say it is an emergency, but do say this plan is immediately necessary."

Republican members said also that a full day of testimony by experts from the State department, armed services and the Economic Cooperation Administration failed to convince them the president's plan should be approved without changes.

Dr. Berkner of the State department told newsmen after the session that the officials outlined "just what's in the program."

He said this information included "what we will have to buy and where it is going to go."

May Trim Spending

One Republican member of the committee said he is "not convinced" that the entire $1,450,000,000 is necessary at this time.

Some of the Republicans who contend the arms bill is a blank check that would let the president arm any country suggested Congress should write in the payee nations.

The administration's bill to authorize its $1,450,000,000 program provides armys grants to European members of the North Atlantic Pact and to other nations whose "increased ability to defend themselves" is important to the security of the U. S.

As a possible way to meet their own objections, several Republican members of the House Foreign Affairs committee suggested that Congress limit the arms aid specifically to the North Atlantic Allies and the other countries which the state department has mentioned for assistance: Greece, Turkey, Iran, Korea and the Philippines. AP

ECA-FUND BILL GETS CAUGHT IN A FRESH SNARL

State Department Protests That It Now Bars Reich Occupation Transfer.

SENDS A MEMO TO SENATE

Asks Restoration of Amendments —10 P. C. ECA Cut Again Is Voted by Chamber.

Washington, Aug. 3 (A. P.).—The State Department has protested to Senate leaders that the new foreign aid bill would block the Army from turning over German occupation duties to civilian control.

This surprise development cropped up as the Senate met to try to untangle the snarl over the $5,647,724,000 foreign aid measure. Democratic leader Lucas of Illinois said the State Department protested the action of the Senate Appropriations Committee in stripping House amendments from the bill.

He predicted that these amendments will be restored to eliminate this threat. But until the action is taken the transfer, scheduled to take place in a few weeks, would be impossible, he added.

Lucas showed reporters a memorandum from the State Department saying the committee's action "would block current plans for the transfer to the Department of State of responsibility for the Government of Germany." The memo added that the President would be denied the authority to transfer any of the functions or funds given the Army to any other Government agency.

House Amendments Deleted.

The foreign aid measure was sent back to the committee last week in a confused fight over rules—and the committee proceeded to strike out amendments made by the House.

The reason given by Chairman McKellar (D.-Tenn.) was that the House amendments contained new legislation in violation of rules. This was the objection raised against certain Senate amendments in the bill.

The House amendments were designed in part to clear the way for the Army to transfer its duties to the State Department. This striking-out of House amendments is a technical move which means they would have to be restored, McKellar said, in a conference between Senate-House members.

Lucas had no doubt that this problem will be ironed out. But it pointed up the confusion which still exists in the foreign aid program.

The deleted House amendments affecting the possible transfer appear in the appropriations for the military establishment to carry out occupation duties in Germany, Austria, Japan and the Ryukyu islands. The bill contains $900,000,000 for this work.

10 P. C. ECA Cut Again Voted.

By voice vote, the Senate quickly repeated its approval of a 10 per cent cut in the European Recovery Program. It voted $3,628,380,000 to carry ECA through the current year and approved ECA spending of $1,074,000,000 in the last quarter of the year which ended July 1.

But at this point the Senate bumped into the troublesome amendment which should require ECA and the Army to earmark $1,800,000,000 for surplus American farm commitments. This was the issue which sent the bill back to the Senate Appropriations Committee last week for some rewriting.

The Senate voted a total of $7,663,231,873. The House had approved $7,103,506,553. So the bill now goes to conference.

The Senate vote took a large chunk out of the $30,000,000,000 in money bills which had been piled up in the Senate and which are five weeks overdue.

Senators wrote in a requirement that all Atomic Energy Commission research fellows be subject to a full FBI check. The House is expected to agree to it.

Freistadt Case Cited

The requirement is a direct outgrowth of the disclosure last spring that Hans Freistadt, an avowed Communist at the University of North Carolina, had been awarded an AEC scientific research fellowship.

It would prevent the use of any AEC funds to finance the fellowship of any person "who advocates or who is a member of an organization or party that advocates the overthrow of the Government of the United States by force or violence."

The scrap over the aid bill centered largely around two amendments. One is backed by Senator McClellan (D., Ark.) and would require the Economic Cooperation Administration and the Army to earmark about $1,800,000,000 for buying surplus American farm products.

Funds For Spain

The other is sponsored by Senator McCarran (D., Nev.) and would freeze $50,000,000 of ECA funds for loans to Spain.

Senator Lucas, of Illinois, Democratic leader, challenged the McClellan amendment last week on the grounds it contained legislation. This led to the Senate forcing the measure back to the committee.

The committee revised the bill, but it retained these two amendments in rewritten form designed to side-step Lucas's objections.

Lucas argued they still were objectionable and said he would try a second time to have them eliminated.

30.24- 4785

Arms Aid Curbs Proposed

Washington, Aug. 3 (A. P.).—Restriction of United States arms aid to Atlantic alliance nations and certain other designated countries was proposed today by Republican members of the House Foreign Affairs Committee.

Several Republicans suggested the restriction to meet objections to what they called too broad grants of power for President Truman proposed in the administration's $1,450,000,000 arms aid program.

Under the President's plan, these members said privately, arms could be supplied to any nation even though the idea of the program is to aid only friendly nations. Their suggestion was that Congress restrict aid to nations that have signed the North Atlantic pact, plus the Philippines, Korea, Greece, Turkey and Iran. Within that area the President would be given a free hand to supply arms.

The House Foreign Affairs Committee has been studying the arms aid program since last week. For several hours today behind closed doors the committee heard two experts who helped draft the plan. Chairman Kee (D.-W. Va.) told newsmen the committee received helpful information from these witnesses—Major-Gen. Lyman Lemnitzer of the Army and Dr. Lloyd V. Berkner of the State Department.

General Backing

The committee has already received general indorsements of the plan from high administration officials and military men. The testimony they gave dealt largely with generalities and stressed the need to strengthen friendly nations against Soviet advances.

"We have not yet received the answers to the questions bothering us," said Representative Vorys (R., Ohio). "We hope to get down to brass tacks now."

Vorys and most of his Republican committee colleagues as well as some Democrats said they aren't willing, on the basis of evidence to date, to approve the entire program.

Wants It Cut In Half

Vorys wants it cut about in half and put on an interim basis while the Atlantic pact nations are working out military agreements. He also wants an ironclad guarantee that the arms sent abroad will be used in a co-ordinated program if war comes.

The Senate Foreign Relations Committee postponed from today until next Monday its hearings on the arms program after Secretary of State Acheson and Secretary of Defense Johnson had conferred behind closed doors with the Foreign Relations Committee and the Armed Services Committee. The two groups will handle the bill jointly in the Senate.

Senator Vandenberg (R., Mich.), top GOP member of the Foreign Relations Committee, reportedly told Acheson and Johnson that the Presidents program won't be approved in its present form. Vandenberg was represented as feeling that the bill goes too far in delegating powers to the President.

One provision of the legislation has been interpreted by Republicans as enabling the President to provide arms to any nation in the world.

Chairman Connally (D., Texas), of the Senate Foreign Relations Committee said possible changes were discussed.

To Meet Objections

"We are trying to meet the objections of committee members, to the end that within the scope of the bill and its objectives we may get as large an agreement as possible," he said.

Republicans made clear that they do not want to kill the program entirely and favor some military assistance to friendly nations. They say they don't like the scope or the cost of the President's plan.

"The bill will be so changed when we get through with it that even its mother wouldn't recognize it," a GOP House member said.

BRITAIN AND BRAZIL SIGN NEW TRADE AGREEMENT

LONDON, Thursday), Aug. 4—(AP) Britain and Brazil have reached a trade agreement to exchange $256,498,000 worth of goods this year, the Board of Trade said today.

Payment in sterling, under the agreement of May 21, 1948, will remain in force.

Britain to Pay More for Meat

Buenos Aires, Aug. 3 (A. P.).—The Economy Ministry announced today Argentine meat producers will receive a 38.6 per cent increase for the best grade of export meat under the terms of the new British-Argentine trade pact. The pact was signed June 27.

The Government announced a long list of new meat prices, which will be retroactive to the expiration of the Andes agreement, the old pact, on March 31. Under the new agreement, Great Britain will pay an average of about 44 per cent more for the meat she receives from Argentina.

Greeks Slaving In Tito's Mines, Soviet Says

London, Aug. 3 (AP)—Russia accused Marshal Tito today of using Greek Communist refugees as slave labor in the Yugoslav iron and copper mines.

The official Soviet news agency Tass said the metal is sold to Americans and "made into guns for the Greek Royalist-Fascists."

At one time the Western Allies regarded Yugoslavia as a main refuge and jumping-off place for Greek rebels ducking back and forth across the border in their skirmishes with Government troops.

Recently, Tito ordered the border sealed. He said the Greek Communists had taken sides against him along with the nations of the Russian-dominated Cominform.

The Cominform denounced Tito last year for putting nationalism above the Communist party line.

Petain's Wife Given Ile D'Yeu Apartment

Ile D'Yeu, France, Aug. 3 (AP)—The wife of former Marshal Henri Phillippe Petain has been given an apartment in the fort here where her husband is serving a life sentence. Authorities said the Petains would be allowed to have luncheon together every day.

Petain has been a prisoner here since his conviction of collaboration with the Germans four years ago. He was head of the French Government at Vichy.

Caviar To Dark Cellar Life Bared As Frau Raeder Flees

Berlin, Aug. 3 (AP)—Mrs. Erika Raeder, wife of the admiral who built Hitler's fleet, has fled from eastern Germany and revealed that her living conditions during four years of Russian captivity ranged from caviar rations to dark cellars.

"I was considered a special prisoner of the Russian secret police," the 61-year-old woman said today, "but I never was told why."

During her period in Soviet custody, Mrs. Raeder said the Russians: fed her caviar in Moscow; let her go hungry in Minsk; had her peel 700 potatoes a day in Sachsenhausen; questioned her almost endlessly, and finally released her without explanation.

"The whole thing was without rhyme or reason," she said.

Released July 1

She was freed from Sachsenhausen, one-time Nazi death camp, on July 1—exactly four years from the day she and the former admiral were taken to Moscow by Soviet officers whose troops overran the Raeder home in Babelsberg, adjoining Berlin.

When they released her, the Russians gave her two orders, she said. They were to stay in the Soviet occupation zone, and never to speak to others about the Russians.

Mrs. Raeder's whereabouts were cloaked in Soviet secrecy since September 1946, when the Russians were ordered by the Nuernberg war crimes tribunal to grant her a "final visit" with her husband. She never appeared in Nuernberg and the Russians never explained her absence.

Admiral Raeder was found guilty of waging war, chiefly in the 1940 Nazi invasion of Norway which was mainly a naval operation. He is serving a life sentence in the four-power Spandau prison in Berlin.

Afraid To Visit Husband

Mrs. Raeder said because of the Russian warning that she stay in the Soviet zone, she has made no attempt to visit her husband in Spandau, which is alternately under United States, British, French and Russian guards.

She said she was told she could live in Potsdam, bombed-out seat of the Hohenzollern emperors, but could not find a room there. Hatless, carrying a small knapsack and wearing a pair of men's shoes—a souvenir of Sachenhausen—she rode a Berlin elevated train into the American sector of the city.

Mrs. Raeder survived postwar imprisonment in Moscow and Minsk in Russia, and in the Birnau, Luckenwald and Sachsenhausen concentration camps of Germany.

German Camps Better

At one time, she said, she was thrust into a dark, poorly ventilated cellar and kept there nearly four months.

"When they released me, I couldn't see for a while. The cellars were awful. But the East German concentration camps such as Sachsenhausen, were 'livable.'"

"We had very good doctors and dentists, but the food was so-so," Mrs. Raeder added. "Sometimes the working hours were extremely long. Sewing and tailoring, mostly, and there was no pay."

Mrs. Raeder is en route to Neumuenster, near Kiel, to join her son, Hans, whom she has not seen since July, 1945.

She said her home in Babelsberg was looted and that her worldly possessions consisted of about $20 in East marks, some clothing and five sleeping tablets.

"I kept those tablets hidden for four years in case I'd need them," Mrs. Raeder said with a wry smile. "But I never gave up hope and did not have to use them."

31 Former Nazis Sentenced

Berlin, Aug. 3 (AP)—A Soviet zone court at Halle today sentenced 31 former Nazi Storm Troopers to prison terms ranging from one year to life. The Soviet-licensed news agency ADN said the men were found guilty of attacking and brutally maltreating Socialist and Communist party officials in February, 1933, after Hitler's rise to power.

German Destruction Saddens Thomas Mann

Frankfurt, Germany, Aug 3 (AP). Thomas Mann, leaving Germany after his first visit in sixteen years, said today his impressions "were in part melancholic because of the destruction in the cities."

Leaving for Amsterdam to board a ship for the United States, Mann said:

"My visit however was encouraging because I found a strong will for spiritual reconstruction and a will to live."

Asked about his impresion of Soviet-occupied Eastern Germany, where he accepted a Goethe memorial prize, Mann said: "I wasn't there long enough to study living conditions but I got the impression that life is easier in Western Germany. However, Eastern Germany impressed me very much and I do not regret going there."

CZECHS IMPRISON CATHOLIC PRIEST ON TREASON COUNT

Charge Fr. Fajstl Refused to Administer Last Rites to Dying Communist

GIVEN 8-YEAR TERM

Action Seen as First Test of Vatican Excommunication Decree

PRAGUE, Czechoslovakia, Aug. 3—(AP) The communist-led Czech government announced tonight sentencing of a Roman Catholic priest on charges of treason for allegedly refusing to administer the last sacrament to a sick old woman because she held a communist membership card.

The Rev. Alois Fajstl was sentenced by a state court to eight years imprisonment, the official

Prague radio said. The priest denied the charge.

First Test of Vatican Decree

It was the first test here between the government and the Vatican on its recent decree excommunicating communists and those who willingly aid the communist cause. Under the decree they are denied such church privileges as receiving the final sacrament.

The government announced through communist Minister of Justice Alexei Cepicka on July 15 that anyone attempting to enforce the Vatican decree would be prosecuted for treason.

The radio said Father Fajstl refused to administer the sacrament in accord with the Vatican decree.

It was only after the woman sent her membership card back to party headquarters "in mortal fear" that the priest agreed to administer the rites, the radio added.

Woman Recovered

The 67-year-old woman recovered from pneumonia to denounce the priest and bring about his conviction, the radio said.

In addition to denying the charge the priest refused to relate the contents of his bedside talk with the woman because it was a confessional secret.

The radio said he was brought to trial "upon demand of Catholics" and was convicted "on evidence of witnesses."

This was the way the official Prague radio put it:

The incident occurred on July 16 when Father Fajstl, of the small town of Sebranice about 90 miles east of Prague, was summoned to the bedside of Zofie Paclikova, who was desperately ill of pneumonia.

The priest asked the woman whether she belonged to the Communist party.

"When she replied in the affirmative Father Fajstl declared that according to the Papal decree of July 13 communists and their collaborators are excommunicated out of the church and refused to administer the last sacrament to the sick woman," said the radio.

Returned Membership Card

The woman sent her membership card back to party headquarters by her son and the Priest then administered her.

In addition to being sentenced to prison the priest suffered confiscation of his property and loss of civil rights for 10 years.

Later the official press bureau carried an account of the sentencing. It claimed the priest had been accused previously of "spreading false rumors" and "misusing the pulpit for inflammatory speeches against the People's Democratic Order" on the issue of government-controlled schools.

He had been saved from prosecution of this charge by government amnesty, the bureau said.

Dr. H. Richter, president of the state court, pronounced sentence and then followed with a bitter assault on the Vatican. He termed it "the main enemy of our national interest and especially our national independence."

Previously Accused

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Dr. H. Richter, president of the state court, pronounced sentence and then followed with a bitter assault on the Vatican. He termed it "the main enemy of our national interest and especially our national independence."

The press bureau distributed 1,000 words of the judge's criticism. He called the excommunication decree "an open attack upon the foundations of our People's Democratic order."

He said that any priest who obeyed the papal decree and refused religious rites to any person because of political party membership "or their loyalty to the People's Democratic Republic is in the service of an enemy power—the Vatican—aiming to destroy the People's Democratic regulations of our state."

Says Third Are Members

The judge said that in the priest's activities are found "all the signs of the true character of high treason according to the law for the defense of the People's Democratic Republic."

The judge said a full third of the (9,000,000) Catholics in Czechoslovakia are members of the Communist party and through other political parties, and nation-wide organizations more than four fifths of the Catholics are members of the national front."

[The judge was either in error or was misquoted. The Czech Communists have never claimed more than 2,250,000 members in the country.]

The judge asserted that "millions of Catholics in Czechoslovakia have proved themselves builders of socialism." He reiterated many charges against the Vatican which have appeared recently in the Government-controlled press.

These included the charge that the Vatican supported fascism, and made deals with Hitler and is now the "defender of capitalism and the sworn enemy of socialism and the working people."

Czechs Jail Priest as Traitor

Say He Refused Last Sacrament to Woman Till She Gave Up Communist Party Card.

Prague, Aug. 3 (A. P.).—The official Prague radio announced tonight that the State Court had sentenced a Roman Catholic priest to eight years in prison for high treason for refusing to administer the last sacrament to an old woman because she was a Communist.

This was the first such sentence in the Communist Government's war with the Roman Catholic hierarchy.

The Communist Minister of Justice, Alexei Cepicka, threatened two weeks ago to prosecute for treason any Roman Catholic clergyman who attempted to carry out the Vatican decree calling for excommunication of Communists or denial of the sacraments to those who aid Communists.

The court sentenced the Rev. Alois Fajstl to eight years and ordered confiscation of all his property along with ten years' loss of civil rights. His parish is at Sebranice, east of Prague.

The radio announcement and the official Czech press bureau said father Fajstl refused the last rites to Zofie Paclikova, 67, who "was fighting death of pneumonia."

According to the official version, the priest was summoned to the woman's bed on July 16. It was only after the woman surrendered her Communist party membership card that the priest gave her the last sacrament, the official radio report said. Thereupon the priest was prosecuted for following the decree of the Pope, it said.

Gave Up Card 'in Mortal Fear.'

The broadcast said when the priest told the ailing woman about the papal decree she—"in mortal fear"—gave her Communist party membership card to her son to return to the party secretariat. Thereupon, the radio said, the priest administered the last sacrament. The woman did not die.

The official version was that the priest was convicted on her evidence. The radio said the priest denied the charge and refused to relate the contents of his talk with th woman because of his vows to keep confessional secrets.

4 YANKS URGE CZECH TRADE

Educators, Clergymen Issue Report On 8-Day Tour

Prague, Czechoslovakia, Aug. 3 (AP)—A group of four American educators and clergymen suggested today that the United States relax its restrictions on trade with Czechoslovakia in the interest of "friendship and understanding."

The Americans spent eight days here. They said they found the country divided on the issue of the Communist-led government's controversy with the Roman Catholic Church.

They observed that the government had confiscated income-bearing lands of the churches and now proposed to increase its subsidies and pay the salaries of all priests and pastors.

Government Controls

This is a provision of the new church bill which would give the Government control over the administration, funds and appointments of the churches. This bill will come up in Parliament at the end of its summer recess.

Members of the group are: Jerome Davis, former journalist; Henry Pratt Fairchild, a prominent member of the National Council for American-Soviet Friendship; Benjamin Mays, president of Morehouse College at Atlanta, Ga.; and the Rev. George E. Paine, listed on the register at his hotel as from Cambridge, Mass.

Davis left a written statement signed by himself and his three companions before they departed for Budapest.

Church Subsidized

The statement said:

"In our brief stay in this country we have tried to interview all sides of the situation as far as possible. We find a great industrial country which is trying to socialize its economy. . . .

"We found considerable differences of opinion as to the religious situation. It must be remembered that the state long has been subsidizing the Catholic Church. Following the confiscation of the church lands it is now proposed to increase this subsidy and pay the salaries of all priests and pastors. Some religious people are for this and some against. The future alone can tell how it will finally work out.

Saw No Malnutrition

"Naturally, after the war and drought of 1947, there is not as much of everything as could be desired. On the other hand, workers in the factories are getting an excellent two- or three-course dinner with coffee for from 12 to 14 cents. Rationing enables all to share alike in the necessities of life and we saw no evidence of malnutrition.

"We believe the situation would be improved if the United States would relax its restrictions upon trade with Czechoslovakia and we feel certain that the people of Czechoslovakia wish to have friendship and understanding with America. We are confident that an increase of trade between the two countries, which the Czechoslovakia authorities ardently desire, would be to the interests of the entire world."

RED SLAVE LABOR DESCRIBED IN UN

British Delegate Charges Russia Has Organized Mass Slavery

L. HEIZERLING

GENEVA, Switzerland, Aug. 3—(AP) British charges of a new slavery in Russia, organized on a mass production basis, today touched off a bitter debate in the United Nations Economic and Social Council.

Amazasp Arutiunian, Soviet delegate to the 18-nation council, immediately accused British delegate Corley Smith of trying to emulate the late Nazi propaganda minister, Joseph Goebbels, "by repeating the same lies and slanders which Goebbels disseminated."

The Russian spokesman gave several reasons for the British charges, most startling of which was that the accusations were a smokescreen to cover the activities of the American chiefs of staff who now are visiting western Europe.

Smith's speech before the council was, Arutiunian declared, very carefully prepared to create a smokescreen for the military acts which United States militarists are carrying out to create a unified military plan for Europe.

The Russian spokesman said Anglo-American ruling circles are making military preparations for the purposes of aggression and the joint chiefs of staff, now in London are elaborating a solid unified plan for the participants in the Atlantic Pact.

During debate on a proposed investigation of forced labor, the British delegate presented to the council a copy of the "corrective labor codex" of the Soviet Union, describing in detail how citizens of Russia may be sent to forced labor camps for political differences with their government. He estimated there were about 10,000,000 such persons in Russia.

Ask Investigation

Smith, without disclosing how the copy of the codex came into Britain's possession, asked the Russian delegate for a straight "yes or no" answer as to whether the Soviet Union would permit an investigation of its labor practices.

"Why must the Soviet Union guard its forced labor camps like some shameful secret?" The British delegate asked. "Is it that they dare not reveal the truth because it would strip the last shreds of credibility from their claim to being a progressive country where the workers are decently treated?"

Referring to the codex, Smith said that in Russia, "people are condemned to forced labor without trial in a court of law" and are condemned "for holding opinions contray to those of the government and ruling class."

Replies To Pole

Referring to a previous argument used in support of Russia's position by Juliusz Katz-Suchy, Polish delegate, that if there had been 10,000,000 slaves in Russia the Soviet Union would not have been able to wage war for four years,

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Smith said:

"I was much impressed by his forceful argument until I suddenly remembered that it was by no means impossible. In fact, it had already happened once in the last ten years. The Nazis fought for six years and yet they must have had ten millions in their concentration camps and doing other forced labor in Germany."

Arutiunian struck back at the British delegate with a charge that England is the classical country of slavery and bondage in all forms. The majority of the population in Britain, the Russian said, "are hired slaves, compelled to work for the capitalistic class."

He said Soviet penal policy is humane and progressive, aiming at the "re-education of the people." The object of it is to put sentenced persons "in conditions which make it impossible for them to do anything hostile to Soviet society," Arutiunian said.

He said the British accusation was the start of a campaign of "chaining public opinion in the Anglo-Saxon countries for an aggressive policy" in Europe. It also was an effort to distract attention from increasing unemployment and economic difficulties in the capitalist world, and to "neutralize the increased popularity of the Soviet Union, the Russian spokesman added.

The United States delegation proposed that the Council create an eleven-man commission to conduct an inquiry into "the nature and extent of forced labor" throughout the world, with primary emphasis on "situations involving large numbers of persons or widespread practices of forced labor."

Britain Calls Slavery Big Business in Russia

Tells U. N. Group That Reds Hold 10,000,000 in Labor Camps.

L Heinz Krug

U. S. ASKS AN INVESTIGATION

Soviet Delegate Says Charge Is Made Only to Hide Woes of Labor Regime.

Geneva, Aug. 3 (A. P.).—Britain formally accused Russia today of maintaining 10,000,000 slave laborers in "a new slavery organized on a mass production basis." Russia retorted in the United Nations Economic and Social Council here that the charge was a smokescreen to hide Britain's own labor troubles.

The United States proposed appointment of a United Nations Commission of eleven to inquire into "the nature and extent of forced labor" throughout the world. The resolution suggested emphasis be placed on "situations involving large numbers of persons or widespread practices of forced labor."

The British charges were made by Corley Smith, British delegate, who presented what he described as a copy of a "corrective labor codex of the Russian Soviet Federated Socialist Republic" on rules for labor camps in the Soviet Union. The R. S. F. S. R. is Russia's largest republic, with Moscow as its capital.

Russia retorted that the codes represented a humane system with "re-education of the people" as one aim. The Soviet delegate said the code's object was to place persons sentenced to penal servitude "in conditions which make it impossible for them to do anything hostile to Soviet society."

Smith had demanded that the Russian delegate give a straight answer, yes or no, on whether the Soviet Union would permit an investigation.

Russian Reply.

Soviet Delegate Amasasp Arutiunian countered with the charge that Britain's Labor Government had initiated a hostile campaign against the Soviet Union to detract attention from its own economic difficulties. He said the corrective labor codex quoted by Smith was published in England in an English translation in 1936.

He said Smith's statement became necessary "because the economic situation of the United Kingdom has grown so much worse during the period of power of the Labor Government, that, in order to continue receiving United States assistance, the Government must show its validity and good faith and must show that its policy is directed against the working classes."

Smith charged that the Soviet slave labor system was spreading to "the so-called popular democracies of eastern Europe." AP

Holland Ratifies Treaty As Last Of 12 Countries

The Hague, Aug. 3 (AP)—Ratification of the North Atlantic treaty by the Dutch upper house today brought the 12-nation pact within one step of becoming formally effective.

The treaty will go into effect when the instruments of ratification of the seven founding nations are deposited in Washington.

The Dutch first chamber's action today completed the ratification of the accord by all the original partners—the United States, Britain, France, Canada, Belgium, Luxembourg and Holland.

The Dutch upper house approved ratification by 29 votes to 2, the negative ballots being cast by Communists. The lower house accepted the pact July 19 by a 67-to-7 vote.

D. U. Stikker, Dutch Foreign Minister, said in defending the pact, that because of the circumstances under which it was born there is no wholehearted enthusiasm for it.

Yet, Stikker added, this treaty gives the European countries a strong feeling of security owing to the fact that the American partners have committed themselves to lend immediate assistance in case of an armed attack. AP

Marshall-Plan Roads

Brazzaville, (French Equatorial Africa, Aug. 2 (AP)—With $645,000 alloted to French Equatorial Africa under the Marshall Plan for the third three months of 1949, the main item on the program is "road building and mining equipment."

5 Killed, 30 Wounded In Druse-Arab Clash

Haifa, Israel, Aug. 3 (AP)—Fighting broke out between Druse and Arab soldiers in an Israeli army camp today and an official announcement said two were killed and several wounded. Unofficial sources put the battle toll at five killed and 30 wounded.

Israeli military police joined civil police in restoring order. The camp was one for soldiers of the Arab and Druse minorities in Israeli.

CEASE FIRE ENDS WAR IN INDONESIA AFTER FOUR YEARS

K Likes

BATAVIA, Java, Aug. 3 —(AP) The Dutch and Indonesian Republicans formally ended their four years war today, but both sides made clear it was an armed truce for the present.

Republican President Soekarno, in a fiery brodacast tonight from his capital at Jogjakarta, ordered his guerrilla armies to observe a cease-fire proclaimed today, but to hold their positions.

"No Indonesian will ever forget the Dec. 19 event," Soekarno said.

It was last Dec. 19 that the Dutch launched what they called a "police action" through territory controlled by the republic. They overran most of the republic's cities and took Soekarno and other government leaders prisoner, releasing them only last month under demands by the United Nations.

Fight for Independence

Soekarno said the Indonesians would never be satisfied until they gain their own sovereignty and the Dutch army is withdrawn.

The Dutch for their part delayed setting the date of a roundtable conference to be held at the Hague, to work out details of a proposed new "republic of the United States of Indonesia."

(At the Hague, an overseas ministry spokesman said no date would be set until the Dutch government is satisfied that today's cease-fire order has been carried out. The conference originally was set for Aug. 1, but had been postponed.)

The new "United States of Indonesia" would provide self-rule for 72,000,000 inhabitants of former Dutch colonies in the East Indies, in equal partnership with the Netherlands under sovereignty of the Dutch crown.

Representatives of the republic and 15 non-Republican Indonesian states agreed yesterday to form a provisional government for it, thus compromising on Republican demands for independence that have caused sporadic fighting with the Dutch since 1945.

UN Aided Settlement

The cease-fire orders, worked out with cooperation of the UN Commission for Indonesia (UNCI) went out from both sides to local commanders in Java and Sumatra.

They will not become effective until midnight, local time, Aug. 10 in Java and Aug. 14 in Sumatra, to allow for slow communications and prevent what a Dutch spokesman called "misunderstandings."

Today's cease-fire is the third signed by the two parties in their long struggle. Both previous ones were broken. The new orders, long and carefully detailed, provide for the two armies to refrain from attacks or propaganda against each other and cooperate in preserving law and order.

"The present cease-fire is not similar to the previous ones," Soekarno told his guerrillas. "It does not order you to leave your positions.

"Your task is now changed from waging guerrilla warfare to securing peace and order for your own people. You will be their guardians.

"This cease-fire is indeed a test case for us all. Let us prove we are equal to the task."

Shrunken To Tiny Area

The President said that in the negotiations with the Dutch the republic, now shrunken to a tiny area around its capital at Jogjakarta, will demand control of all its former territory. It once controlled most of Java and Sumatra.

The cease-fire provides for the release of all persons imprisoned as a result of the independence struggle.

"Henceforth the endeavors of everyone must be dedicated to banishing any thought of enmity or revenge and to removing any vestige of fear or distrust," the joint proclamation said.

Warning By Dutch Commander

Lieut. Gen. D. C. Buurman Van Reeden, Dutch army commander, warned his soldiers in a radio speech not to expect the order to result in immediate peaceful conditions. He said elements who joined the Republicans only for "robbery and looting" were likely to violate it, and expressed satisfaction that the Republican army would help put down "outlaws."

Unless there is a hitch, the cease-fire will mark a big step toward final elimination of one of the Far East's five major "legacy conflicts" dragging on since the end of World War II.

China's Communists and Nationalists are still slugging it out on a broad front. Burma has a bitter civil war. The British are still fighting Communist rebels in Malaya and the French still are struggling with rebel Viet-Minh forces in Indo-China.

Dutch, Indonesia Formally End War Status

Batavia, Java, Aug. 3 (AP)—The Dutch and Indonesian Republicans formally ended their armed conflict today and issued cease-fire orders to local military commanders in Java and Sumatra.

The cease-fire proclamation is to become effective in Java at midnight local time next Wednesday, August 10, and in Sumatra at midnight Sunday August 14.

The long-sought agreement is expected to put an end to the fighting that first broke out in 1945 when Indonesian Republicans, liberated from Japanese occupation, sought independence from Dutch rule.

Captured Chiefs Freed

Fighting flared anew last December when Dutch troops crushed the Indonesian Republican Government at Jogjakarta and interned many of its leaders in a self-styled police action. Premier Mohamed Hatta and other Republican chiefs were released last month and the Republican Government was re-established during peace negotiations.

Republicans and leaders of fifteen non-Republican states agreed yesterday on plans for establishing a United States of Indonesia as a sovereign government in partnership with the Netherlands under the Dutch crown. Details remain to be worked out later this month at a round-table conference at The Hague. AP

China Reds Capture Gate City

Canton, China, Aug. 3 (AP)—Chinese Communist troops have captured the gateway city to Lanchow, stronghold of the Moslem warlord, Gen. Ma Hungkwei in northwest China.

Nationalists today admitted that the city, Pingliang, had fallen. An army spokesman said, however, that the open country there made Pingliang hard to defend.

The rest of the 240 road miles on westward to Lanchow will be tougher. The way is mountainous. The Nationalists defense line is set up in the Lu Pang mountains due west of Pingliang.

[The fall of Pingliang puts the Reds 40 miles inside Ma's province of Kansu. The drive by 200,000 Red soldiers into Kansu first was reported Monday.

Reds Claim Road Center

[The Communist radio in Peiping said that in addition to Pingliang the Red drive had overrun Tsingshui, a road control town 200 miles southeast of Lanchow.]

On the south-central China front, both sides seemed to be shadow boxing. There were no significant Communist advances reported toward this refugee Nationalist capital.

In fact, press dispatches asserted the Reds had abandoned Lukow, the town which they seized yesterday in cutting the railway from Canton to Changsha, Nationalist stronghold to the north.

suited for defense. He said the Nationalists in that area, mostly Moslems, took up positions in the Lu Pang mountain range, which runs north and south across Western Kansu.

Where Kubla Khan Died

The great Mongol leader, Kubla Khan, died in those mountains in ancient times.

In both Hunan and Kiangsi provinces east of the Canton-Hankow railroad the Reds and Nationalists sparred without coming to serious grips at any point. Dispatches said the Reds had abandoned Lukow, rail town between Changsha and Yengyang, after a brief occupation.

Chiang Off For Talks On Anti-Red Treaty

Canton, China, Aug. 3 (AP)—Generalissimo Chiang Kai-shek left Formosa today for Korea to discuss a Pacific pact against the Communists, the official central news agency announced.

The agency said he would make one stop en route to Seoul for discussions with President Syngman Rhee of the South Korean Republic. It wouldn't say where.

[The most logical stop would be Tokyo. There has been no hint, however, that Chiang might visit Japan.

[Chiang originally had planned to reach Korea today. He delayed his trip at Rhee's request. Rhee said only that he needed more time to prepare for his guest's arrival.]

Chinese Silver Dollar Held Only Legal Tender

Canton, Aug. 3 (AP)—The Nationalist government proclaimed today the Chinese silver dollar is the only legal tender acceptable in its territory.

The use of foreign currency was banned. The Nationalist silver dollar is worth 65 cents, United States.

Chinese Admit Reds Capture City In Kansu

Canton, Aug. 3 (AP)—Nationalist Chinese today admitted the loss of Pingliang to Communist troops who invaded Kansu province, in northwest China.

Pingliang is roughly 900 miles northwest of Canton.

An army spokesman said the Communists took Pingliang after a thrust through open country un-

China Announcement Due Today

Washington, Aug. 3 (AP)—The State Department said today there will be an announcement tomorrow on the schedule for publication of its "White Paper" on relations with China.

Lincoln White, press officer, declined to go into detail on the release of the 1,000-page book but told reporters they would be able to obtain copies a few hours in advance of the publication time. This, taken with tomorrow's announcement on scheduling, indicated that the White Paper will be released for publication sometime Friday.

On another aspect of the China situation, White said he knew of no plan now for sending an American ship to Shanghai to remove American citizens from that part of Communist China.

He said surveys now being made of the Americans who want to leave and those who want to stay must first be completed and decisions must be made by business firms as to whether they want to withdraw their representatives.

Amethyst's Yangtze Flight Ruse

Hong Kong, Aug. 3 (AP)—The skipper of the sloop Amethyst told today how the Chinese Communists were outwitted in the escape down the Yangtze from virtual captivity Saturday.

Lieut. Com. John S. Kerrans held a press conference after the 1,400-ton British warship arrived at this British crown colony and was given a hero's welcome.

Kerrans said he gave himself only a 50-50 chance of running the gantlet of Communist shore batteries. But weeks of talks with the Communists after the Amethyst was driven ashore by Communist artillery fire last April had got nowhere.

Double Talk Messages

The Communists would not allow any exchange of messages in code. So Kerrans and the British Navy command in the Far East used messages in plain English but with double meanings.

Thus he obtained approval of his superior before he risked the lives of the 86 surviving members of the crew.

Kerrans ordered all cables padded to reduce noise that might tip off the Chinese gunners on the shore.

Followed River Steamer

Then as a river steamer passed, the Amethyst slipped cable and set out behind. It was without a pilot for the treacherous channel of the Yangtze.

[Kerrans did not go into the Communist shelling that ensued. British sources in Nanking said at least one artillery shell, possibly a 75, hit the Amethyst forward. There was some flooding, but no casualties.]

Kerrans reported he had eleven meetings with the Communists. They kept insisting that he admit British "guilt" in the April episode, and that the British apologize and pay compensation for Communists killed by the Amethyst's return fire.

Quirino Honors American Teacher

Manila, Aug. 3 (AP)—President Quirino last night honored an American who taught him 38 years ago at Manila High School—E. Joe Albertson, an editor of Peekskill, New York.

More than 100 of Quirino's classmates joined in the observance.

One classmate, however, declined to attend.

He is Jose P. Laurel, who is running against Quirino for the presidency. He sent word he would not come to Malacanan Palace, the Philippine White House, until after the November 8 election.

Economic Sway Of Few Broken Up In Japan

Tokyo, Aug. 3 (AP)—General MacArthur's controversial program for breaking up Japan's economic giants ended today. The Allied occupation commander said it was "accomplished effectively."

Eleven big corporations were tagged for deconcentration by a five-man review board which came here from Washington fifteen months ago to make recommendations on 325 firms listed as "excessive concentrations." The board recommended divestment of certain holdings for nine others.

The 325 companies were selected for board action out of about 1,200 which had been affiliated with the Zaibatsu holding companies.

Caused Hot Debate

Through this powerful setup, headquarters said, "a small number of families exercised all-pervasive control over the industry, commerce and finance of Japan."

From its beginning, the deconcentration program was a matter of hot international and domestic debate. In the United States as well as Japan some called it "socialization." Others criticized it as "frag-

mentation of industry."

A press statement issued today by MacArthur's headquarters said:

"The elimination of monopolistic economic power which dominated prewar Japanese life has been accomplished effectively without adverse effect upon, and no 'fragmentation' of, finance or industry.

Production Increased

"On the contrary, competent observers point to the 50 per cent increase in production along with considerable progress toward stabilization during the past year as evidence of the growing health of the Japanese economy."

Some observers in Japan have called the program a success. Others have labeled it a failure.

Board Chairman Joseph Robinson held a news conference after MacArthur announced the board's task was completed and its final report submitted. Robinson declared:

"I feel there is in Japan today no excessive concentration of economic power. I know of no job where a monopoly has been dealt with so successfully without adverse effect on finance or industry."

Undercover Grip Denied

Robinson was asked if he felt former tycoons of Japanese industry had maintained control under cover or through puppets. He replied:

"If any still exercises any degree of control over industry, I'd be greatly surprised."

The final result of the board's work is this:

"Eleven enterprises were recommended for structural reorganization, three were required to dispose of specified plants or stock holdings, two were referred to the Fair Trade Commission with specific recommendations regarding their trade practices, two were recommended for complete reorganization through industry-wide action, one was required to divest itself of governmental prerogatives."

Top Network Destroyed

Robinson said much had been done to break up the tenacious grip of the few families on Japan's economic life before his board was created. Imperial ordinances and anti-Zaibatsu measures completed by other agencies destroyed the top holding companies, he said.

Robinson cited industries for which deconcentration was recommended as including heavy industry, steel, beer, paper, mining and electrical.

Kim Koo Killing Trial Opens

Seoul, Aug. 3 (A. P.).—Lieut. Ahn Doo Hi went on trial today on a charge of assassinating Kim Koo, president of the Korean government in exile in China during world war II. Kim was slain on June 26.

The prosecution charges Ahn killed Kim when he learned the political leader sought to unseat President Syngman Rhee of the Korean Republic.

ACHESON DEFENDS LIE, DENIES REDS 'TERRORIZE' UN

LAKE SUCCESS, Aug. 3—(AP) Secretary of State Dean Acheson today expressed "great confidence" in UN Secretary-General Trygve Lie who recently was attacked by a mystery witness before a Senate Judiciary sub-committee as pro-communist.

Acheson's views were expressed in a note to acting Secretary-General Byron Price who protested July 27 against publication of what he called "irresponsible and unfounded attacks" on the secretary-general.

The anonymous witness, identified only as "witness 8," charged Lie permitted communist agents to terrorize the secretariat. Lie is now on vacation in Norway.

Can't Stop Publication

Acheson said "I am confident that a situation like that described by the anonymous witness wouldn't be tolerated."

At the same time, he pointed out there was nothing the State department could do to stop a congressional group from publishing reports such as that issued by the subcommittee on immigration and naturalization, headed by Senator McCarran, (D-Nev).

Acheson told Price, former director of censorship in the United States, that the United Nations "is aware, I am sure, of the traditions and practices of the United States in the matter of freedom of expres-

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sion."

"You are also aware of the principles of the separation of powers under which the United States operates and of the manner in which the legislative branch conducts its affairs," he said.

Not Committee's Business

Price had reminded the State department in his protest that the internal affairs of the UN secretariat were not the business of the Senate sub-committee, but were the responsibility of the UN General Assembly and its 59 members.

He also called attention to article 100 of the UN-charter in which all governments agreed to "respect the exclusively international character of the responsibilities of the secretary-general and his staff and not to seek to influence them in the discharge of their responsibilities."

Acheson replied:

"The United States has subscribed to these provisions and continued to support them wholeheartedly."

He added that the U. S. government also would continue to use the methods and procedures which the United Nations had established for criticizing and correcting any "questionable practices on the part of the United Nations secretariat."

"So far as the particular incident is concerned," Acheson said, "I am not aware of the identity of the secret witness before the subcommittee and can not say, therefore, what might have motivated this person to make such a statement.

"You may be assured, and you may assure Secretary-General Lie, that my government has great confidence in his ability and integrity, and in his administration of the secretariat."

not illegal, though it is officially frowned upon.

Senators Ferguson (R-Mich) and Mundt (R-SD) offered separate bills to discourage the practice.

Ferguson's bill would require holders of government contracts to state in the contracts whether they paid a commission for help in getting the order, the amount paid and who received the money.

Mundt's measure would force five percenters to register under the lobbyists act. They would list names of their clients and their fees.

Both bills would set up contract information offices in Washington and over the country. The intent is to make it unnecessary for small business firms to employ Washington agents.

Meanwhile Rep. Herbert (D-La) heading a House Armed Services subcommittee, linked the names of James V. Hunt, management counselor who has denied selling "influence," with Maj. Gen. Herman Feldman, Jr., suspended army quartermaster general.

Army Uniforms Involved

Hebert said he had been told by Stanley J. Cummings, executive secretary of the National Association of Uniform Manufacturers, Inc., that Hunt had offered to try to get General Feldman to rescind a pending army order. The order involved plans for the army manufacture of officers' uniforms.

Cummings was quoted as saying Hunt asked a $25,000 fee. His proposition was rejected by the Uniform Manufacturers Association as being too costly.

Cummings had been expected to appear for testimony today before the House subcommittee, but Hebert explained that he was on vacation.

in touch with him.

Cummings is on a vacation, Hebert said, and is not expected back at his Brooklyn, N. Y., home until August 15. The subcommittee will decide after talking to Gray whether it then wants to question Cummings.

Told of Hunt's Offer.

Hebert said Cummings told him personally three weeks ago of having been approached by James V. Hunt, a former Army Quartermaster colonel, in connection with a pending Army order relating to the manufacture of officers' uniforms.

Hebert said he was told that Hunt offered—for $25,000—to try to get Major-Gen. Herman Feldman, former Quartermaster General, to rescind an order relating to Army plans for manufacturing uniforms.

Cummings turned the deal down because his association could not afford the fee, Hebert said, adding:

"I asked Cummings whether he ever had been approached by Hunt and he told me the whole story.

"I told him I would like to have him consult his people and decide whether he would be willing to tell his story again to the subcommittee on the record. He said he would confer with them and let me know. He hasn't yet."

weeks.

Senate investigators are covering the field of agents who help business men get Government contracts—for a fee, usually five per cent of the contract figure—which is legal.

Plans Held Up

The House subcommittee ordered General Feldman to hold up plans until a complete study could be made. The Army was permitted, however, to go ahead with manufacture of 53,000 coats and 160,000 pairs of trousers for which contracts had been awarded.

Feldman is one of the two major generals now under suspension in connection with the Five Per Center case.

Republican Senators Ferguson (Mich.) and Mundt (S.D.) meanwhile, completed the drafting of separate bills designed to discourage the activities of Five Per Centers. Mundt said he and Ferguson plan to get to pool their ideas, then introduce a single bill later this week.

To See New-Agency Head

As the first step, Mundt said they intend to confer with Jess Larson, Chief of the new General Services Agency set up to handle much of the Government's buying and contract-letting.

Ferguson's bill provides for a fine of up to $10,000 and up to two years in jail in the event any person who obtained a Government contract failed to set forth in the document whether he paid a commission to anyone for help in securing the contract. The contract would have to state the amount of any fee paid, as well as the name of the person who received it.

Mundt's bill would require Five Per Centers to register under the lobbyist act. They also would have to list the names of persons they represent and the amount of any fees they received, including expenses.

Provides New Office

Mundt's measure also would set up an Office of Contract Information to aid business men get details about contract prospects, so it would not be necessary to work through commission men.

Among others, the subcommittee has been questioning John Maragon, familiar Washington figure who once had a pass to the White House.

Senator Hoey (D., N.C.), the subcommittee chairman, told reporters the group has received full information about Maragon's bank accounts. He made it clear that includes one which Maragon said he had in a Texas bank three years ago.

BILLS WOULD CURB 'FIVE PERCENTERS'

Senators Offer Measures to Discourage Practice; Hearing Continues

WASHINGTON, Aug. 3. — (AP) Bills to curb "five percenters" were introduced by two senators today while a House committee invited Secretary of the Army Gordon Gray to testify Friday in a widening investigation.

The committee wants any information Gray may have as to five percenters' activities in connection with the military uniform business.

Five percenters are persons alleged to be collecting fees for acting as middle-men between government and businessmen seeking government orders. The practice is

To Query Gray on Uniforms

House Group Will Ask Army Secretary If 5 Percenters Were Involved.

Washington, Aug. 3 (A. P.).—A House Armed Services sub-committee voted today to ask Secretary of the Army Gordon Gray for information on any 5 percenters who may have been connected with the military uniform business.

Representative Hebert (D.-La.) told reporters that Gray would be heard tomorrow behind closed doors.

Stanley J. Cummings, executive secretary of the National Association of Uniform Manufacturers, Inc., was to testify today, but Hebert said the subcommittee has been unable to get

Hebert's subcommittee, which has been studying policies of the armed forces on supplying officers' uniforms, jumped into the Five Per Center investigation alongside the special Senate investigations subcommittee headed by Senator Hoey (D., N.C.). Hoey's group has been looking into Hunt's affairs, among those of others, for several

M'CLOY CONFERS IN WASHINGTON ON GERMAN CABINET

WASHINGTON, Aug. 3 — (AP) John J. McCloy, American high commissioner for Germany, opened a round of talks with top government officials today on organization of a 10-man cabinet to handle American policies in Germany.

McCloy is now acting as American military governor. He succeeded retiring General Lucius D. Clay in that post a month ago. Following creation of a German government for the western zones he will become the first American civilian high commissioner about Sept. 15.

He came here by plane after spending several weeks in Germany.

Sees Truman Today

Shortly after his arrival, McCloy went to defense headquarters to confer with Assistant Secretary of the Army Tracy Voorhees and Ambassador Robert Murphy, the chief of the State department's German affairs section.

Tomorrow he will meet with other State department officials. He is expected to see President Truman and Secretary of State Acheson soon. When western Germany switches from military to civilian control, Acheson will take over direction of German affairs from Secretary of Defense Johnson.

McCloy told newsmen he is here for 'a very short visit to check up with the Army, State department and Economic Cooperation Administration on administrative matters in Germany, including appropriations."

He added that he hopes to return before the German elections begin on Aug. 14.

Three High Commissioners

The elections will be held preliminary to formation of the German government which will have extensive powers over the conduct of German affairs in the western zones, subject to the supervision of McCloy and the British and French High commissioners.

McCloy said it is too early to say whether continuing talks between the western powers and Russia will be successful in solving outstanding east-west problems there.

Ralph Nicholson, former New Orleans publisher who will head McCloy's public affairs section, came back with the high commissioner. Nicholson and the men chosen to hold the economic and the political affairs positions in the new 10-man cabinet will form an "inner cabinet" on which McCloy expects to rely constantly for advice and help on major German policy questions.

Russ Supersonic Plane Reported At Air Show

Washington, Aug. 3 (AP)—A public demonstration at Moscow of a plane said to fly faster than the speed of sound is described in the current issue of the Russian Embassy's information bulletin.

The flight, the bulletin said, occurred at the July 17 Stalin Aviation day celebration at Tushino Airfield.

About midway of the display, the information bulletin says, "a supersonic plane appeared in the air" at an altitude of about 660 feet. The speed of sound is 762 miles per hour at sea level; it would be a little slower at higher altitudes.

"Its wings flashed across the aerodrome and only when the plane had passed out of sight did the crowds hear the roar of its engines. [Apparently jet engines.]

"The plane soared up like a rocket, flying almost straight, and then performed three successive barrel rolls. The speed was so great that no eye could folow its flight. Leveling out at its ceiling, the plane shot down lower and lower and finally straightened out just over the ground."

News reports from Moscow at the time of the air show said it presented three types of single-engined fighters and one two-engined aircraft in what the Russian air force called the "superspeed jet aircraft" class.

NAVY GROUP WINS BOMBING CONTEST

SAN DIEGO, Calif., Aug. 3 (AP)—A Navy dive-bomber team of four planes hit a 50-foot bulls-eye with 90 per cent of its bombs to win the Pacific fleet championship today.

Lt. Cmdr. William H. House of Higgins, Tex., led the attack squadron 115 from San Diego Naval air station.

The Douglas Skyraider attack planes, latest type of dive-bombers delivered to the fleet, each made 16 dives from 15,000 feet at a 200-foot circle in the desert target area near El Centro, Calif.

90 Per Cent In Target

Highest individual score was made by Ensign Edward F. Christensen of Redfield, S. D., member of Attack Squadron 155 from Alameda, Calif., Naval air station. He landed 90 per cent of his bombs in a 40-foot bulls eye.

Christensen's own plane developed a fuel leak on his first run.

He borrowed the plane of a team alternate and went on to set the high score.

Marines Second

Marine Corps' Night Fighter Squadron 513 from El Toro, Calif., base was second in team scoring. The Marines flew converted F6F Hellcat fighters.

The Alameda team was third. A jet plane squadron participated for evalulation purposes. Its performance was declared classified and not disclosed.

Other members of the winning team: Lt. Edward G. Gendron of 34 Euclid avenue Bridgeport, Conn.; Ens. William G. Sizemore of Lawrenceville, Ill., and Ens. Don Miller of Tarzana, Calif.

The competition was the first since the war and was directed under the command of Vice Adm. H. B. Sallada, commander air force, Pacific fleet.

MEDINA ACTS TO STOP TALK

Marshals Also Called On At Trial Of Communists

New York, Aug. 3 (AP)—United States marshals were called on in the Federal courtroom today to shut off floods of oratory at the Communist conspiracy trial.

It took Federal Judge Harold R. Medina, however, to slow the busy tongue of a woman defense witness, Mrs. Geraldyne Lightfoot, a Chicago Negro Communist.

Apparently enjoying the proceedings, Mrs. Lightfoot confided to Judge Medina that she could "talk for a week" about Communist activities.

"I'll give you ten minutes," Judge Medina told the witness.

Judge Medina discovered earlier this week that the advance of a marshal had a quieting influence on defense attorneys.

Calls For Marshals

So today, when defense attorneys Richard F. Gladstein and Abraham J. Isserman, could not be silenced, Judge Medina said:

"Mr. Marshal, get busy."

When quiet was restored the judge told Isserman:

"I am not going to stand for any more nonsense from you or any of your colleagues."

The argument arose when Mrs. Lightfoot was asked whether as a Communist class teacher in 1948 she referred to "dictatorship of the proletariat, imperialism, just and unjust wars."

Gladstein accused Judge Medina of badgering the witness and the court replied:

"No matter how much leeway I give you, you try to put the whole administration of justice in disrepute. I now tell you in the most emphatic way I can you must desist from that."

Demands Direct Answer

Judge Medina added that "I've had enough of this contemptuous conduct."

Later, Judge Medina wagged a finger at a witness and demanded a direct answer to a question.

Gladstein rose to object and two marshals rose with him and moved toward him.

Overruling the objection, Judge Medina told Gladstein:

"I know what you are up to. You and your colleagues are making false statements for the record to make me appear biased and prejudiced."

Gladstein denied making any false statements. Eugene Dennis, a defendant acting as his own attorney, moved for a mistrial "on the basis of the hostile, malignant and disrespectful attitude of the court toward this witness."

Mistrial Motion Denied

Judge Medina denied the mistrial motion, the marshals went back to their seats and the trial droned on.

The eleven top Communist leaders on trial are accused of conspiring to advocate the violent overthrow of the United States Government.

Mrs. Lightfoot said she joined the Communist party in 1940 and was a member of its Illinois State committee from 1945 to 1948.

She said that for most of last year she was a section organizer in Chicago's First, Second, Third, Fourth and Twentieth wards where Negroes outnumber whites.

She testified that Gilbert Green, one of the defendants, as Chicago district chairman of the party, proposed splitting up Communist clubs with memberships of 30 to 50 persons to smaller units.

Sees Underground Plan

The Government contends the purpose of such a split was to ready the party members to go underground if necessary.

However, Mrs. Lightfoot testified Green's purpose in reducing their size was to give organizers closer contact with members.

Mrs. Lightfoot went over in detail what she said Green told her about Communist activity concerning packinghouse workers, nursery schools, health regulations, high rents and admission of Negroes to white schools.

She took the stand after another defense witness, Edward J. Chaka, a Cleveland Communist, was finished.

Chaka, winding up his testimony, refused to give full names of persons identified in his testimony only by their first names. To do so, he said, would make him a "stool pigeon."

HOUSE BODY SIFTS ELECTRICAL UNION

Washington, Aug. 3 (A. P.).—The House Committee on Un-American Activities is investigating the United Electrical Workers Union, C. I. O., in Pittsburgh, a committee official said today.

Counsel Frank S. Tavenner said: "Information has been received indicating Communist influence in the union in the Pittsburgh area, affecting some vital and strategic industrial plants.

"Hearings are planned with a view to determining whether legislation should be proposed requiring industrial plants engaged in certain work for the Government to set up security standards to protect Government secrets."

Tavenner said union records have not been subpoenaed, "and so far as I know at the present time they will not be."

The hearing probably will start on August 9 or soon after, he said. 4 DI)

NEW YORK,AUG 3-(AP)-WALDEMAR J.GALLMAN, U.S. AMBASSADOR TO POLAND, SAID TODAY HE HAD NOTED "A MARKED RELAXATION OF TENSION" AMONG THE POLES SINCE THE RECENT PARIS CONFERENCE OF FOREIGN MINISTERS.

RETURNING FROM WARSAW ABOARD THE CUNARD LINER QUEEN ELIZABETH, GALLMAN SAID HE WAS EN ROUTE TO WASHINGTON FOR "A ROUTINE CONSULTATION" WITH THE STATE DEPARTMENT.

GALLMAN SAID THE AVERAGE POLE "IS BY TRADITION ANTI-RUSSIAN. ANYTHING STEMMING FROM MOSCOW--EITHER IDEOLOGY OR PROPAGANDA--WOULD NOT BERECEIVED ENTHUSIASTICALLY BY THE AVERAGE POLE."

HOWEVER, THE ENVOY SAID THE POLES "ARE GOING ABOUT THEIR WORK WITH A WILL AND A HAPPY FRAME OF MIND. REGARDLESS OF THE COLOR OF THE REGIME OR GOVERNMENT, THE POLISH PEOPLE RESPOND WILLINGLY TO THE WORK AT HAND."

AMONG THE ELIZABETH'S PASSENGERS WERE FRANCOIS ERASMUS, MINISTER OF DEFENSE FOR THE UNION OF SOUTH AFRICA, AND GEN.LEN BEYERS, SOUTH AFRICAN DEFENSE CHIEF. BOTH SAID THEY WERE GOING TO OTTAWA FOR TALKS WITH CANADIAN OFFICIALS.

ERASMUS ALSO SAID THEY WOULD CONFER WITH GOVERNMENT OFFICIALS AT WASHINGTON. HE SAID THE TRIP WAS DESIGNED "TO ASCERTAIN WHAT MILITARY EQUIPMENT WOULD BE SUITABLE AND AVAILABLE TO THE DEFENSE FORCES OF THE UNION OF SOUTH AFRICA FOR TRAINING PURPOSES."

JK504PED

NEW YORK, AUG. 3-(AP)-HITTING BACK AT GOVERNMENT EVIDENCE, THE DEFENSE AT THE RED CONSPIRACY TRIAL HAS RANGED INTO A NEW FIELD--BASEBALL.

BUT THE GOVERNMENT GOT THE LAST HIT.

THE CENTER OF THE SIDE-PLAY WAS NATIONAL COMMUNIST CHAIRMAN WILLIAM Z.FOSTER.

TESTIFYING FOR THE DEFENSE, EDWARD JOSEPH CHAKA SAID YESTERDAY THAT FOSTER TALKED BASEBALL, AND NOT VIOLENT REVOLUTION, AT A PARTY CONVENTION IN 1948.

THIS DIDN'T TALLY WITH THE GOVERNMENT SCORESHEET. TWO PROSECUTION WITNESSES PREVIOUSLY HAD TESTIFIED THAT FOSTER ROOTED FOR RUSSIA, AND SAID "FREE COUNTRIES" WOULD BE ON THE SOVIET SIDE IN EVENT OF WAR.

CHAKA, A CLEVELAND PARTY OFFICIAL, SAID FOSTER HAD PRAISED THE CLEVELAND INDIANS AND COMMENDED THEM FOR "BREAKING DOWN JIM CROW."

"HE CONGRATULATED THE PEOPLE OF CLEVELAND," SAID CHAKA, "ESPECIALLY ON THE QUESTION OF SATCHELL PAIGE, ONE OF THE GREATEST PITCHERS IN YEARS, WHO HAD BEEN OVERLOOKED FOR YEARS."

PAIGE, A NEGRO, WAS SIGNED BY THE INDIANS LAST YEAR.

THE GOVERNMENT SCORED IN ITS CROSS-EXAMINATION.

U. S. ATTORNEY JOHN F. X. MCGOHEY TOSSED THIS ONE AT THE WITNESS: "WELL, JUST WHAT DID FOSTER SAY"--ABOUT RUSSIA AND THE U. S.?

"HE SPOKE ON HIS EXPERIENCES IN EUROPE," CHAKA SAID. "HE SAID THE PEOPLE WANT PEACE AND THAT IN CASE OF A WAR, IMPERIALIST AMERICA WOULD NOT FIND ANY ALLIES AMONG THESE PEOPLE."

FOSTER HIMSELF, OUT WITH A HEART AILMENT, WAS NOT ON THE DEFENSE BENCH WITH THE 11 OTHER TOP U. S. RED LEADERS.

HE WAS INDICTED WITH THEM ON CHARGES OF CONSPIRING TO ADVOCATE VIOLENT OVERTHROW OF THE GOVERNMENT, BUT HIS TRIAL WAS POSTPONED.

FEDERAL JUDGE HAROLD R.MEDINA AGAIN YESTERDAY RULED OUT DEFENSE TESTIMONY CONCERNING "PERIPHERAL ISSUES" SUCH AS WHAT THE COMMUNISTS CLAIM THE CAPITALISTS ARE DOING TO THE WORKERS, AND WHAT THE COMMUNISTS CLAIM THEY ARE DOING FOR THE WORKERS.

OVER PROTESTS FROM THE DEFENSE, HE FORBADE ANY TESTIMONY ABOUT ALLEGED ATTACKS AND USE OF VIOLENCE BY CAPITALISTS AGAINST WORKERS.

EUGENE DENNIS, PARTY GENERAL SECRETARY WHO IS ACTING AS HIS OWN LAWYER, ARGUED THAT SUCH TESTIMONY WAS PART OF THE CASE.

"I THINK IT IS VERY GERMANE TO THE ISSUE," HE SAID. "ALL OF US ARE FAMILIAR WITH THE STORY OF THE RUBBER WHO CRIED THIEF TO AVOID UNMASKING."

"A ROBBER DID THAT?" ASKED THE JUDGE.

"YES," REPLIED DENNIS.

"VERY INTERESTING," COMMENTED THE JUDGE.

"ACTUALLY," SAID DENNIS, "THOSE WHO BROUGHT THIS CHARGE ARE THE ADVOCATES OF FORCE AND VIOLENCE."

"THAT STORY," SAID THE JUDGE, "CUTS BOTH WAYS."

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AUG 4 1949

AT PITTSBURGH, CHARLES COPELAND, BUSINESS AGENT FOR THE HUGE UE LOCAL 601, SAID LEFT WING ELEMENTS IN THE UNION WERE A "REAL THREAT" AT THE PRESENT TIME. WASHINGTON UNAMERICAN XXX HE SAID.

COPELAND, ONE OF A GROUP OF THE UNION'S RIGHT-WING MEMBERS WHO RECEIVED SUBPOENAES TO APPEAR BEFORE THE COMMITTEE, SAID "WE'VE BEEN TRYING TO GET THE COMMUNISTS OUT FOR A LONG TIME."

HE SAID HE WOULD GLADLY GIVE THE COMMITTEE ANY INFORMATION HE COULD.

PHILIP CONAHAN, PRESIDENT OF THEUNION, WAS NOT IMMEDIATELY AVAILABLE FOR COMMENT.

STANLEY GLASS, SECRETARY OF UEW LOCAL 601, SAID IN PITTSBURGH LAST NIGHT THAT HE HAD BEEN SUMMONED BEFORE THE COMMITTEE NEXT MONDAY AND TOLD TO BRING HIS UNION RECORDS. GLASS SAID OTHER MEMBERS OF THE LOCAL EITHER HAD BEEN OR WILL BE SUMMONED.

TAVENNER, HOWEVER, SAID NO FORMAL SUBPOENAS HAVE BEEN ISSUED FOR WITNESSES OR RECORDS. HE ADDED THE COMMITTEE IS NOT SURE WHETHER SUBPOENAS WILL BE NECESSARY.

PF107PED

AUG 4 1949

PITTSBURGH, AUG. 3-(AP)-STANLEY GLASS DECLARED TONIGHT HE WELCOMES A HOUSE UN-AMERICAN ACTIVITIES COMMITTEE PROBE OF THE BIG WESTINGHOUSE CIO-UNITED ELECTRICAL WORKERS LOCAL, OF WHICH HE IS SECRETARY.

"MY ONLY REGRET IS THAT MEMBERS OF THE LOCAL THEMSELVES DID NOT DO SOMETHING ABOUT COMMUNIST INFILTRATION IN THE UNION," GLASS SAID. "I DO NOT THINK IT SHOULD HAVE BEEN NECESSARY FOR THE HOUSE COMMITTEE TO DO IT."

GLASS SAID HE HAD BEEN SERVED A FORMAL SUBPENA BY A U.S.MARSHAL, ORDERING HIM TO APPEAR BEFORE THE COMMITTEE NEXT MONDAY AND TUESDAY. HE SAID HE WAS ORDRED TO BRING WITH HIM ALL OF PITTSBURGH LOCAL 601'S RECORDS FOR THE COMMITEE'S USE.

THE SECRETARY SAID SIX OTHER LOCAL OFFICERS ALSO HAD RECEIVED SUBPENAS ORDERING THEM BEFORE THE COMMITTEE MONDAY. ONLY HIS SUBPENA MADE REFERENCE TO THE LOCAL'S RECORDS, GLASS ADDED.

HE SAID U.S. MARSHALS LAST NIGHT AND TODAY GAVE SUMMONSES TO THOMAS A.FITZPATRICK, CHIEF STEWARD AND FORMER PRESIDENT OF THE LOCAL; FRANK PANZINO, ASSISTANT CHIEF STEWARD; CHARLES COPELAND, BUSINESS AGENT; ROBERT WISHNER, FACTORY SERVICE SUB-DIVISION STEWARD; WILLIAM PEELER, EXECUTIVE BOARD MEMBER; AND BLAIR SEESE, CHAIRMAN OF THE SICK AND ACCIDENT COMMITTEE.

GLASS SAID HE WAS INFORMED A SUBPENA WOULD BE DELIVERED ALSO TO AN EIGHTH OFFICER OF THE UNION.

"THESE REPRESENT THE EIGHT MEN WHO TRANSACT MOST OF THE LOCAL'S BUSINESS," HE EXPLAINED.

GLASS, COPELAND, PEELER AND SEESE WERE ELECTED TO UNION OFFICE LAST DECEMBER ON A SELF-STYLED "ANTI-COMMUNIST" SLATE. THE OTHER SLATE WAS HEADED BY FITZPATRICK, WHO LOST A FIGHT FOR REELECTION AS PRESIDENT BUT WAS NAMED CHIEF STEWARD.

WESTINGHOUSE ELECTRIC CORP. FOR WHICH THE LOCAL MEMBERS WORK, IS BUSY ON A CONTRACT TO MAKE AN ATOMIC REACTOR FOR NAVAL VESSELS AND ALSO IS A LARGE MAKER OF RADAR EQUIPMENT FOR THE ARMED SERVICES.

BM1147PED NM

WASHINGTON,AUG 3-(AP)-SECRETARY OF DEFENSE JOHNSON TOOK STEPS TODAY TO MESH THE NATION'S MILITARY MACHINE WITH FEDERAL AGENCIES FIGHTING POLITICAL BATTLES ABROAD.

HE SET UP AN OFFICE OF FOREIGN MILITARY AFFAIRS TO HELP KEEP THE NATIONAL MILITARY ESTABLISHMENT IN STEP WITH THE NATIONAL SECURITY COUNCIL, THE STATE DEPARTMENT AND OTHER AGENCIES IN THE FIELD OF "POLITICO-MILITARY AFFAIRS."

N.F. HALABY, A FORMER STATE DEPARTMENT OFFICIAL WHO BECAME FOREIGN AFFAIRS ADVISER TO THE SECRETARY OF DEFENSE IN 1948, HEADS THE NEW SETUP. HE IS A NATIVE OF DALLAS, TEXAS.

AT THE SAME TIME JOHNSON CALLED MAJ.GEN.JAMES H.BURNS OUT OF RETIREMENT TO BE HIS SPECIAL CONSULTANT ON POLITICO-MILITARY MATTERS. BURNS, THEN A COLONEL, WAS EXECUTIVE TO JOHNSON WHEN THE LATTER WAS ASSISTANT SECRETARY OF WAR IN 1939. LATER HE BECAME EXECUTIVE OF THE POWERFUL BRITISH-AMERICAN MUNITIONS ASSIGNMENT BOARD THAT HARRY L.HOPKINS HEADED DURING WORLD WAR TWO.

THE NATIONAL MILITARY ESTABLISHMENT SAID THAT BURNS WILL ADVISE THE SECRETARY ON POLICY AND DISCUSS RELATED POLICIES WITH OFFICIALS OF THE NATIONAL SECURITY COUNCIL, THE STATE DEPARTMENT AND OTHER AGENCIES. THE ROLE OF THE GENERAL, WHO IS NOW 64, IS WIDELY EXPECTED TO GROW INTO THAT OF AN "ELDER STATESMAN." HE WILL HAVE NO EXECUTIVE OR ADMINISTRATIVE DUTIES AND WILL NOT BE RESPONSIBLE FOR HANDLING DAY-TO-DAY PROBLEMS.

OFFICIALS SAID THE NEW OFFICE OF FOREIGN MILITARY AFFAIRS HAS GROWN OUT OF THE INCREASING CONTACTS BETWEEN THE MILITARY DEPARTMENTS AND THE STATE DEPARTMENT IN CARRYING OUT AMERICAN POLICY LAID DOWN BY THE PRESIDENT, CONGRESS AND THE NATIONAL SECURITY COUNCIL.

AS AN EXAMPLE OF THE TYPE OF WORK IT WILL DO, A REPRESENTATIVE OF THE MILITARY ESTABLISHMENT OUTLINED THIS HYPOTHETICAL CASE: POLICY ADVISORS MIGHT CONSIDER IT WISE, FROM THE STANDPOINT OF THE COUNTRY'S SECURITY, TO ESTABLISH CERTAIN MILITARY BASES ABROAD. THE NEW OFFICE WOULD APPRAISE THE FEASIBILITY OF THE BASES AND ESTIMATE THEIR VALUE FROM A MILITARY VIEWPOINT.

THE OFFICE WILL NOT BE CONCERNED WITH POLICY MATTERS IN THE OCCUPIED AREAS OF GERMANY, AUSTRIA AND JAPAN. TRACY S.VOORHEES, ASSISTANT SECRETARY OF THE ARMY, WILL CONTINUE TO HANDLE THEM. NEITHER WILL THE NEW SETUP HANDLE PROBLEMS REGARDING FOREIGN MILITARY ASSISTANCE UNDER THE BILL NOW BEFORE CONGRESS. MAJ.GEN.L.L.LEMNITZER, OF THE ARMY, WILL CONTINUE TO DEAL WITH THEM.

IN ANOTHER MOVE TO STRENGTHEN THE MILITARY ESTABLISHMENT, JOHNSON NAMED WILLIAM T.FARICY, PRESIDENT OF THE ASSOCIATION OF AMERICAN RAILROADS, TO HEAD A NEW CIVILIAN RESERVE POLICY BOARD.

THE BOARD WILL COORDINATE THE POLICIES AND PROGRAMS OF THE ORGANIZED RESERVE. THIS INCLUDES THE RESERVES OF THE ARMY, NAVY AND AIR FORCE AND THE NATIONAL GUARD, BOTH GROUND AND AIR.

AUTHORITIES ALSO PREDICTED CONFIDENTLY THAT GENERAL OMAR N. BRADLEY, ARMY CHIEF OF STAFF, WILL BE APPOINTED SOON AS THE NATION'S HIGHEST RANKING MILITARY OFFICER--CHAIRMAN OF THE JOINT CHIEFS OF STAFF.

(320) FIRST LEAD UNIFICATION

WASHINGTON,AUG.3-(AP)-WILLIAM THOMAS FARICY, CHICAGO ATTORNEY AND RAILROAD OFFICIAL, TODAY WAS NAMED HEAD OF THE NATIONAL MILITARY ESTABLISHMENT'S NEW CIVILIAN RESERVE POLICY BOARD.

FARICY'S APPOINTMENT BY SECRETARY OF DEFENSE JOHNSON IS ANOTHER STEP IN EFFORTS TO STRENGTHEN ORGANIZATION OF THE NATION'S MILITARY SETUP.

LEGISLATION GIVING THE DEFENSE SECRETARY ADDITIONAL POWERS IN CONSOLIDATING THE ARMED FORCES WAS PASSED BY CONGRESS AND SENT TO THE WHITE HOUSE YESTERDAY.

ONLY PRESIDENT TRUMAN'S SIGNATURE IS NEEDED TO MAKE THE MEASURE LAW.

IN STILL ANOTHER MOVE TO COORDINATE ACTIVITIES OF THE ARMED SERVICES, JOHNSON HAS ORDERED THE NAVY TO TAKE OVER THE ARMY'S OCEAN-GOING VESSELS. THIS MEANS THE NAVY WILL DIRECT A NEW MILITARY SEA TRANSPORT SERVICE (MSTS) FOR ALL BRANCHES BEGINNING OCT.1.

IN A SIMILAR ACTION SOME TIME AGO, ALL MILITARY AIR TRANSPORT WAS SIWTCHED TO A SINGLE AGENCY--AIR TRANSPORT SERVICE (MATS). THIS NOW SERVES ALL THREE BRANCHES UNDER AIR FORCE CONTROL. THE NEXT STEP WILL BE A LAND TRANSPORTATION SERVICE UNDE

SERVES ALL THREE BRANCHES UNDER AIR FORCE CONTROL. THE NEXT STEP WILL BE A LAND TRANSPORTATION SERVICE UNDER ARMY CONTROL.

JOHNSON'S ANNOUNCEMENT SAID THE CIVILIAN COMPONENT POLICY BOARD TO BE HEADED BY FARICY WILL COORDINATE THE POLICIES AND PROGRAM OR THE ORGANIZED RESERVE. THIS INCLUDES THE

ORGANIZED RESERVE. THIS INCLUDES THE RESERVE OF THE ARMY, NAVY AND AIR FORCE, AND OF THE NATIONAL GUARD, BOTH GROUND AND AIR.

OTHER SIMILAR MOVES ARE EXPECTED UNDER THE NEW LEGISLATION PASSED BY CONGRESS AND AWAITING MR.TRUMAN'S SIGNATURE.

JOHNSON ACTUALLY SET UP THE CIVILIAN BOARD MAY 20 ON PERMANENT BASIS. BESIDES A CIVILIAN CHAIRMAN, THE BOARD INCLUDES A MILITARY EXECUTIVE OFFICER AND 18 OTHER MEMBERS REPRESENTING THE VARIOUS SERVICES UNDER THE MILITARY ESTABLISHMENT.

A SIMILAR TEMPORARY BOARD MADE A STUDY OF RESERVE FORCES FOR NATIONAL SECURITY UNDER THE LATE DEFENSE SECRETARY JAMES V.FORRESTAL.

FARICY, 56, HAS BEEN HEAD OF THE ASSOCIATION OF AMERICAN RAILROADS SINCE 1947. HE IS A NATIVE OF ST.PAUL, MINN. HE SERVED OVERSEAS AS AN OFFICER IN WORLD WAR I.

THE HOUSE FINISHED CONGRESSIONAL ACTION ON AN ARMED FORCES UNIFICATION BILL YESTERDAY BY A 356 TO 7 VOTE OF APPROVAL.

THE MAIN FEATURE OF THE MEASURE GIVES JOHNSON SPECIFIC--INSTEAD OF "GENERAL"--CONTROL OVER THE ARMY, NAVY AND AIR FORCE. IT ALSO SETS UP A NEW ACCOUNTING SYSTEM INTENDED TO CUT ARMED SERVICES BUDGET EXPENSES.

THE JOINT CHIEFS OF STAFF--THE TOP STRATEGY GROUP COMPOSED OF THE COMMANDERS OF THE THREE BRANCHES--WILL GET A PERMANENT CHAIRMAN UNDER THE BILL.

MOST OF THE CHANGES WERE RECOMMENDED BY THE HOOVER COMMISSION AND WERE SUPPORTED BY MR.TRUMAN, JOHNSON, AND THE LATE SECRETARY OF DEFENSE JAMES V. FORRESTAL.

AB512AED

WASHINGTON - 5-PERCENTERS - FFX VACATION

THE COMMITTEE VOTED TO ASK SECRETARY OF THE ARMY GRAY TO TESTIFY. IT WAS GRAY WHO TEMPORARILY SUSPENDED GEN.FELDMAN ON JULY 16, ALONG WITH MAJ.GEN.ALDEN WAITT, CHIEF OF THE CHEMICAL CORPS.

AFTER HEARING GRAY FRIDAY AFTERNOON, HEBERT SAID, THE COMMITTEE WILL DECIDE WHETHER TO CALL IN CUMMINGS ALSO FOR QUESTIONING.

THE HOUSE UNIT THUS STOLE A BIT OF THE SPOTLIGHT FROM THE SENATE'S SPECIAL INVESTIGATING SUBCOMMITTEE UNDER SEN.HOEY (D-NC). HOEY HAS BEEN TAKING BEHIND-DOORS TESTIMONY, WHICH HAS LEAKED LIBERALLY UP TO NOW, ON THE ACTIVITY OF FIVE PERCENTERS.

HIS COMMITTEE QUIZZED TWO ARMY OFFICERS BEHIND CLOSED DOORS. TODAY REPORTERS WERE UNABLE TO LEARN THEIR NAMES OR RANK IMMEDIATELY.

ES441PED

THE BILL, IN ADDITION TO ECA FUNDS, CARRIES MONEY FOR GOVERNMENT AND RELIEF IN OCCUPIED AREAS, AND FOR SOME ECONOMIC HELP TO GREECE AND TURKEY. WASHN - ARMS AID FFX JUNE 39

EVEN BEFORE TODAY'S DEBATE BEGAN, THE STATE DEPARTMENT HAD PROTESTED THAT AS THE BILL CAME OUT OF THE APPROPRIATIONS COMMITTEE A SECOND TIME, IT WOULD BE IMPOSSIBLE FOR THE ARMY TO TURN OVER ITS GERMAN OCCUPATION DUTIES TO THE STATE DEPARTMENT.

TO MEET OBJECTIONS THAT THE BILL CONTAINED LEGISLATIVE PROVISIONS, WHICH UNDER SENATE RULES ARE NOT PERMITTED IN APPROPRIATION BILLS, THE COMMITTEE HAD KNOCKED OUT SOME HOUSE AMENDMENTS WHICH WOULD HAVE PERMITTED THE GERMAN GOVERNMENT TRANSFER.

DEMOCRATIC LEADER LUCAS SAID THE PROVISION WOULD HAVE TO GO BACK IN THE BILL SOMEHOW. MCKELLAR SAID IT WAS A TECHNICAL MATTER WHICH COULD BE IRONED OUT IN A CONFERENCE BETWEEN THE SENATE AND THE HOUSE.

THE MCCLELLAN FARM AMENDMENT IS NOT THE ONLY NEW PROPOSAL TO CAUSE THE ADMINISTRATION HEADACHES. ANOTHER PROPOSED AMENDMENT WOULD FREEZE $50,000,000 OF THE ECA FUNDS FOR A LOAN TO SPAIN. THE MONEY COULD NOT BE USED FOR ANY OTHER PURPOSE.

MCKELLAR SAID HE BELIEVES THE AMENDMENT OUGHT TO BE ADOPTED. HE TOLD THE SENATE THAT HE IS A PRESBYTERIAN, AND SPAIN IS CATHOLIC, "BUT I DON'T HOLD THAT AGAINST SPAIN."

ES421PED

STATE DEPARTMENT OFFICIALS DID NOT DISCLOSE THEIR REACTION TO THIS REPUBLICAN FEELER. HOWEVER, THEY ALREADY WERE REPORTED TO BE DISCUSSING THE POSSIBILITY OF CHANGING THE BILL IN SMALL PARTICULARS TO MEET OBJECTIONS RAISED BY SENATOR VANDENBERG (R-MICH) AND OTHERS TO THE BROAD PRESIDENTIAL POWERS. THE COMBINED SENATE COMMITTEE ON FOREIGN RELATIONS AND ARMED SERVICES EXPECTS TO HEAR RESULTS OF THESE DISCUSSIONS ON FRIDAY. WASHINGTON - ECA PHILIPPINES

THE STATE DEPARTMENT, ARMED SERVICES AND THE ECONOMIC COOPERATION ADMINISTRATION SENT 31 REPRESENTATIVES TO SUPPORT THE PROGRAM BEFORE THE HOUSE FOREIGN AFFAIRS COMMITTEE TODAY.

MAJ.GEN.LYMAN LEMNITZER OF THE ARMY AND DR.LLOYD V.BERKNER OF THE STATE DEPARTMENT HEADED THE GROUP, WHICH THE HOUSE COMMITTEE QUESTIONED BEHIND CLOSED DOORS.

COMMITTEE MEMBERS SAID THE INFORMATION THEY SUPPLIED WAS MOSTLY CONCERNING THE BACKGROUND OF THE PROGRAM.

"IT MAY TAKE SEVERAL DAYS TO BRING OUT ALL THE ANSWERS WE WANT," SAID ONE MEMBER, WHO DID NOT WANT TO BE QUOTED BY NAME. "WE ARE FAR FROM CONVINCED, AND THAT GOES FOR DEMOCRATS AND REPUBLICANS ALIKE."

DISCUSSING THE IDEA OF SOME CRITICS THAT THE PROGRAM BE HELD UP UNTIL THE U.S.HAS IRONCLAD GUARANTEES THAT THE NORTH ATLANTIC ALLIES IN EUROPE WILL COOPERATE MILITARILY, A REPUBLICAN MEMBER SAID:

"WE STILL DON'T HAVE A COMPLETE ANSWER; IT'S HARD ENOUGH TO GET UNIFICATION OF OUR OWNED ARMED FORCES. WHAT WOULD IT BE WITH ARMED FORCES OF A NUMBER OF NATIONS?"

IN LONDON, ADMIRAL LOUIS E.DENFELD, U.S.NAVAL CHIEF OF OPERATIONS, SAID IN RESPONSE TO A REPORTER'S QUESTION THAT A DEFENSE ORGANIZATION UNDER THE ATLANTIC PACT MIGHT BE ESTABLISHED "BEFORE THE END OF THE YEAR."

REP.KEE (D-WVA), CHAIRMAN OF THE HOUSE COMMITTEE QUESTIONING OFFICIALS HERE, TOLD REPORTERS:

"THE WITNESSES ARE GIVING US SOME INFORMATION THAT IS EXTREMELY HELPFUL--BUT IT'S ALSO EXTREMELY QUIET."

LT524PED

WASHINGTON, AUG.3-(AP)-UNLESS CONGRESS ACTS SOON, THE UNITED STATES MAY LOSE THE HEADQUARTERS FOR ONE OF THE MAJOR INTERNATIONAL ORGANIZATIONS--THE UNITED NATIONS FOOD AND AGRICULTURE ORGANIZATION (FAO.)

THE FAO CONFERENCE SCHEDULED TO MEET HERE IN NOVEMBER PLANS TO SELECT A PERMANENT SITE FOR ITS HEADQUARTERS. CITIES UNDER CONSIDERATION INCLUDE WASHINGTON, NEW YORK, COPENHAGEN AND ROME.

IN MAY, THE STATE DEPARTMENT, ACTING WITH WHITE HOUSE AND AGRICULTURE DEPARTMENT APPROVAL, URGED CONGRESS TO PASS LEGISLATION OFFERING THE FAO A LONG-TERM LOAN OF $7,000,000 FOR CONSTRUCTION OF NECESSARY BUILDINGS ON A SITE IN THIS COUNTRY.

SO FAR, NOTHING HAS BEEN DONE ABOUT THE RECOMMENDATION, ADMINISTRATION SPOKESMEN SAID TODAY.

ROME, ON THE OTHER HAND, HAS OFFERED THE FAO AMPLE BUILDING SPACE FOR NO COST AT ALL. COPENHAGEN HAS OFFERED SOME SPACE AND A LOAN TO HELP FINANCE ADDITIONAL SPACE.

SINCE THE FAO IS EXPECTED TO PLAY AN EVEN LARGER ROLE IN DEVELOPMENT OF WORLD AGRICULTURE, THE U.S. GOVERNMENT IS PARTICULARLY ANXIOUS TO HAVE ITS HEADQUARTERS LOCATED IN THIS COUNTRY.

TEMPORARY FAO HEADQUARTERS ARE LOCATED HERE NOW. A COMMITTEE SET UP TO RECOMMEND A PERMANENT SITE IS DUE TO START FINAL WORK ABOUT SEPT.30.

AB510AED

WASHINGTON,AUG.3"(AP)-MAJORITY LEADER LUCAS (D-ILL) SAID TODAY THE SENATE WILL CONSIDER A HOUSE-APPROVED PAY BOOST FOR THE MILITARY SERVICES BEFORE THE PRESENT SESSION ENDS.

"I AM CERTAIN THE MILITARY PAY BILL WILL COME UP FOR ACTION BUT I CAN'T SAY WHEN THAT WILL BE," LUCAS TOLD A REPORTER.

CHAIRMAN TYDINGS (D-MD) OF THE SENATE ARMED SERVICES COMMITTEE ALSO HAS PLEDGED ACTION ON THE MEASURE, WHICH WOULD RAISE THE PAY OF MOST OF THE 1,600,000 OFFICERS AND MEN AND WOMEN IN THE UNIFORMED SERVICES.

PREVIOUSLY TYDINGS HAD QUESTIONED SENATE ACTION UNTIL BOTH THE HOUSE AND SENATE AGREED UPON A UNIFICATION MEASURE THAT NOW LACKS ONLY PRESIDENT TRUMAN'S SIGNATURE.

SENATOR KNOWLAND (R-CALIF), A MEMBER OF THE ARMED SERVICES COMMITTEE, TOLD A REPORTER HE EXPECTS THE SENATE TO "PASS THE BILL UNLESS THEY START LOADING IT DOWN WITH AMENDMENTS."

SOME SENATORS HAVE THREATENED TO ATTACH PAY BOOSTS FOR CIVILIAN GOVERNMENT EMPLOYES TO THE MILITARY BILL.

AS PASSED BY THE HOUSE THE MEASURE WOULD ADD AN ESTIMATED $302,000,000 TO ANNUAL PAY FOR THE SERVICES, ALTHOUGH THE FIRST YEAR COSTS WOULD BE ABOUT $273,000,000.

THE SENATE ARMED SERVICES COMMITTEE MADE MINOR CHANGES IN THE HOUSE BILL WHEN IT WAS FAVORABLY REPORTED JULY 20. THESE INCLUDED A SLIGHTLY LARGER INCREASE IN THE PAY BOOST FOR GENERALS AND ADMIRALS WITH A DECREASE IN THE EXTRA FLIGHT PAY OR HAZARD PAY FOR OFFICERS COMPARED WITH THE HOUSE FIGURES.

THE PAY BOOSTS WOULD GO TO THE UNIFORMED PERSONNEL OF THE ARMY, NAVY, AIR FORCES, MARINES, COAST GUARD, COAST AND GEODETIC SURVEY AND PUBLIC HEALTH SERVICE.

FR406PED

WASHINGTON, AUG.3-(AP)-THE NAVY HAS BEEN ORDERED TO TAKE OVER ALL THE ARMY'S OCEAN GOING VESSELS IN A NEW MOVE TO RESHUFFLE MILITARY TRANSPORTATION FUNCTIONS.

IN A SIMILAR ACTION SOME TIME AGO, NAVAL AIR TRANSPORT HAD BEEN SWITCHED OVER TO THE MILITARY AIR TRANSPORT SERVICES (MATS), WHICH SERVES ALL THREE BRANCHES UNDER AIR FORCE CONTROL.

SECRETARY OF DEFENSE JOHNSON YESTERDAY DIRECTED THE ARMY TO TURN ITS SHIPS OVER TO A NEW NAVY-DIRECTED MILITARY SEA TRANSPORT SERVICE (MSTS). THE NEXT STEP WILL BE TO SET UP A LAND TRANSPORTATION SERVICE UNDER ARMY CONTROL.

THE ARMY HAS BEEN OPERATING 129 OCEAN-GOING VESSELS, INCLUDING 66 PASSENGER TRANSPORTS, 58 CARGO TRANSPORTS AND FIVE TANKERS. IT ALSO HAS 191 SHIPS UNDER CHARTER. ALL THESE NOW ARE BEING ASSIGNED TO THE MSTS.

AB314AED

WASHINGTON,AUG 3-(AP)-ARMY SECRETARY GRAY AND AIR FORCE SECRETARY SYMINGTON ANNOUNCED TODAY THEY ARE MAKING A STUDY TO SEE WHETHER CONTINUED ADVERTISING IS NECESSARY FOR RECRUITING.

BECAUSE OF THEIR DECISION TO RE-EXAMINE THE ENTIRE QUESTION OF ADVERTISING, THE SECRETARIES SAID THE PRESENT CONTRACTS WITH THE GARDNER ADVERTISING COMPANY FOR RECRUITING WOULD BE ENDED OCT. 31.

FROM A REPRESENTATIVE OF THE AGENCY IT WAS LEARNED THAT THE ARMY AND AIR FORCE HAD PLANNED TO SPEND ABOUT $1,882,500 FOR THE FISCAL YEAR 1950, WHICH BEGAN JULY 1,1949.

THE ARMY IS NOW APPROACHING ITS AUTHORIZED STRENGTH OF 667,000 FOR 1950 AND THE AIR FORCE HAS EXCEEDED ITS GOAL OF 412,273.

HY1126PED NM

WASHINGTON, AUG.3-(AP)-DR.RICHARD L.MEILING HAS PUT 25,000 MILES OF AIR TRAVEL AND RESEARCH BEHIND HIM SINCE HE TOOK OFFICE ON JULY 6 AS DEPUTY DIRECTOR OF THE MILITARY ESTABLISHMENT'S MEDICAL SERVICES DIVISION.

SATURDAY THE COLUMBUS, OHIO, PHYSICIAN-EDUCATOR WILL LEAVE FOR EUROPE WITH A MEDICAL RESEARCH MISSION ON ANOTHER INTENSIVE STUDY OF THE ARMED FORCES' MEDICAL NEEDS, THIS TIME IN THE EUROPEAN THEATRE.

DR.MEILING ALREADY HAS BEEN CHOSEN BY LOUIS JOHNSON, SECRETARY OF DEFENSE, TO HEAD OF THE MEDICAL DIVISION WHEN DR.RAYMOND B.ALLEN STEPS OUT AS DIRECTOR ON OCT.1. THAT WAS THE ARRANGEMENT WHEN THEY TOOK OFFICE TOGETHER TO SUPERVISE UNIFICATION OF THE ARMY, NAVY AND AIR FORCE MEDICAL SERVICES.

DR.MEILING, NOT LOOKING VERY TRIED, GAVE A DESCRIPTION OF A PRETTY BUSY FELLOW WHEN HE TOLD A REPORTER TODAY OF HIS FIRST 28 DAYS ON THE JOB.

HIS TRAVELS, HE SAID, HAVE TAKEN HIM BY PLANE TO PANAMA, TRINIDAD, PUERTO RICO AND CUBA, IN ADDITION TO A SIMULATED COMBAT MISSION FROM NEBRASKA TO CALIFORNIA, NAVAL COMBAT MANEUVERS OFF THE ATLA TIC COAST, AND VARIOUS OTHER ASSIGNMENTS IN THE UNITED STATES.

HIS OBJECTIVE ON THESE TRIPS TO U.S. ARMY, NAVY AND AIR FORCE BASES, HE SAID, IS TO HELP TO "MAKE SURE THAT WE HAVE MEDICAL TEAMS JUST AS CAPABLE AS THE COMBAT FORCES THEY SUPPORT."

BUILDING A MEDICAL SERVICE FOR THE ARMED SERVICES GOES FAR BEYOND MERELY GROUPING ENOUGH DOCTORS TO CARE FOR THE WOUNDS AND AILMENTS OF FIGHTING MEN, DR.MEILING SAID.

FOR INSTANCE, HE EXPLAINED, HE FLEW THE SIMULATED COMBAT MISSION AS PART OF A STUDY OF FATIGUE AND NERVOUS STRAIN ON AIRMEN COOPED UP FOR 10 TO 20 HOURS IN MEAGRE SPACE WHILE TENDING TO THEIR DUTIES AT GUNS, RADAR SCREENS, DIALS AND INDICATORS. THAT WAS ONLY PART OF THE STUDY INVOLVED IN THAT TRIP, HE ADDED.

THE ENGINEERING OF PLANES SO THAT THE MACHINE IS ACCOMMODATED TO THE PHYSICAL LIMITS OF THE MAN IN COMBAT, DEVELOPMENT OF NAVAL-AIR RESCUE TEAMS, THE MEDICAL MAN'S ROLE IN ACTUAL LAND, SEA AND AIR BATTLE, THE TRANSPORT CASUALTIES BY AIR FOR MEDICAL TREATMENT AT HOME, AND MYRIAD OTHER PROBLEMS AND DETAILS FALL INTO THE DEPARTMENT HE WILL HEAD. DR.MEILING, LIKE DR.ALLEN, IS A FIRM BELIEVER IN GETTING INFORMATION AT FIRST HAND. BOTH ARE STICKLERS FOR DETAIL.

DR.MEILING EXPLAINED CAREFULLY THAT UNIFICATION OF MEDICAL SERVICES DOES NOT MEAN HAVING ONE SERVICE FOR ALL THREE BRANCHES, BUT GIVING EACH ITS OWN MEDICAL DEPARTMENT, ALL WORKING AS A TEAM AND SHARING FACILITIES AS MUCH AS PRACTICABLE.

DR.MEILING HAS A KNACK FOR GETTING TEAMWORK. HE HAS AN EASY PERSONALITY, AND A REPUTATION FOR EFFICIENCY IN THE ARMY AND MEDICAL FIELDS THAT LEND WEIGHT TO HIS OPINIONS.

IN WORLD WAR II HE ORGANIZED AND DIRECTED THE AERIAL TRANSFER OF PATIENTS FROM BATTLE AREAS AND HOSPITAL AROUND THE WORLD FOR TREATMENT IN THE UNITED STATES. HIS WORK WON HIM DECORATIONS, AND A NAME FOR BEING AN EXPERT CUTTER OF RED TAPE, WILLING TO GET TOUGH IF OCCASION MERITS.

HE WAS A MEMBER OF THE STAFF OF THE OHIO STATE UNIVERSITY COLLEGE OF MEDICINE BEFORE TAKING ON HIS NEW ARMY TASK.

AB532AED

SAN FRANCISCO, AUG.3-(AP)-THE GOVERNMENT GOT INTO THE TOKYO ROSE TREASON TRIAL RECORD TODAY A SERIES OF POINTED STATEMENTS ATTRIBUTED TO DEFENDANT IVA TOGURI D'AQUINO.

THE FEDERAL COURT JURY HEARD THE LAST OF SIX PROSECUTION WITNESSES WHO SAID THEY HAD HEARD TOKYO ROSE IN THE PACIFIC. EACH IDENTIFIED THE VOICE ON GOVERNMENT MONITORED RECORDINGS AS THAT OF THE WOMAN WHO CAME TO THEM OVER THE AIR WITH POPULAR MUSIC AND COMMENT.

THE GOVERNMENT CONTENDS MRS. D'AQUINO--33 YEAR OLD LOS ANGELES BORN AMERICAN-JAPANESE--MADE THOSE BROADCASTS. IT ACCUSES HER OF TREASON BY TRYING TO UNDERMINE MORALE OF ALLIED FIGHTING MEN.

WILLIAM HALBERT THOMPSON, RIVERSIDE, CALIF., MECHANIC, SAID THAT ON CAPE CLOUCESTER IN MARCH, 1944, HE HEARD A VOICE ON THE RADIO WHICH IDENTIFIED ITSELF AS ORPHAN ANN:

"JUST IMAGINE YOU WERE SITTING BESIDE YOUR GIRL AT A DRIVE-IN IN SOUTHERN CALIFORNIA. YOU COULD BE IF YOU WOULD ONLY GIVE UP THIS FRUITLESS FIGHT."

MARSHALL HOOT, 49, ALHAMBRA, CALIF., A CHIEF BOATSWAIN'S MATE IN THE WAR, SAID HE WELL REMEMBERED THE DAY A COMMANDER PERRY LANDED ON ABEMAMA ISLAND.

"SHE (TOKYO ROSE) BROADCAST THAT DAY: 'CONGRATULATIONS ON YOUR SAFE LANDING, COMMANDER PERRY. BUT YOU'LL BE SORRY IF YOU DON'T LEAVE NOW."

SAM M.CAVNAR, VAN NUYS, CALIF., RADIOMAN, TESTIFIED HE WAS ON AN INVASION SHIP HEADED FOR SAIPAN IN AUGUST 1944 WHEN HE HEARD:

"HELLO, YOU BONEHEADS OUT IN THE PACIFIC. THIS IS ORPHAN ANN, TALKING TO YOU OUT THERE ON YOUR MOSQUITO INFESTED ISLANDS."

"THEN SHE PLAYED A RECORD," CAVNAR CONTINUED. "THEN SHE SAID, 'WASN'T THAT NICE? DOESN'T IT REMIND YOU OF DANCING WITH YOUR GIRL IN THE COCONUT GROVE IN LOS ANGELES?"

C0829PCS

LONDON, AUG.3-(AP)-FOREIGN MINISTER U MAUNG OF BURMA WILL START A SERIES OF POLITICAL AND FINANCIAL TALKS WITH TOP BRITISH GOVERNMENT LEADERS HERE FRIDAY. MUTUAL INTEREST IN STEMMING THE TIDE OF COMMUNISM IN THE FAR EAST IS BELIEVED TO BE A LEADING TOPIC.

U MAUNG ARRIVES BY AIR TOMORROW.

DIPLOMATIC OFFICIALS SAID HE WILL GO INTO CONFERENCE WITH MINISTER OF STATE HECTOR MCNEIL ON PROPOSALS TO REVISE THE 18-MONTH-OLD ANGLO BURMESE DEFENSE TREATY. THERE WERE NO CLUES AS TO THE NATURE OF THE PROPOSALS. HE ALSO IS EXPECTED TO SEE FUEL MINISTER HUGH GAITSKILL, ON BRITAIN'S OIL INTERESTS IN BURMA, AND FOREIGN TRADE CHIEF A.G.BOTTOMLEY, ON INCREASING TRADE BETWEEN THE TWO COUNTRIES. HE WILL LUNCH WITH PRIME MINISTER ATTLEE SUNDAY.

U MAUNG PLANS TO LEAVE FOR THE UNITED STATES AUGUST 12.

BURMA HAS A COMMON FRONTIER WITH CHINA. THE SHAKY RANGOON GOVERNMENT, BESET FOR MANY MONTHS BY INTERNAL DISORDERS AND REVOLTS, WANTS BOTH BRITAIN AND THE UNITED STATES TO BOLSTER IT ECONOMICALLY. IN RETURN IT IS BELIEVED READY TO COOPERATE IN ANY WESTERN PLANS TO STEM THE RUSH OF CHINESE COMMUNISM THROUGH THE FAR EAST.

B955AED

LONDON, AUG. 3-(AP)-ANOTHER MEMBER OF THE BRITISH GOVERNMENT IS GOING ABROAD TO CONVALESCE.

HE IS PHILIP NOEL BAKER, THE MINISTER OF STATE FOR COMMONWEALTH, WHO HAD AN OPERATION RECENTLY. NOEL BAKER PLANS TO SPEND SOME TIME IN NORWAY AS THE GUEST OF THE WIDOW OF AN OLD FRIEND, FRIDTJOF NANSEN, THE POLAR EXPLORER.

SIR STAFFORD CRIPPS, THE CHANCELLOR OF THE EXCHEQUER, IS IN SWITZERLAND AND FOREIGN SECRETARY ERNEST BEBIN IN FRANCE, BOTH BECAUSE OF POOR HEALTH. PRIME MINISTER ATTLEE ALSO HAS BEEN AILING. HE IS AT HIS SUMMER HOME, CHEQUERS.

GH1254PED

BY WILLIAM H.OATIS

LONDON, AUG. 3-(AP)-A DEFENSE ORGANIZATION UNDER THE ATLANTIC TREATY "MIGHT BE SET UP BEFORE THE END OF THE YEAR," ADM. LOUIS E. DENFELD SAID TODAY.

THAT BRIEF STATEMENT FROM THE NAVAL MEMBER OF THE AMERICAN JOINT CHIEFS OF STAFF WAS THE FIRST DIRECT INDICATION OF THEIR PROGRESS IN MEETINGS WITH THE MILITARY LEADERS OF THE PACT NATIONS.

DENFELD SPOKE AFTER HE, ARMY CHIEF OF STAFF GEN. OMAR N.BRADLEY AND AIR FORCE CHIEF OF STAFF GEN. HOYT S.VANDENBERG MET FOR MORE THAN THREE HOURS WITH THE BRITISH CHIEFS OF STAFF.

ASKED HOW SOON A DEFENSE MECHANISM FOR THE ATLANTIC PACT COULD BE ESTABLISHED, DENFELD REPLIED "I SHOULD THINK IT WILL NOT BE TOO LONG. IT MIGHT BE BEFORE THE END OF THE YEAR."

LONDON--FIRST ADD NIGHT LEAD CHIE'S OF STAFF (AMS BJT) XXX
ATLANTIC PACT.
THE TALKS ARE NOT DIRECTLY LINKED WITH THE $1,450,000,000 U.S. FOREIGN ARMS AID PROGRAM NOW BEFORE CONGRESS. BUT THEY WILL GIVE THE JOINT CHIEFS A YARDSTICK WITH WHICH TO DETERMINE WHETHER THE APPROPRIATION-- OR WHATEVER FIGURE CONGRESS FINALLY SETS-- IS ENOUGH TO BRING THE ATLANTIC TREATY INTO MILITARY EFFECT.
LT. GEN. GEORGES REVERS, FRENCH ARMY CHIEF OF STAFF, SAID IN PARIS TODAY THAT FRANCE ALREADY HAS TOLD AMERICAN MILITARY AUTHORITIES WHAT IT NEEDS IN ARMS. HE INDICATED IT HAD ASKED MAINLY MATERIEL FOR GROUND FORCES.
THE COMMUNIST NEWSPAPER L'HUMANITE CALLED FOR DEMONSTRATIONS AGAINST THE ATLANTIC PACT AND "FOR PEACE" IN PARIS FRIDAY, AFTER THE JOINT CHIEFS REACH THERE. THE INTERIOR MINISTRY ANNOUNCED IT WOULD PLACE A STRONG POLICE GUARD AROUND THE AMERICAN EMBASSY.
MOSCOW'S PRAVDA, CONTINUING RUSSIAN ATTACKS ON THE AMERICANS' TOUR, SAID THEY WERE TRAVELING THE SAME ROAD TOWARD WAR AS HITLER, "AND WITH HIS SAME STUPID SELF CONFIDENCE."
DROPPING BACK 400 YEARS, PRAVDA SAID THE AMERICANS HOPED TO REPEAT IN EUROPE THE FEATS OF FRANCISCO PIZARRO AND HERNANDO CORTES, THE SPANIARDS WHO CONQUERED INDIAN MEXICO AND PERU WITH BLOODSHED IN THE 16TH CENTURY.
IT WARNED THAT ARMING WESTERN EUROPE WOULD YIELD FOR THE U.S. THE SAME RESULTS AS THE ARMING OF NATIONALIST CHINA, NOW BEING OVERRUN BY COMMUNIST ARMIES.
PRESENT FOR THE BRITISH AT TODAY'S TALKS WERE MARSHAL OF THE ROYAL AIR FORCE LORD TEDDER; ADMIRAL OF THE FLEET LORD FRASER; THE CHIEF OF THE IMPERIAL GENERAL STAFF, FIELD MARSHAL SIR WILLIAM SLIM; AND SIR WILLIAM ELLIOTT, CHIEF STAFF OFFICER OF THE MINISTRY OF DEFENSE.
H.V.ALEXANDER, THE DEFENSE MINISTER, DID NOT ATTEND. HIS ABSENCE WAS TAKEN TO MEAN THE TALKS WERE MORE TECHNICAL THAN POLICY-MAKING.
TU409PED

PARIS, AUG. 3-(AP)-THE COMMUNISTS TODAY CALLED FOR A DEMONSTRATION HERE FRIDAY TO PROTEST THE ARRIVAL OF THE AMERICAN CHIEFS OF STAFF.
AIM OF THE DEMONSTRATION, SAID THE COMMUNIST NEWSPAPER L'HUMANITE, IS FOR THE FRENCH PEOPLE TO SHOW THAT "ONE MUSN'T COUNT ON THEM FOR THE WAR OF AGGRESSION AGAINST THE U.S.S.R. AND THE POPULAR DEMOCRACIES."
THE CROWD WILL MASS BEFORE THE AMERICAN EMBASSY ON THE PLACE DE LA CONCORDE AND "GIVE TO GENERAL BRADLEY RESOLUTIONS, ORDERS OF THE DAY AND PROTESTS, ALL EVIDENCES OF ITS DESIRE FOR PEACE," SAID L'HUMANITE.
THE CHIEFS OF STAFF ARE DUE HERE THURSDAY FOR TALKS WITH FRENCH, BELGIAN AND DUTCH MILITARY LEADERS.

LT. GEN. GEORGE REVERS, FRENCH CHIEF OF STAFF, TOLD A LUNCHEON OF THE ANGLO-AMERICAN PRESS ASSOCIATION TODAY FRANCE ALREADY HAS TOLD AMERICAN MILITARY AUTHORITIES WHAT SHE NEEDS IN ARMS UNDER THE ATLANTIC TREATY. HE DECLINED TO SPECIFY, BUT INDICATED STRONGLY FRANCE HAS STRESSED NEEDS FOR MATERIEL FOR HER GROUND FORCES TO KEEP HER BORDERS FROM BEING OVERRUN.
GH121PED

FRANKFURT, GERMANY, AUG. 3-(AP)-THE BERLIN AIRLIFT FORCE STARTED FLYING HOME TO THE UNITED STATES TONIGHT.
THE FIRST PLANE TO BE REDEPLOYED LEFT HERE CARRYING 18 AIRLIFT VETERANS -- ALL BUT TWO OF THEM HAPPY THAT THEIR JOB OF SUPPLYING BERLIN BY AIR IS ENDED.
THE FLIGHT STARTED A HOMEWARD EXODUS WHICH WILL END OCT 31, WHEN THE GRADUALLY REDUCING AIRLIFT WILL COME TO A COMPLETE HALT.

"I'M GLAD I WAS IN THIS AIRLIFT, BUT I'M GLAD IT'S OVER AND MIGHTY GLAD TO BE GETTING BACK HOME," SAID LT. JOHN L. DUNN OF ELSA, TEX, CO-PILOT OF THE BIG C-54 WHICH STARTED THE HOMEWARD MOVEMENT.
MORE PLANES WILL FOLLOW AT THE RATE OF FOUR TO EIGHT EVERY DAY UNTIL THE BULK OF THE BIG TRANSPORT FLEET NUMERING NEARLY 300 PLANES IS GONE.
EACH HOME-FLYING PLANE WILL CARRY ABOUT 18 MEN.
TODAY'S INITIAL GROUP CAME FROM THE 317TH TRANSPORT COMMAND GROUP AT CELLE, WHICH DROPPED OUT OF THE AIRLIFT OPERATION LAST SUNDAY. TOMORROW THE ONLY TWO NAVY SQUADRONS IN THE AIRLIFT WILL START HOME.

IT WAS A HAPPY SMILING GROUP WHICH CLIMBED ABOARD THE FIRST SHIP OUT. THE ONLY TWO WHO SAID THEY WERE SORRY TO LEAVE GERMANY WERE M/SGT. PENN N. THORPE, 232 CHURCH ROAD, ARDMORE, PA., AND T/SGT. FRANK F. LEWTER, 4815 RUSSELL AVENUE, WASHINGTON, D.C., "WE LIKE IT HERE," THEY SAID.
EVEN THOUGH HAPPY TO END THEIR GRINDING DAILY FLIGHTS TO BERLIN, MOST OF THE OTHERS TOO, HAD KIND WORDS TO SAY ABOUT THE AIRLIFT.
"IT WAS ONE OF THE GREATEST ACHIEVEMENTS IN AVIATION HISTORY," SAID M/SGT. LEON J. KWOKA, 7628 ROSEDALE AVENUE, ALLENPARK, MICH.
FOR MANY OF THE GROUP, IT WAS THEIR SECOND REDEPLOYMENT HOME FROM A BIG OVERSEAS JOB. WAR VETERANS LIKE THE PILOT, CAPT. GEORGE L. PEABODY OF 3409 CHEASTY BOULEVARD, SEATTLE, THEY INCLUDED: LT. WALLACE W. KUHLMAN, 2973 TWENTY FIRST AVENUE, SACRAMENTO, CALIF., LT. ROBERT A.SCOTT, 199 WEST POPLAR STREET, SAN MATEO, CALIF., AND LT. ROBERT H. DOWD, 275 NORTHEAST 19TH STREET, MIAMI.

IN THE WAR, THEY DROPPED BOMBS, IN THE AIRLIFT, THEY CARRIED COAL--TEN TONS A TRIP.
OTHERS IN THE FIRST GROUP OUT WERE: M/SGT. DAVID C. LEONARD, 916 TWENTY EIGHTH STREET, ALTOONA, PA.; CAPT. THOMAS E. KEETER, 610 CHAUTAUQUA ST., NORMAN, OKLA.; M/SGT. JOHN KWIT, DEPUE, ILL.; T/SGT. LEO L. DUDA, HAMPTON, VA., AND T/SGT. WILLIAM C. BATTELLE, 526 NORTH MAIN ST., SIDNEY, OHIO.
S/SGT. FRANK E. VAN ALLEN, 518 NORTH EIGHTH ST., SHEBOYGAN, WIS.; S/SGT MAYNARD A. GLASSCOCK, 2523 WILSHIRE BLVD., HOUSTON, TEX.; S/SGT. PAUL B. GOBLE, CHATSWORTH, GA.; SGT. JOHN T. STRINE, 405 SHAKESPEARE AVENUE, MILTON, PA., AND T/SGT. JOSEPH S. PAVAO, 412 THIRTY SIXTH ST., OAKLAND, CALIF.
K349PED

FRANKFURT, GERMANY, AUG. 3-(AP)-AMERICAN MILITARY GOVERNMENT OFFICIALS SAID TODAY THAT NORMAN H.COLLISSION WILL BE A MEMBER OF U.S. HIGH COMMISSIONER JOHN J.MCCLOY'S EIGHT-MAN CABINET.
COLLISSON, WHO IS NOW HEAD OF THE ECONOMIC COOPERATION ADMINISTRATION (ECA) MISSION TO GERMANY, WILL DIRECT MCCLOY'S OFFICE OF ECONOMIC AFFAIRS, THESE OFFICIALS SAID. HE WILL RETAIN HIS ECA POST AND WILL ALSO SERVE AS THE U.S. MEMBER OF THE HIGH COMMISSION'S THREE-POWER ORGANIZATION IN THE ECONOMIC FIELD.
WD138PED

FRANKFURT, GERMANY, AUG.3-(AP)-LEADERS OF GERMANY'S TWO MAJOR POLITICAL PARTIES, CONTESTING FOR CONTROL OF PARLIAMENT, DENOUNCED ALLIED CONTROLS TODAY. THEY DEMANDED MORE POWER FOR THE GERMAN GOVERNMENT, AS THEY CAMPAIGNED FOR VOTES IN THE NEW WEST GERMAN REPUBLIC'S FIRST ELECTION TO BE HELD AUG.14.

DR. KURT SCHUMACHER, HEAD OF THE POWERFUL LEFT WING SOCIAL DEMOCRAT PARTY, CHARGED THAT "NEVER HAVE RELATIONS BETWEEN THE ALLIES AND THE GERMANS BEEN SO BAD AS TODAY."

"THE ALLIES INTERFERE IN EVERYTHING," HE SHOUTED IN AN ADDRESS BEFORE 5,000 PERSONS AT AN OUTDOOR RALLY IN FRANKFURT'S HISTORIC ROEMERBERG SQUARE.

KONRAD ADENAUER, CHAIRMAN OF THE CHRISTIAN DEMOCRAT PARTY, JOINED HIS POLITICAL FOE IN DENOUNCING THE ALLIES.

"IF WESTERN EUROPE CANNOT BE RECONSTRUCTED WITHOUT GERMANY, THEN GERMANY MUST BE GIVEN THE RIGHT TO PARTICIPATE IN INTERNATIONAL COUNCILS," ADENAUER SAID IN A SPEECH AT KOBLENZ.

HE SAID THE VISIT OF THE U.S. CHIEFS OF STAFF, IN WHICH THEY CONFERRED WITH MILITARY LEADERS FROM SEVERAL COUNTRIES BUT NONE FROM GERMANY, SHOWED HOW DEPENDENT GERMANY IS ON FOREIGN RULERS.

ADDED

FRANKFURT, GERMANY, AUG 3-(AP)-CPL. JAMES J.COYLE, JR., OF WATERBURY, CONN., HAS BEEN CHARGED WITH MANSLAUGHTER IN THE DEATH OF CPL. WILBERT W.TIMM OF BOWLER, WIS., U.S. AIRFORCE HEADQUARTERS ANNOUNCED TODAY.

TIMM WAS FATALLY INJURED IN SCUFFLE OUTSIDE AN AIRFORCE CLUB IN WIESBADEN JULY 23.

THREE OTHER SOLDIERS QUESTIONED IN CONNECTION WITH THE CASE HAVE BEEN RELEASED.

MT1046AED

FRANKFURT, GERMANY, AUG.3-(AP)-LT. COL. WILLIAM J. WYNN OF LITTLE FALLS, MINN., DIED IN AN ARMY HOSPITAL LAST NIGHT OF POLIOMYELITIS.

THERE ARE FOUR OTHER AMERICANS ILL WITH POLIO IN THE FRANKFURT ARMY HOSPITAL. ONE OF THEM IS WYNN'S EIGHT-YEAR-OLD SON, FRANK.

HOSPITAL OFFICIALS SAID ALL THE POLIO VICTIMS, INCLUDING WYNN, ARRIVED IN GERMANY RECENTLY FROM THE UNITED STATES.

WYNN CAME HERE THREE WEEKS AGO FROM SIXTH ARMY HEADQUARTERS IN SAN FRANCISCO. HE WAS ASSIGNED TO THE ADJUTANT GENERAL'S DIVISION OF U.S. ARMY'S EUROPEAN HEADQUARTERS.

HIS WIDOW AND TWO OTHER SONS ARE LIVING IN HEIDELBERG.

WB1015PED

BERLIN, AUG. 3-(AP)-MRS.ERIKA RAEDER, WIFE OF THE GRAND ADMIRAL WHO HEADED HITLER'S FLEET, TOLD TODAY OF FOUR YEARS OF CAPTIVITY IN RUSSIAN HANDS.

IN THAT TIME, MRS.RADER SAID, THE RUSSIANS FED HER CAVIAR IN MOSCOW, LET HER GO HUNGRY IN MINSK, SET HER TO PEELING POTATOES IN SACHSENHAUSEN CONCENTRATION CAMP, AND QUESTIONED HER FREQUENTLY. FINALLY THEY RELEASED HER--WITHOUT EXPLANATION.

"THE WHOLE THING WAS WITHOUT RHYME OR REASON," SHE SAID.

SHE IS GOING TO THE HOME OF A SON NEAR KIEL, IN THE BRITISH ZONE OF OCCUPATION. HER HUSBAND, ERICH RADER, IS SERVING A LIFE TERM IN SPANDAU PRISON, RUN BY THE FOUR OCCUPATION POWERS. HE WAS CONVICTED AT NUERNBERG OF WAGING WAR. THE RUSSIANS TOOK THE RADERS TO MOSCOW WHEN TROOPS OVERRAN THEIR HOME NEAR BERLIN IN 1945.

MRS.RAEDER SAID AT ONE TIME SHE WAS KEPT IN A CELLAR FOUR MONTHS. WHEN SHE WAS RELEASED FROM SACHENSENHAUSEN, JULY 1, SHE WAS ORDERED TO DTAY IN THE RUSSIAN OCCUPATION ZONE. SHE SAID SHE COULD NOT FIND A ROOM IN POTSDAM, WHERE SHE WAS TOLD SHE COULD LIVE. SHE RODE AN ELEVATED TRAIN INTO THE AMERICAN SECTOR OF BERLIN.

WD141PED

BERLIN, AUG. 3-(AP)-THE RUSSIANS TODAY REJECTED AN ALLIED PROTEST THAT THEY HAD BROKEN THEIR WAGE AGREEMENT WITH WEST BERLIN RAILWAY WORKERS.

WEST BERLIN'S LONG RAILWAY STRIKE ENDED JUNE 28 WHEN THE RUSSIAN-CONTROLLED REICHSBAHN AGREED TO PAY 60 PER CENT WEST MARK WAGES TO WORKERS LIVING IN THE WESTERN SECTORS. THE ANTI-COMMUNIST STRIKERS HAD ASKED 100 PER CENT WEST MARK PAY.

ON JULY 20 THE WESTERN ALLIES WROTE TO THE RUSSIANS, PROTESTING THAT WORKERS WHO LIVE IN WEST BERLIN BUT WHO WORK IN THE SOVIET SECTOR WERE NOT BEING PAID ACCORDING TO THE AGREEMENT.

LAST NIGHT THE WESTERN ALLIES AUTHORIZED THE WEST BERLIN CITY GOVERNMENT TO PAY THE 1,922 WESTERN BERLIN WORKERS AFFECTED 100 PER CENT WEST MARK PAY.

THE RUSSIAN REPLY SAID THE WESTERN ALLIES HAD NOT INTERPRETED THE AGREEMENT CORRECTLY.

IT SAID NO STRIKE HAD BEEN CONDUCTED IN THE SOVIET SECTOR, AND THAT TERMS OF THE STRIKE-ENDING AGREEMENT AFFECTED ONLY WORKERS WHO LIVED AND WORKED IN WEST BERLIN.

A BRITISH MILITARY SPOKESMAN TERMED THE RUSSIAN REFUSAL "A DELIBERATE BREACH OF CONTRACT."

"IT IS DIFFICULT TO UNDERSTAND THE SOVIET CONTENTION THAT NO STRIKE TOOK PLACE IN THE EASTERN SECTOR WHEN APPROXIMATELY 2,000 TO THE 15,000 STRIKERS WERE EMPLOYED IN THE EASTERN SECTOR," HE SAID.

W.T.BABCOCK, DEPUTY U.S. COMMANDANT OF BERLIN DECLARED "AT NO TIME WAS THERE ANY MISUNDERSTANDING VERBALLY OR IN WRITING ABOUT THE RAILROAD MEN WHO WERE INVOLVED," HE SAID.

THE WORKERS IN QUESTION WILL BE PAID FROM A FUND OF 6,000,000 WEST MARKS MADE AVAILABLE BY THE WESTERN COMMANDANTS, BABCOCK ADDED.

GH/WD136PED

BAMBERG, GERMANY, AUG. 3-(AP)-CARL EDUARD VON SACHSEN-COBURG AND GOTHA, A GREAT-GRANDSON OF QUEEN VICTORIA OF ENGLAND, TODAY WAS DECLARED A NAZI FOLLOWER BY A BAMBERG COURT OF APPEAL.

THE 64 YEAR-OLD DUKE, WHO IS IN A HOSPITAL, WAS TRIED IN ABSENTIA.

UNDER HITLER HE WAS PRESIDENT OF THE GERMAN RED CROSS, HONORARY LEADER OF THE STORM TROOPS, A HIGH OFFICER IN THE NAZI MOTOR AND AVIATION CORPS, REICHSTAG DEPUTY UNTIL THE END OF THE WAR AND NAZI PARTY MEMBER AFTER 1933.

THE COURT FINED HIM 2,000 DUETSCHE MARKS (ABOUT $660).

WD503PED

KASSEL, GERMANY, AUG.3-(AP)-AUGUST FLAMME, A GERMAN BRICKLAYER, WAS SENTENCED TO LIFE IMPRISONMENT TODAY FOR THE ROBBERY KILLING OF SGT. RAYMOND SWITZER OF LAKE ORION, MICHIGAN.

IT WAS FLAMME'S SECOND TRIAL. AFTER CONFESSING IN THE FIRST TRIAL, HE WAS SENTENCED TO DIE. THEN HE REPUDIATED HIS CONFESSION AND WAS GRANTED A NEW TRIAL IN WHICH HE CLAIMED AN ALIBI FOR THE NIGHT OF THE KILLING.

THE SECOND U.S. MILITARY GOVERNMENT COURT REJECTED THE ALIBI AND AGAIN CONVICTED HIM.

WB1020PED

STIKKER'S REMARK THAT THE PACT IS NOT DIRECTED AGAINST ANY PARTICULAR STATE OR GROUPS OF STATES BROUGHT SHARP CRITICISM FROM CALVINIST DELEGATE HENDRIK ALGRA, WHO SHOUTED:

"TELL THE PEOPLE THAT THEY ARE THREATENED BY THE DEADLY DANGER OF COMMUNISM AND THEY WILL UNDERSTAND WHY THEY MUST BRING SACRIFICES."

RQ603PED THE HAGUE— XXX ATTACK

THE HAGUE, AUG. 3-(AP)-THE UPPER HOUSE OF THE NETHERLANDS PARLIAMENT RATIFIED THE NORTH ATLANTIC TREATY TODAY. THE VOTE WAS 29 TO 2.

THIS COMPLETED PARLIAMENTARY ACTION BY THE NETHERLANDS AND CONSTITUTED THE NEXT TO THE LAST STAGE BEFORE THE TREATY GOES INTO EFFECT.

ALL THE ORIGINAL PARTNERS IN THE PACT-- THE UNITED STATES, BRITAIN, FRANCE, CANADA, BELGIUM, THE NETHERLANDS AND LUXEMBOURG-- NOW HAVE RATIFIED THE ACCORD.

THE TREATY WILL BECOME FORMALLY EFFECTIVE WHEN THE INSTRUMENTS OF RATIFICATION OF THE VARIOUS GOVERNMENTS ARE DEPOSITED IN WASHINGTON.

TU201PED

"THIS IS NO DOUBT ONE OF THE MAIN REASONS FOR THE TREMENDOUS EXODUS FROM EASTERN EUROPE AND THE SOVIET ZONE OF GERMANY WHICH WE HAVE WITNESSED IN RECENT YEARS AND WHICH STILL CONTINUES--A FLIGHT OF MILLIONS TO THE WEST". WHY, HE ASKED, SHOULD WORKERS FLEE FROM "THE WORKERS' PARADISE"? CENTRAL EUROPE

THE COUNCIL IS DISCUSSING MEASURES FOR THE ABOLITION OF FORCED LABOR AND THE POSSIBILITIES OF MAKING A SURVEY OF ITS EXTENT.

THE BRITISH GOVERNMENT HAS NOT EXPLAINED HOW THE COPY OF THE CODEX CAME INTO ITS POSSESSION.

"WHY MUST THE SOVIET UNION GUARD ITS FORCED LABOR CAMPS LIKE SOME SHAMEFUL SECRET?" SMITH ASKED. "IS IT THAT THEY DARE NOT REVEAL THE TRUTH BECAUSE IT WOULD STRIP THE LAST SHREDS OF CREDIBILITY FROM THEIR CLAIM TO BE A PROGRESSIVE COUNTRY, A COUNTRY WHERE THE WORKERS ARE DECENTLY TREATED?"

SMITH SAID THAT ACCORDING TO THE BEST BRITISH INFORMATION THERE ARE "RATHER MORE THAN TEN MILLION" VICTIMS OF THE SOVIET SYSTEM.

AS SMITH SPOKE, JULIUS KATZ-SUCHY, THE POLISH DELEGATE WHO EMPHATICALLY SUPPORTED THE SOVIET UNION ON THIS QUESTION AT THE LAST SESSION OF THE COUNCIL, READ A NEWSPAPER. HE WAS SEATED BESIDE THE BRITISH SPEAKER.

KATZ-SUCHY ARGUED AT THAT TIME, SMITH SAID, THAT IF THERE HAD BEEN 10,000,000 SLAVES IN RUSSIA, THE RUSSIANS WOULD NEVER HAVE BEEN ABLE TO WAGE WAR FOR FOUR YEARS.

"I WAS MUCH IMPRESSED BY HIS FORCEFUL ARGUMENT UNTIL I SUDDENLY REMEMBERED THAT IT WAS BY NO MEANS IMPOSSIBLE," SMITH SAID. "IN FACT IT HAD ALREADY HAPPENED ONCE IN THE LAST TEN YEARS. THE NAZIS FOUGHT FOR SIX YEARS AND YET THEY MUST HAVE HAD TEN MILLIONS IN THEIR CONCENTRATION CAMPS OR DOING OTHER FORCED LABOR IN GERMANY."

REFERRING TO THE CODEX, SMITH SAID THAT IN THE SOVIET UNION "PEOPLE ARE CONDEMNED TO FORCED LABOR WITHOUT TRIAL IN A COURT OF LAW," AND THEY ARE CONDEMNED" FOR HOLDING OPINIONS CONTRARY TO THOSE OF THE GOVERNMENT AND RULING CLASS." HE READ A PARAGRAPH PROVIDING THAT RUSSIANS COULD BE SENT TO CAMPS ON AN OPEN WARRANT.

"SUCH DESPOTIC PROCEDURES HAVE BEEN KNOWN IN THE PAST, BUT IT IS HUNDREDS OF YEARS SINCE THE STAR CHAMBER WAS ABOLISHED IN ENGLAND," SMITH SAID.

SMITH SAID THE "MAIN SOURCE OF SUPPLY OF FORCED LABOR IS CONSTITUTED BY POLITICAL OFFENDERS."

FH853AED

"THE SITUATION APPEARS TO BE", SMITH SAID, "THAT IF THE GOVERNMENT DOES NOT LIKE YOUR OPINIONS, IT CONDEMNS YOU TO FORCED LABOR UNTIL SUCH TIME AS YOU RENOUNCE YOUR OPINIONS OR UNTIL YOU DIE IN A CAMP. THIS, MR. PRESIDENT, IS PERSECUTION RAISED TO THE DIGNITY OF A SYSTEM."

SMITH THEN READ A PASSAGE FROM THE CODEX:

"THE TASK OF THE PENAL POLICY OF THE PROLETARIAT DURING THE PERIOD OF TRANSITION FROM CAPITALISM TO SOCIALISM IS THE DEFENSE OF THE DICTATORSHIP OF THE PROLETARIAT AND THE SOCIALIST CONSTRUCTION BEING CARRIED OUT BY IT AGAINST THE ENCROACHMENTS BY CLASS-HOSTILE ELEMENTS AND INFRINGEMENTS NOT ONLY ON THE PART OF THE DECLASSE ELEMENTS BUT ALSO OF UNSTABLE ELEMENTS AMONG THE WORKERS."

SMITH COMMENTED:

"IF FURTHER CLARIFICATION IS REQUIRED OF THE BIAS OF THE SOVIET LEGAL SYSTEM AGAINST POLITICAL NON-CONFORMISTS I SUGGEST THAT DELEGATES SHOULD LOOK AT THE CRIMINAL CODE OF THE RSFSR, WHICH IN ARTICLE 46 DIVIDES CRIME INTO POLITICAL AND OTHER CRIMES. FOR POLITICAL CRIMES MINIMUM SENTENCES ARE LAID DOWN. FOR ALL OTHER CRIMES MAXIMUM SENTENCES ARE LAID DOWN AND MAY NOT BE EXCEEDED BY THE COURT."

HE SAID THE CODEX PROVIDED FOR THE GUARDING OF POLITICAL PRISONERS BY COMMON CRIMINALS, ADDING, "WE CAN ONLY SUPPOSE THAT THE NUMBER OF POLITICAL PRISONERS IN THESE COLONIES IS SO IMMENSE THAT THERE ARE NOT ENOUGH WARDERS TO GO AROUND AND CRIMINALS HAVE TO BE EMPLOYED TO GUARD THEM."

THIS, SMITH SAID, "WAS ONE OF THE NASTIEST FEATURES OF THE NAZI CONSENTRATION CAMPS."

SMITH SAID THE SOVIET LABOR CAMP SYSTEM "INCLUDES VAST ENTERPRISES LIKE THE REMOTE MINING REGION OF DALSTROI IN EASTERN SIBERIA AND KARAGANDA IN THE DESERTS OF CENTRAL ASIA WHICH HAVE BEEN PEOPLED IN THIS WAY."

"THE UNITED KINGDOM DELEGATION HAS NO OBJECTION TO PRISONERS DOING USEFUL WORK BUT WE MUST SOLEMNLY PROTEST AGAINST THIS EXPLOITATION OF MILLIONS OF WORKERS, MOSTLY FOR OFFENSES WHICH WOULD NOT BE CONSIDERED AS OFFENSES IN OTHER COUNTRIES, EXCEPTING POSSIBLY IN FRANCO SPAIN."

SMITH SAID THE CODEX DIVIDED FORCED LABOR INTO THREE CATEGORIES: FORCED LABOR WITHOUT DEPRIVATION OF FREEDOM, FORCED LABOR COMBINED WITH EXILE AND FORCED LABOR WITH DEPRIVATION OF FREEDOM. THIS THIRD CATEGORY, HE SAID, IS THE "SOVIET COLONIAL SYSTEM."

"ALL IN ALL IT CONSTITUTES A VAST RESERVOIR OF REGIMENTED LABOR WHICH CAN BE MOVED ABOUT AT WILL, EVEN TO THE REMOTEST ARCTIC REGIONS OR TO THE DEPTHS OF SIBERIA, WHERE FREE WORKERS COULD ONLY BE INDUCED TO GO IN SMALL NUMBERS, WITH GREAT DIFFICULTY AND FOR HIGH WAGES," HE SAID.

"SOME OF THE ACHIEVEMENTS OF THESE MASS LABOR COLONIES ARE NO DOUBT IMPRESSIVE. SO ARE THE PYRAMIDS, WHICH WERE BUILT BY SIMILAR METHODS. SO TOO WAS THE WEST WALL, WHICH THE (NAZI) TODT ORGANIZATION WITH ITS SLAVE LABOR ERECTED ALONG THE ATLANTIC COAST TO DEFEND HITLER'S CONQUESTS AGAINST THE ALLIED LANDING FORCES." SMITH CHALLENGED THE SOVIET GOVERNMENT TO ACCEPT "AN IMPARTIAL INQUIRY."

"IF THE SOVIET UNION IS PREPARED TO OPEN ITS DOORS WE SHALL BE ONLY TOO GLAD TO DO LIKEWISE," HE SAID. "WE HAVE NOTHING TO HIDE. IF THE SOVIET GOVERNMENT IMPOSES ITS VETO ON THE VISIT OF A UNITED NATIONS MISSION, THEN THERE SEEMS LITTLE POINT IN SETTING UP A COMMISSION. WHAT THE UNITED KINGDOM WANTS IS A STRAIGHT ANSWER FROM THE DELEGATE OF THE SOVIET UNION."

FH853AED

AUG 4 1949

FOLO PRAGUE (110)

VATICAN CITY, THURSDAY, AUG. 4-(AP)-A VATICAN SOURCE SAID TODAY THE SENTENCE OF A ROMAN CATHOLIC PRIEST FOR ALLEGEDLY REFUSING THE LAST RITES TO AN AGED CZECHOSLOVAK WOMAN MAY BE "A COMMUNIST TRICK TO TRY TO DISCREDIT THE CHURCH AND ITS FAITHFUL."

THE VATICAN INFORMANT SAID LAST SACRAMENTS WOULD BE REFUSED ONLY IF THE CATHOLIC KNOWINGLY AND FREELY SUPPORTED COMMUNISM. HE SAID

THE RECENT EXCOMMUNICATION DECREE WAS DIRECTED ONLY AGAINST THE MOST ACTIVE AND MILITANT COMMUNIST CATHOLICS.

"IF THE WOMAN WAS REALLY AN OUTSPOKENLY MILITANT COMMUNIST, WHY THEN DID SHE SEND FOR THE PRIEST AND ASK FOR THE LAST SACRAMENTS?" HE ASKED. "WOULD NOT ANY MILITANT COMMUNIST HAVE BEEN INFORMED DAYS AGO OF THE EXCOMMUNICATION ORDERS?"

JT1224AED

NEW YORK, AUG 3-(AP)-TWO LUTHERAN LEADERS SAID TODAY ON THEIR RETURN FROM EUROPE THAT PROTESTANT CHURCHES IN CZECHOSLOVAKIA HAVE BEEN RESTRICTED AND THAT THERE IS FEAR OF NEW MOVES AGAINST RELIGIOUS GROUPS.

THE REV. DR. FRANKLIN CLARK FRY OF NEW ROCHELLE, N.Y., PRESIDENT OF THE UNITED LUTHERAN CHURCH IN AMERICA, ONE OF THE TWO WHO VISITED THE COUNTRY, SAID VISITORS THERE OBSERVED "NUMEROUS RESTRICTIONS ALREADY PLACED UPON THE FREE FUNCTIONING OF THE PROTESTANT CHURCHES IN THAT LAND."

THE REV. DR. O. P. BERSELL OF MINNEAPOLIS, PRESIDENT OF THE AUGUSTANA LUTHERAN CHURCH IN AMERICA, SAID CZECH LUTHERAN LEADERS ARE "IN GREAT FEAR FOR THE FUTURE, AS THE TOTALITARIAN STATE STEPS UP ITS CONTROLS AND ITS PROPAGANDA."

BOTH ARRIVED BY PLANE.

BERSELL SAID, HOWEVER, THAT LUTHERAN PASTORS ARE CARRYING ON WITH SALARIES PARTLY PAID BY THE STATE AND WITHOUT INTERFERENCE WITH PUBLIC WORSHIP.

HE SAID CZECH LUTHERANS "QUIETLY ACCEDED TO THE CONFISCATION OF THEIR SCHOOL PROPERTY AND THE NATIONALIZATION OF THE PUBLIC SCHOOL SYSTEM" BUT HAVE BECOME "EXCEEDINGLY FEARFUL OF FURTHER STEPS LEADING TO THE CONFISCATION OF THEIR PARISH HOUSES, NOW USED IN THE SOCIAL AND SPIRITUAL ACTIVITIES OF THE CONGREGATIONS."

BOTH THE LUTHERAN LEADERS AGREED THAT RELIGION WOULD SURVIVE IN CZECHOSLOVAKIA.

K337PED

GENEVA, SWITZERLAND, AUG. 3-(AP)-IN ANY FUTURE WAR, REPRISAL KILLINGS, MASS DEPORTATIONS OR THE TAKING OF HOSTAGES AMONG THE CIVILIAN POPULATION OF AN OCCUPIED COUNTRY WILL BE OUTLAWED BY INTERNATIONAL AGREEMENT.

A 60-NATION CONFERENCE DRAWING UP A NEW CONVENTION FOR THE PROTECTION OF CIVILIANS IN WAR APPROVED A SERIES OF ARTICLES FOR THE CONVENTION TODAY UNDER WHICH MANY WORLD WAR II OCCUPATION METHODS OF THE NAZIS WILL IN FUTURE CONSTITUTE VIOLATIONS OF INTERNATIONAL LAW.

THE PARTS OF THE CONVENTION APPROVED TODAY LAID DOWN THAT "NO CIVILIAN INHABITANT OF AN OCCUPIED AREA" MAY BE PUNISHED FOR AN OFFENSE HE OR SHE HAS NOT PERSONALLY COMMITTED.

"COLLECTIVE PENALTIES AND LIKEWISE ALL MEASURES OF INTIMIDATION OR TERRORISM ARE PROHIBITED," SAYS THIS SECTION.

"PILLAGE IS PROHIBITED. REPRISALS AGAINST CIVILIANS AND THEIR PROPERTY ARE PROHIBITED.

"THE TAKING OF HOSTAGES IS PROHIBITED.

"INDIVIDUAL OR MASS FORCIBLE TRANSFERS AS WELL AS DEPORTATIONS OF CIVILIANS FROM OCCUPIED TERRITORY TO THE TERRITORY OF THE OCCUPYING POWER OR TO THAT OF ANY OTHER COUNTRY, OCCUPIED OR NOT, ARE PROHIBITED, REGARDLESS OF THEIR MOTIVE."

GH112PED

BRUSSELS, BELGIUM, AUG. 3-(AP)-IT WAS LEARNED AUTHORITATIVELY TODAY EXILED KING LEOPOLD HAS TOLD A GROUP OF BELGIAN POLITICIANS HE WOULD ABDICATE ONLY IF HIS RETURN IS FAVORED BY LESS THAN 51 PER CENT OF VOTES IN A PROPOSED REFERENDUM.

THE ROYAL ISSUE HAS KINDLED A POLITICAL CRISIS IN BELGIUM. THERE HAS BEEN A 38-DAY DEADLOCK IN EFFORTS TO FORM A POST-ELECTION GOVERNMENT.

THE SOCIALIST PARTY, LED BY ACTING PREMIER PAUL-HENRI SPAAK, HAS ACCEPTED IN PRINCIPLE THAT A REFERENDUM BE HELD ON WHETHER THE KING SHOULD BE RETURNED TO THE THRONE. THE SOCIALISTS PROPOSE THAT LEOPOLD ABDICATE UNLESS HIS RETURN IS FAVORED BY TWO-THIRDS OR MORE OF THE PEOPLE VOTE.

DELEGATES OF THE CATHOLIC AND LIBERAL PARTIES ARE NOW CONFERRING WITH LEOPOLD IN GENEVA. HIS OPPONENTS ACCUSE HIM OF SURRENDERING TOO READILY TO THE GERMANS IN WORLD WAR II.

MEANWHILE, A SOCIAL-CHRISTIAN AND PRO-LEOPOLDIST, GASTON EYSKENS, HAS BEEN ASKED TO FORM A GOVERNMENT. HE TOLD REPORTERS TODAY HE WOULD DECIDE TOMORROW WHETHER HE WOULD TRY.

WD146PED

TITO

BY ALEX SINGLETON

BELGRADE, YUGOSLAVIA, AUG 3-(AP)-PREMIER MARSHAL TITO FORECAST YESTERDAY THAT BULGARIA AND ALBANIA WOULD QUIT THE MOSCOW-LED COMINFORM AND OFFERED THEM A HELPING HAND IN SHAKING OFF RUSSIAN DOMINATION.

TITO HAS BEEN TILTING WITH THE COMINFORM (COMMUNIST INTERNATIONAL INFORMATION BUREAU) SINCE JUNE OF LAST YEAR, WHEN YUGOSLAVIA'S COMMUNISTS WERE EXPELLED FOR NATIONALISM AND OTHER DEVIATIONS FROM THE MOSCOW BRAND OF MARXISM-LENINISM.

BOTH BULGARIA AND ALBANIA HAVE HAD RECENT PURGES AMONG HIGH COMMUNIST LEADERS WHO WERE CHARGED WITH HERESIES SIMILAR TO THE ACCUSATIONS LEVELLED AGAINST TITO.

THE YUGOSLAV LEADER SPOKE YESTERDAY AT SKOPLJE BEFORE AN AUDIENCE ESTIMATED AT 350,000 BY YUGOSLAV OFFICIALS. IT WAS THE FIRST TIME IN RECENT MONTHS HE APPEARED IN MACEDONIA, WHICH HAS BEEN SUBJECTED TO PROPAGANDA FROM ANTI-TITO FACTIONS URGING AN INDEPENDENT STATE MADE UP OF YUGOSLAV, BULGARIAN AND GREEK MACEDONIA.

TITO DECLARED THE BULGARIAN PEOPLE ULTIMATELY WOULD IGNORE "SLANDERS AGAINST YUGOSLAVIA AND EXTEND THEIR FRATERNAL HAND TO US AND WE WILL HELP THEM REMOVE WHATEVER INDIVIDUALS HAVE SO FAR PUT OBSTACLES IN THE PATH OF THE CREATION AND PRESERVATION OF BROTHERLY RELATIONS."

HE SAID THIS STATEMENT ALSO APPLIED TO ALBANIA, YUGOSLAVIA'S TINY NEIGHBOR TO THE SOUTH.

TRAICHO KOSTOV, FORMER VICE PREMIER OF BULGARIA AND FORMER MEMBER OF THE CENTRAL COMMITTEE OF THE BULGARIAN COMMUNIST PARTY, WAS EXPELLED FROM THE PARTY IN JUNE AFTER BEING CHARGED WITH NATIONALISM AND AN UNFRIENDLY ATTITUDE TOWARD THE SOVIET UNION.

AT ABOUT THE SAME TIME, FORMER DEPUTY PREMIER KOCI XOXE OF ALBANIA WAS EXECUTED AFTER BEING CONVICTED OF TREASON. XOXE HAD BEEN REPORTED SIDING WITH TITO IN HIS QUARREL WITH THE COMINFORM.

REFERRING TO TWO OTHER COMMUNIST NEIGHBORS OF YUGOSLAVIA, TITO SAID THE COMINFORM CAMPAIGN AGAINST HIM HAD UNLEASED "CHAUVINISTIC PASSIONS" IN HUNGARY AND ROMANIA.

HE SAID LEADING COMMUNISTS IN THOSE COUNTRIES WERE "QUITE AUDIBLY WHISPERING" THAT SOMETHING COULD BE WRENCHED FROM YUGOSLAVIA BECAUSE IT WAS "CAPITALIST," WHILE THEIR COUNTRIES WERE "SOCIALIST."

"WE TRIED WITH THE GREATEST SACRIFICES," TITO DECLARED, "TO CREATE THE CLOSEST RELATIONS WITH THE PEOPLES OF THOSE COUNTRIES. BUT IT WAS IN THE INTERESTS OF SOME PEOPLE TO SPOIL THOSE RELATIONS."

HE SAID THE YUGOSLAV PEOPLE "CANNOT BE SHAKEN NOR INTIMIDATED FROM FIRMLY PERSISTING IN THEIR STRUGGLE FOR THE FREEDOM, INTEGRITY AND INDEPENDENCE OF THEIR SOCIALIST HOMELAND."

THE OCCASION FOR TITO'S SPEECH WAS THE FIFTH ANNIVERSARY OF THE PEOPLE'S REPUBLIC OF MACEDONIA, A FEDERAL STATE WITHIN YUGOSLAVIA.

HE HAS GONE TO CONSIDERABLE LENGTHS TO ASSURE THIS PART OF THE COUNTRY OF EQUAL TREATMENT, BUT HIS SPEECH DEALT STERNLY WITH THE QUESTION OF AN INDEPENDENT MACEDONIA.

TODAY'S BELGRADE PRESS, MEANWHILE, HEAPED SCORN ON RUSSIA'S EXCUSE FOR NOT PARTICIPATING IN THIS COUNTRY'S INTERNATIONAL FAIR OPENING AT ZAGREB NEXT MONTH. TASS, THE SOVIET NEWS AGENCY, HAD SAID THE DECISION WAS PROMPTED BY YUGOSLAVIA'S JAILING OF RUSSIAN CITIZENS CHARGED WITH SPYING AND SABOTAGE.

BORBA, THE OFFICIAL YUGOSLAV COMMUNIST NEWSPAPER, SAID THE RUSSIAN DECISION, ON THE CONTRARY, WAS PART OF A CAMPAIGN OF ECONOMIC DISCRIMINATION AGAINST YUGOSLAVIA.

FH920AED

ROME, AUG. 3-(AP)-YUGOSLAVIA AND ITALY WILL SIGN A MAJOR TRADE TREATY HERE TOMORROW.

SOME $90,000,000 WORTH OF GOODS WILL BE EXCHANGED BY THE TWO NATIONS WHICH HAVE BEEN AT SHARP ODDS PERIODICALLY SINCE THE WAR.

ITALY BROKE OFF THE TRADE TALKS RECENTLY AFTER YUGOSLAVIA'S PREMIER-MARSHAL TITO SUDDENLY ORDERED SUBSTITUTION OF HIS NATION'S OFFICIAL DINAR FOR YUGOSLAV OCCUPATION MONEY IN THE YUGOSLAV-CONTROLLED ZONE OF TRIESTE.

ITALY PROTESTED TO THE WESTERN POWERS AND THE UNITED NATIONS THAT THE CURRENCY CHANGE VIOLATED THE PEACE TREATY. LATER A SETTLEMENT WAS REACHED.

A FOREIGN MINISTRY SPOKESMAN SAID TOIGHT HE KNEW NOTHING OF REPORTS THAT PREMIER DE GASPERI OF ITALY PLANNED A MEETING WITH TITO IN THE NEXT 10 DAYS. THE REPORTS WERE SAID TO HAVE ORIGINATED IN VIENNA AND WERE THE BASIS FOR WIDE SPECULATION IN THE ITALIAN PRESS.

ECONOMIC OBSERVERS VIEWED THE ITALO-YUGOSLAV TRADE DEAL AS A FURTHER INDICATION OF TITO'S NEED TO REACH WESTWARD AND BETTER HIS ECONOMIC RELATIONS. HE HAS BEEN LARGELY SHUT OFF IN TRADE DEALINGS WITH EASTERN COMMUNIST NATIONS.

SN1154PED

BUCHAREST, ROMANIA, AUG 3-(AP)-THE ROMANIAN GOVERNMENT YESTERDAY REQUESTED THE RECALL OF RODERICK SARREL, BRITISH CHARGE D'AFFAIRES HERE FOR "ACTIVITY CONTRARY TO THE LAWS OF THE ROMANIAN POPULAR REPUBLIC AND DIPLOMATIC CUSTOM."

(LAST WEEK IN LONDON A FOREIGN OFFICE SPOKESMAN DESCRIBED SARREL'S ARREST BY ROMANIAN POLICE AS "INEXCUSABLE." A FOREIGN OFFICE SOURCE SAID LAST NIGHT THE AFFAIR APPEARED TO BE "AN OBVIOUS PLANT DESIGNED TO DISCREDIT SARREL AND THE BRITISH GOVERNMENT.")

(SARREL'S REPORT ON HIS ARREST SAID ROMANIAN OFFICIALS CONFRONTED HIM WITH AN ALLEGED CONFESSION OF A MINOR EMPLOYE OF THE BRITISH LEGATION, ASSERTING THE LEGATION WAS BEING USED TO HELP SEVERAL ANTI-GOVERNMENT NATIONALS TO ESCAPE ROMANIA.)

THE ROMANIAN NEWS AGENCY SAID THE REQUEST FOR SARREL'S RECALL FOLLOWED THE ARREST LAST WEEKTVGANG

THE ROMANIAN NEWS AGENCY SAID THE REQUEST FOR SARREL'S RECALL FOLLOWED THE ARREST LAST WEEK OF A "GANG OF BLACK MARKETERS AND SMUGGLERS WHO ADMITTED THEY WANTED TO LEAVE ROMANIA ILLEGALLY FOR VIENNA AND WERE BEING HELPED BY SARREL.

SARREL IS A 36-YEAR-OLD BRITISH CAREER DIPLOMAT. HE FORMERLY SERVED IN THE MIDDLE EAST.

M305AED

LONDON, AUG. 3-(AP)-THE FOREIGN OFFICE ANNOUNCED TODAY BRITISH CHARGE D'AFFAIRES RODERICK F. SARREL IS BEING TRANSFERRED FROM HIS BUCHAREST POST AT THE END OF THIS MONTH. THE ROMANIAN GOVERNMENT HAS DEMANDED HIS RECALL.

A SPOKESMAN SAID THE ROMANIAN GOVERNMENT WAS TOLD OF SARREL'S IMPENDING DEPARTURE "SOME TIME BEFORE" HIS ARREST ON JULY 25 ON CHARGES OF AIDING OPPONENTS OF THE GOVERNMENT TO ESCAPE THE COUNTRY. HIS NEW ASSIGNMENT WAS NOT DISCLOSED.

FH901AED

ATHENS, GREECE, AUG.3-(AP)-THE GREEK GENERAL STAFF ANNOUNCED TODAY THAT THE 192ND COMMUNIST GUERRILLA BRIGADE WAS AMBUSHED, SUFFERING 18 KILLED AND 44 CAPTURED. THE COMMUNISTS WERE CAUGHT IN THE GRAMMOS MOUNTAIN AREA, THE COMMUNIQUE SAID.

AMONG THE CAPTIES, IT ADDED, WAS THE BRIGADE'S CHIEF, BADEKOS, WHO IS CHARGED WITH ATROCITIES IN KARDITSA AND KARPENISSI WHEN THESE TOWNS WERE HELD BY THE GUERRILLAS EIGHT MONTHS AGO.

THE COMMUNIQUE SAID WHEN THE ARMY CAPTURED A HEIGHT ON THE GREEK-ALBANIAN BORDER IT WAS OPPOSED BY A BARRAGE FIRED "BY ALBANIANS FROM ALBANIAN TERRITORY." THE GREEK ARMY HAS CHARGED THAT THE MAIN ASSISTANCE TO GUERRILLA FORCES IS COMING FROM ALBANIA.

THE COMMUNIQUE SAID THAT THE ARMY SUFFERED FIVE KILLED AND 10 WOUNDED IN THE VITSI MOUNTAIN AREA.

B952AED

THE INDONESIAN SETTLEMENT FOLLOWED RELEASE BY THE DUTCH LAST MONTH OF REPUBLICAN PRESIDENT SOEKARNO, PREMIER MOHAMMED HATTA AND OTHER LEADERS THEY HAD HELD ON BANGKA ISLAND FOLLOWING THE DUTCH WINTER "POLICE ACTION." BATAVIA *** INDO CHINA.

THE U.N. SECURITY COUNCIL HAD DIRECTED THE RELEASE OF THE REPUBLICAN LEADERS AND URGED FURTHER NEGOTIATIONS. THE GENERAL ASSEMBLY POSTPONED DEBATE ON THE INDONESIAN QUESTION IN NEW YORK LAST MAY, PENDING THE OUTCOME OF UNCI'S EFFORTS TO BRING THE TWO SIDES TOGETHER.

THE NEW PROVISIONAL GOVERNMENT PLAN REPRESENTS A MARKED ADVANCE, IN THE REPUBLICANS' FAVOR, OVER A PLAN WORKED OUT BY REPRESENTATIVES OF NON-REPUBLICAN STATES AT THE BANDOENG CONFERENCE IN JULY, 1948, AND COMPLETED LATER LAST YEAR AT THE HAGUE.

THE BANDOENG PLAN PROVIDED FOR FINAL AUTHORITY TO REST WITH THE DUTCH QUEEN AND TO BE EXERCISED THROUGH A CROWN REPRESENTATIVE DURING AN INTERIM PERIOD, WHILE A PERMANENT GOVERNMENT WAS BEING FORMED.

THE PROVISIONAL FEDERAL GOVERNMENT WOULD HAVE BEEN HEADED BY THREE INDONESIANS NAMED BY MEMBER STATES. THESE THREE WOULD HAVE NAMED A FEDERAL COUNCIL TO ADVISE THEM AND AN ADMINISTRATIVE "COUNCIL OF SECRETARIES OF STATE" AND SUPERVISED THE CHOICE OF A THIRD BODY OF FEDERAL REPRESENTATIVES.

ALL APPOINTMENTS WOULD HAVE BEEN SUBJECT TO DUTCH APPROVAL, HOWEVER, AND THE CROWN REPRESENTATIVE WOULD HAVE RETAINED SUPREME AUTHORITY OVER ALL ARMED FORCES, INCLUDING DUTCH TROOPS.

THE NEW PLAN CALLS FOR A SOVEREIGN STATE DURING THE INTERIM PERIOD, WITH A PRESIDENT AND A WESTERN EUROPEAN-TYPE CABINET CONTROLLING ITS OWN ARMED FORCES. IT ALSO CALLS FOR A CONGRESS ON THE AMERICAN MODEL--A HOUSE OF REPRESENTATIVES BASED ON POPULATION AND A SENATE WITH EACH MEMBER STATE HAVING AN EQUAL VOTE.

THE INDONESIAN REPUBLICANS CLAIM THE RIGHT TO CONTROL OF ALL JAVA, SUMATRA AND MADOERA, RULED BEFORE THE WAR BY LOCAL GOVERNMENTS UNDER DUTCH CENTRAL AUTHORITY.

THE BANDOENG PLAN VIRTUALLY IGNORED THEIR CLAIMS, REFERRING TO THE REPUBLIC ONLY AS ONE OF THE UNORGANIZED TERRITORIES WHICH WOULD BE INVITED LATER TO JOIN THE FEDERATION.

THE NEW PLAN INCLUDES THE REPUBLIC AS A MEMBER STATE AND STIPULATES THAT IT SHALL HAVE AT LEAST ONE-THIRD OF THE MEMBERS OF THE HOUSE OF REPRESENTATIVES. IT CONSIDERS THE REPUBLIC TO COVER THE AREAS HELD UNDER THE JANUARY, 1948, RENVILLE AGREEMENT--ABOUT ONE-THIRD OF JAVA AND MOST OF THE INTERIOR OF SUMATRA--BUT WITHOUT PREJUDICE TO REPUBLICANS' BROADER CLAIMS. FINAL BOUNDARIES ARE SUPPOSED TO BE DETERMINED LATER BY PLEBISCITES.

THE PROVISIONAL SENATE UNDER THE NEW PLAN CAN BE OVERRULED BY A TWO-THIRDS VOTE OF THE HOUSE, WHERE THE REPUBLIC WILL BE STRONG. THE REPUBLICANS WERE SAID TO HAVE WON AN ARGUMENT THAT THEY FEARED A POWERFUL SENATE IN WHICH SMALL AREAS WITH LITTLE POPULATION COULD DOMINATE.

(A DUTCH OFFICIAL IN THE HAGUE SAID TONIGHT THE REPUBLIC'S INFLUENCE IN THE LEGISLATURE WOULD BE VERY GREAT. HE SAID IT COULD BE TAKEN AS CERTAIN THE PROVISIONAL PRESIDENT WOULD BE A REPUBLICAN).

NEITHER PLAN INCLUDED DEFINITE POINTS ON THE CRUCIAL QUESTION OF THE EXACT RELATIONSHIP WITH THE NETHERLANDS UNDER THE DUTCH CROWN. THAT WILL BE TAKEN UP AT THE HAGUE ROUND-TABLE CONFERENCE.

HA654PED

THE JOINT CEASE-FIRE PROCLAMATION SAID "HENCEFORTH THE ENDEAVORS OF EVERYONE MUST BE DEDICATED TO BANISHING ANY THOUGHT OF ENMITY OR REVENGE AND TO REMOVING ANY VESTIGE OF FEAR OR DISTRUST."

BOTH DUTCH AND REPUBLICAN FORCES WILL RETAIN THEIR ARMS. THE CEASE-FIRE AGREEMENT PROVIDES THAT COOPERATIVE ARRANGEMENTS WILL BE MADE FOR ARMED PATROLS BY BOTH SIDES TO MAINTAIN LAW AND ORDER.

THE AGREEMENT ALSO PROVIDES FOR THE RELEASE OF ALL PERSONS ARRESTED AS A CONSEQUENCE OF THE DUTCH-REPUBLICAN FIGHTING. A CENTRAL JOINT BOARD UNDER THE CHAIRMANSHIP OF A MEMBER OF THE UNITED NATIONS COMMISSION ON INDONESIA IS TO BE ESTABLISHED TO SUPERVISE THE CEASE-FIRE ARRANGEMENTS. BATAVIA- XXX THE HAGUE

COMMENTING ON THE PROCLAMATION, A.H.J. LOVINK, HIGH REPRESENTATIVE OF THE DUTCH CROWN, SAID IT MEANT FRIENDSHIP BETWEEN INDONESIA AND THE NETHERLANDS IS ABOUT TO BE REBORN.

IN A RADIO MESSAGE TO DUTCH SOLDIERS AND SAILORS IN THE INDIES, LOVINK SAID THE "FIGHTING, SORROW AND BLOOD" OF THE LAST FEW YEARS HAD NOT BEEN IN VAIN BECAUSE EXCEPT FOR THE USE OF DUTCH FORCES IN THE INDONESIAN CONFLICT, "NO REBIRTH OF FRIENDSHIP WOULD HAVE BEEN POSSIBLE NOW OR IN THE FUTURE."

"THERE NEVER HAS BEEN REAL HOSTILITY BETWEEN THE NETHERLANDERS AND THE INDONESIANS," HE SAID. THEN, SPEAKING TO INDONESIANS, HE SAID THEY CAN BE ASSURED OF DUTCH GOOD WILL. HE URGED THEM TO END THEIR FIGHTING, AND TO GUARD AGAINST SABOTAGE OF GOODS WHICH WILL BE ASSETS IN THE FUTURE FEDERATION.

FH908AED

MANILA, AUG 3-(AP)-THE UNITED STATES ARMY TODAY DELIVERED FORT WILLIAM MCKINLEY TO THE PHILIPPINE GOVERNMENT.

THE POST, ON THE OUTSKIRTS OF SOUTH MANILA, HAD BEEN USED BY AMERICAN TROOPS SINCE 1902.

THE U.S. FLAG WAS LOWERED AT THE FORT LAST JUNE 24 AT A FINAL RETREAT FORMATION WHEN THE USE OF THE MILITARY RESERVATION CAME TO AN END.

BESIDES THE IMPROVEMENTS ON THE MAIN POST AT FORT MCKINLEY, THE TRANSFER TODAY INCLUDED BARRACKS AND TWO HANGARS AT NICHOLS FIELD, AN OFFICERS' CLUB AREA AND THE FOURTH SIGNAL SERVICE AREA.

THE U.S. ARMY BY AGREEMENT WILL CONTINUE TO OPERATE A HOSPITAL AT FORT MCKINLEY FOR DISBANDED PHILIPPINE SCOUTS, MANY OF WHOM HAVE TUBERCULOSIS. IT ALSO WILL RETAIN A HOUSING AREA AND FACILITIES REQUIRED BY THE AMERICAN GRAVES REGISTRATION SERVICE.

GMGM855ACS

BY SEYMOUR TOPPING.

NANKING, AUG 3-(AP)-OFFICIAL BRITISH SOURCES SAID TODAY THE SLOOP AMETHYST WAS HIT AT LEAST ONCE BY ARTILLERY FIRE LAST SATURDAY NIGHT AHS SHE RAN A GAUNTLET OF CHINESE COMMUNIST SHORE GUNS ALONG THE YANGTZE.

THESE SOURCES SAID A COMMUNIST SHELL HIT AND SET AFIRE WHAT APPEARED TO BE A CHINESE GUNBOAT ON THE RIVER IN AN EFFORT TO CRIPPLE OR SINK THE AMETHYST. THE SLOOP HAD BEEN HELD HOSTAGE ON THE RIVER SINCE LAST APRIL 20.

(THE COMMUNIST RADIO IN PEIPING YESTERDAY SAID THE AMETHYST SANK A CHINESE SHIP ON THE RIVER CAUSING "SEVERAL HUNDRED" PERSONS TO DROWN.)

A 75 MILLIMETER SHELL HIT THE AMETHYST FORWARD AS SHE RACED DOWN THE RIVER, THESE SOURCES SAID. NO CASUALTIES RESULTED BUT PARTS OF THE SHIP WERE FLOODED, THEY SAID.

THE AMETHYST CAME UNDER HEAVY FIRE FROM MACHINEGUNS AND ARTILLERY IN HER DASH FOR THE SEA. THE COMMUNIST OFFICER IN CHARGE OF THE SHORE BATTERIES HAD WARNED THE AMETHYST SHE WOULD BE SUNK IF SHE ATTEMPTED TO ESCAPE.

BRITISH SOURCES SAID THE AMETHYST, NAVIGATING WITHOUT A PILOT, HAD BEEN FOLLOWING A STEAMER DOWN THE RIVER WHEN THE SHORE GUNS HIT WHAT APPEARED TO BE A CHINESE GUNBOAT.

OFFICIAL BRITISH SOURCES SAID:

"THE DECISION TO TRY TO ESCAPE FROM THE VIRTUAL IMPRISONMENT TO WHICH THE SHIP HAD BEEN LONG EXPOSED WAS TAKEN IN VIEW OF THE STATE OF EXHAUSTION OF THE CREW AS THE INEVITABLE RESULT OF CONDITIONS OF LIFE, THE EXTREME SUMMER CLIMATE OF THE YANGTZE AND THE RAPID CONSUMPTION OF THE FUEL RESERVE.

"REPLACEMENTS OF FUEL AND SUPPLIES REQUIRED PERMITS FROM THE COMMUNISTS. FAILURE OF THE SHIP'S POWER WOULD HAVE PUT THE AMETHYST OUT OF WIRELESS CONTACT WITH BRITISH NAVAL HEADQUARTERS.

"THE SHIP'S CREW HAD TO EXIST UNDER UNBEARABLE CONDITIONS--- THE SHORTAGE OF SUPPLIES AND OTHER AMENITIES AGGRAVATED BY INSUFFICIENT FUEL TO OPERATE ELECTRIC POWER ALL OF THE TIME. WITH DRASTIC RATIONING OF FUEL, THE HEAT BETWEEN DECKS REACHED INTOLERABLE TEMPERATURES FROM WHICH NO RELIEF COULD BE PROVIDED."

THE AMETHYST'S CAPTAIN, LT.COMDR.JOHN S.KERRANS, EARLIER HAD EXPRESSED FEAR THE SHIP MIGHT BE STRUCK AT NIGHT BY OTHER SHIPS ON THE RIVER. THE COMMUNISTS HAD FORBIDDEN THE SHIP'S LIGHTS TO BE SHOWN.

THE SLOOP'S POSITION GREW STEADILY WORSE LATE LAST MONTH. BRITISH SOURCES SAID, "IT BECAME EVIDENT THE ISSUE OF SAFE CONDUCT WOULD BE MADE CONDITIONAL TO THE SIGNATURE OF KERRANS ON A DOCUMENT ADMITTING BRITISH RESPONSIBILITY FOR THE APRIL 20 INCIDENT."

THE BRITISH POSITION WAS SUCH AN ADMISSION WAS "UNACCEPTABLE AND THEREFORE NO PROGRESS WAS POSSIBLE."

AGAINST THIS BACKGROUND KERRANS MADE HIS DECISION TO RUN THE COMMUNIST GANTLET.

THESE SOURCES SAID THE SLOOP CAME UNDER GUNFIRE SHORTLY AFTER SLIPPING HER CABLES. IN SELF DEFENSE, THEY SAID, THE AMETHYST WAS "FORCED TO FIRE ONE ROUND FROM A SINGLE FOUR INCH GUN. THIS WAS FOLLOWED BY BREN AND POMPOM FIRE."

A HUNDRED MILES DOWNRIVER FROM HER ANCHORAGE THE AMETHYST RADIOED "A HUNDRED UP" -- A CRICKET TERM COMMONLY USED TO SHOW 100 RUNS HAVE BEEN BATTED.

AT THE KIANGYIN FORTS ALONG THE YANGTZE THE AMETHYST AGAIN CAME UNDER FIRE AND REPLIED WITH HER BREN GUNS, BRITISH SOURCES SAID.

THE SLOOP PASSED WOOSUNG FORT AT THE CONFLUENCE OF THE YANGTZE AND THE WHANGPOO RIVERS AT 5:30 A.M. SUNDAY, HAVING MAINTAINED AN AVERAGE OF 20 KNOTS NAVIGATING BY NIGHT AND WITHOUT A PILOT.

AS SOON AS SHE WAS IN THE OPEN SEA SHE FLASHED A MESSAGE TO BRITISH FAR EASTERN NAVAL HEADQUARTERS: "REJOINED FLEET. NO CASUALTIES. GOD SAVE THE KING."

WD804APST NM

WITH AMETHYST

SHANGHAI, AUG 3-(AP)-CHINESE COMMUNISTS THROUGH THEIR CONTROLLED RADIO AND PRESS TODAY CHARGED THE BRITISH SLOOP AMETHYST SANK THE CHINESE STEAMER KIANGLING DURING THE SLOOP'S ESCAPE FROM THE YANGTZE LAST WEEK END.

(THE ADMIRALTY IN LONDON CATEGORICALLY DENIED YESTERDAY THAT THE AMETHYST SANK THE KIANGLING.)

NEWSPAPERS AND RADIO CHARGED SEVERAL HUNDRED CHINESE FROM THE KIANGLING WERE DROWNED. THE TWO MEDIUMS DEMANDED THAT "PUNISHMENT BE METED OUT FOR ATROCITIES OF THE AMETHYST."

PRO-COMMUNIST NEWSPAPERS CALLED THE AMETHYST ESCAPE "A CRIMINAL ACTION WHICH MUST BE PUNISHED."

THE OFFICIAL LIBERATION DAILY CALLED FOR "REVENGE OF THE MARTYRS OF THE BRITISH SLOOP" AND DEMANDED DAMAGE FROM THE BRITISH GOVERNMENT.

SIN WAN JIH PAO SAID THE AFFAIR WAS "ANOTHER SHAMEFUL OUTRAGE BY BRITISH IMPERIALISTS--THE AMETHYST REPAYS GOODNESS WITH EVIL--SINKS MERCHANTMAN WITH FUNGIRE AND ESCAPES."

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HONG KONG, AUG 3-(AP)-SIMON, A CAT ABOARD THE BRITISH SLOOP AMETHYST, SUFFERED FOUR WOUNDS IN THE APRIL BATTLE WITH CHINESE COMMUNISTS THAT COST 18 BRITISH LIVES. THE SLOOP ARRIVED HERE TODAY AFTER BEING HELD FOR WEEKS ON THE YANGTZE UNDER RED GUNS.

PETTY OFFICER JOHN MCCARTHY OF ULSTER, IRELAND, SAID THE WOUNDED CAT CRAWLED AROUND THE SHIP LICKING ITS WOUNDS UNTIL IT WAS ABLE TO RESUME ITS RAT CATCHING DUTIES.

AND ON THAT SCORE, AMETHYST CREWMEN SAID, SIMON PERFORMED IN A NOBLE MANNER AVERAGING FOUR RATS WEEKLY.

GM841ACS NM

THE PEIPING RADIO CALLED FOR "SEVERE PUNISHMENT FOR THE TWO ATROCITIES (THE SHELLING OF THE COMMUNISTS ON APRIL 20 AND THE SINKING OF THE KIANGLING SATURDAY) COMMITTED BY THE AMETHYST."

GM125PCS NM

HONG KONG, AUG. 3-(AP)-LT.CMDR.JOHN KERRANS, CAPTAIN OF THE BRITISH SLOOP AMETHYST ON ITS FLIGHT FROM CHINESE COMMUNISTS, SAID TODAY HE GAVE HIMSELF A 50-50 CHANCE WHEN HE DECIDED TO RUN THE GANTLET OF RED SHORE BATTERIES.

KERRANS, WHO WAS BORN IN COUNTY OFFALLAY, IRELAND, SAID HE HAD TRIED FRUITLESSLY FOR WEEKS TO GET THE CHINESE COMMUNISTS TO RELEASE THE SHIP. IT WAS HELD ON THE YANGTZE RIVER MIDWAY BETWEEN NANKING AND SHANGHAI AFTER A BATTLE IN MID-APRIL THAT RESULTED IN THE DEATH OF THE SHIP'S CAPTAIN AND 17 CREWMEN.

THROUGHOUT THE LONG NEGOTIATIONS THE COMMUNISTS WERE "EXTREMELY DIFFICULT," KERRANS SAID. HE WAS INTERVIEWED ABOARD THE CRUISER BELFAST, FLAGSHIP OF THE BRITISH FAR EASTERN FLEET.

HE SAID COMMUNIST GEN.YUAN CHUNG-HSIEN WAS ADAMANT ON THREE DEMANDS -- THAT THE BRITISH APOLOGIZE AND COMPENSATE THE CHINESE FOR THE RESULTS OF THE SHIP-SHORE BATTLE, THAT AN INFRINGEMENT OF CHINESE SOVEREIGNTY BE ADMITTED BY THE PRESENCE OF THE AMETHYST ON THE YANGTZE AND THAT THE BRITISH ADMIT AN INVASION OF THE COUNTRY.

KERRANS SAID HE HAD 11 MEETINGS WITH THE REDS WITH EACH MEETING LASTING FROM FIVE TO SIX HOURS. THE MEETINGS TOOK PLACE AT CHINKIANG, KIANGSU, PROVINCIAL CAPITAL AND OTHER COMMUNIST RULED TOWNS.

THE MOST DIFFICULT MAN BEHIND THE TALKS WAS COL.KANG MAO CHAO, POLITICAL COMMISSIONER OF THE RED THIRD ARTILLERY REGIMENT OF THE COMMUNIST FRONTIER HEADQUARTERS, SAID KERRANS. HE SAID KANG INSISTED ON TRYING TO FORCE HIM TO ADMIT FUNDAMENTAL BRITISH GUILT.

THE COMMUNISTS ALLOWED THE SHIP TO BUY FOOD AND SUPPLIES AT FANTASTIC PRICES, THE CAPTAIN OF THE AMETHYST SAID. KERRANS SAID HE CAME TO THE CONCLUSION THE ONLY SOLUTION WAS TO ESCAPE.

KERRANS SAID HE HAD COMPLETE APPROVAL OF THE COMMANDER IN CHIEF OF THE BRITISH FAR EAST STATION IN HIS PLANS.

(THIS DISPATCH DID NOT MENTION ANY FIGHT WITH THE COMMUNISTS IN ESCAPING FROM THEM. THE RED RADIO IN PEIPING YESTERDAY CHARGED THE AMETHYST SANK A CHINESE VESSEL IN ESCAPING.)

THE AMETHYST COMMANDER RECEIVED AT LEAST 100 CONGRATULATORY MESSAGES AFTER HIS ARRIVAL HERE TODAY.

WD637APS

MOSCOW, AUG. 3-(AP)-PRAVDA PREDICTED TODAY THAT THE UNITED STATES, BY ARMING WESTERN EUROPE, WOULD EXPERIENCE THE SAME RESULTS IT DID IN CHINA.

"AMERICAN CONQUISTADORES OF WALL STREET" ARE AS MISTAKEN IN WESTERN EUROPE AS THEY WERE IN CHINA, THE COMMUNIST PARTY NEWSPAPER SAID, ADDING:

"THEY ARMED THE 'NATIVES,' COUNTING ON THEIR BECOMING THE TAMERS OF CHINA, AND ITS BOSSES. BUT THE CHINESE 'NATIVES' TAUGHT AMERICAN GENERALS A LESSON IN REAL GEOGRAPHY. IF AMERICAN GENERALS DO NOT WANT TO LEARN FROM BOOKS, THEN LEFT WILL TEACH THEM."

PRAVDA SAID WESTERN EUROPE HAS PEOPLE WHO DO NOT WISH TO BE "BLIND TOOLS IN THE HANDS OF UNLEASHED YANKEE WARRIORS." THE NEWSPAPER CHARGED THAT AMERICAN GENERALS ARE TRAVELLING THE SAME ROAD AS HITLER AND WITH "HIS SAME STUPID SELF CONFIDENCE."

PRAVDA ALSO CARRIED THIS HEADLINE TODAY: "TITO DEAL WITH AMERICAN MILITARISTS." THE STORY, A TASS DISPATCH FROM ROME, QUOTED ITALIAN NEWSPAPER RUMORS OF A MEETING IN WESTERN GERMANY BETWEEN EMISSARIES OF PREMIER MARSHAL TITO OF YUGOSLAVIA AND THE AMERICAN JOINT CHIEFS OF STAFF.

SOVIET NEWSPAPERS LATELY HAVE PUBLISHED STORIES THAT SOVIET CITIZENS IN YUGOSLAVIA ARE MISTREATED, THAT YUGOSLAVIA IS MAKING DEALS WITH THE GREEK NATIONALISTS AND THAT TITO'S EMISSARIES ARE MEETING IN SECRET WITH THE BRITISH.

GH128PED

WITH HONG KONG (450)
BY CHARLES P.GORRY

KOBE, JAPAN, THURSDAY, AUG.4-(AP)-THE BRITISH STEAMER ANCHISES, DAMAGED BY CHINESE NATIONALIST PLANES NEAR SHANGHAI LATE IN JUNE, ARRIVED HERE IN TOW OF A TUG. SHE LEFT THE YANGTZE FRIDAY, THE DAY BEFORE THE BRITISH SLOOP AMETHYST MADE HER DASH TO FREEDOM.

CAPT.J.E.WATSON OF CORK, IRELAND, BROUGHT THE BLUE FUNNEL LINE SHIP TO DOCK AFTER A TOW OF THREE AND ONE-HALF DAYS. SHE HAS A 10 FOOT HOLE AMIDSHIPS AT THE WATER LINE, THE RESULT OF A NEAR BOMB HIT JUNE 21.

ALL BUT ONE OF THE FIVE CREWMEN INJURED IN THE BOMBING AND IN STRAFING ATTACKS JUNE 21 AND 22 HAVE RECOVERED.

WATSON SAID TWO NATIONALIST PLANES, AMERICAN-MADE O-51 MUSTANG FIGHTERS, CAME OVER THE SHIP SEVEN MILES BELOW SHANGHAI IN THE WHANGPOO RIVER BOTH DAYS.

"ONE STAYED UP ABOVE AND THE OTHER CAME DOWN AND BOMBED AND STRAFED EACH DAY," WATSON SAID.

"ON THE FIRST DAY ONE BOMB MISSED AND THE SECOND HIT AMIDSHIPS AT THE WATERLINE. FOUR MEN IN THE ENGINE ROOM WERE INJURED. A HOLE 10 FEET IN DIAMETER HALF OF IT BELOW THE WATERLINE, WAS BLOWN IN THE SIDE OF THE SHIP. THEN THE PLANE CAME BACK AND STRAFED WITH 50 CALIBER MACHINE GUN FIRE."

THE ANCHISES WAS ONLY A SHORT DISTANCE AHEAD OF THE AMERICAN PRESIDENT LINES' GENERAL GORDON WHEN THE ATTACK OCCURRED. THE ANCHISES TIED UP AND THE WOUNDED--THE FOURTH MATE, TWO SEAMEN AND AN ELECTRICIAN--WERE TREATED IN A HOSPITAL IN COMMUNIST SHANGHAI.

NEXT DAY, WATSON SAID, PLANES CAME AGAIN AND DROPPED TWO BOMBS. BOTH MISSED BUT ANOTHER SEAMAN WAS INJURED BY STRAFING.

ALL THE WOUNDED EXCEPT TOM EDWARDS, 18, OF LIVERPOOL, ARE AGAIN AT THEIR REGULAR DUTIES. EDWARDS, MAKING HIS FIRST SEA VOYAGE, WAS WOUNDED IN THE LEG, THROAT AND SIDE. A STEEL SPLINTER IS IMBEDDED NEAR HIS HEART AND PROBABLY WILL BE REMOVED IN AN OPERATION HERE. EDWARDS IS WORKING LIGHT DUTIES.

WATSON SAID THE ANCHISES WAS SHOWING HER REGULAR MARKINGS AND FLAGS IN THE WHANGPOO. BEFORE STARTING FROM SHANGHAI FOR KOBE, HUGE BRITISH ENSIGNS WERE PAINTED ON EACH SIDE AND ON THE FOREDECK AS AN ADDITIONAL PRECAUTION.

THE DAY AFTER THE SECOND ATTACK THE NATIONALIST GOVERNMENT APOLOGIZED TO BRITAIN FOR THE INCIDENT. THE CANTON GOVERNMENT CALLED IT AN ACCIDENT AND SAID IT WAS IN NO WAY CONNECTED WITH THE NATIONALIST BLOCKADE OF THE COMMUNIST HELD CHINA COAST.

ALEX SIMPSON, SECOND ENGINEER ROM BIRKENHEAD, ENG., RECOVERED A PIECE OF THE BOMB WHICH CRASHED INTO THE ENGINE ROOM. SIMPSON AND OTHERS WITH WARTIME EXPERIENCE IDENTIFIED THE BOMB AS A 500-POUNDER OF AMERICAN OR CANADIAN MANUFACTURE.

A NATIONALIST PATROL SHIP MET THE ANCHISES NEAR THE MOUTH OF THE YANGTZE. H.M.S.HART, A SISTER SHIP OF THE SLOOP AMETHYST, LATER ESCORTED THE ANCHISES TO A POINT NEAR THE JAPANESE COAST. THE MOTOR VESSEL GLENGYLE, ALSO OWNED BY THE BLUE FUNNEL LINE, ALSO ACCOMPANIED THE DISABLED SHIP MOST OF THE WAY TO HELP IN CASE OF EMERGENCY.

THE ANCHISES PROBABLY WILL GO INTO KAWASAKI SHIPYARD FOR REPAIRS.

CO1042PCS NM

TOKYO,AUG.3-(AP)-TRADE BETWEEN JAPAN AND THE MIDDLE EAST SOON MAY PERK UP.

CARL C.CAMPBELL OF THE TEXTILE DIVISION OF OCCUPATION HEADQUARTERS SAID TODAY THERE ARE INDICATIONS JAPAN MAY EXPECT A REASONABLE AMOUNT OF TRADE WITH MIDDLE EAST COUNTRIES IF TERMS CAN BE ARRANGED. FINANCIAL ASPECTS OF FUTURE TRADE AGREEMENTS MUST BE HANDLED SATISFACTORILY.

CAMPBELL JUST RETURNED FROM FOUR MONTHS IN GREECE, EGYPT, SAUDI ARABIA, LEBANON AND SYRIA. HE SAID MANY OF THESE COUNTRIES ARE EAGER TO DO BUSINESS WITH JAPAN IF MUTUALLY ADVANTAGEOUS TERMS MAY BE ARRANGED.

VR524ACS NM

TOKYO,AUG.3-(AP)-AFTER 12 YEARS, CAPT.HAROLD PASCOE GRENFELL HILL THOMAS OF HAGERSTOWN, MD., AND TOSHIYA MORI ARE GOING TO MEET PERSON TO PERSON HERE THIS WEEKEND. THEY'RE OLD PEN PALS.

THEIR CORRESPONDENCE FRIENDSHIP BEGAN IN 1937 WHEN THOMAS, 20 YEARS OLD AND INTERESTED IN JAPAN, ADVERTISED IN A TOKYO NEWSPAPER FOR A PEN PAL. FROM 20 REPLIES HE CHOSE THE YOKOHAMA LAD.

THE WAR INTERRUPTED THEIR CORRESPONDENCE. THOMAS WENT INTO THE AIR FORCE, FINALLY ARRIVING IN JAPAN LAST YEAR. HE TRIED TO LOCATE MORI BUT THE MORI HOME HAD BURNED AND HE COULDN'T BE TRACED.

MORI WROTE TO THOMAS, BUT THE THOMAS FAMILY HAD MOVED. MORI'S LETTERS WERE RETURNED. FINALLY HE WROTE THE MAYOR OF HAGERSTOWN. THE MAYOR PUBLICIZED THE SITUATION IN THE HAGERSTOWN HERALD AND MAIL.

THOMAS' MOTHER, WHO LIVES AT 550 N.MULBERRY ST., FORWARDED MORI'S ADDRESS TO HER SON IN TOKYO. MAYOR H.L.MILLS ALSO WROTE THOMAS.

THAT'S HOW THIS WEEKEND'S MEETING WAS ARRANGED.

VR-RA318ACS NM

MOSCOW, AUG 3-(AP)-THE OFFICIAL SOVIET NEWS AGENCY TASS SAID TODAY THE WORKING MASSES IN POLAND ARE "INDIGNANT" AT THE RECENT ORDER OF THE VATICAN DECREEING EXCOMMUNICATION FROM THE ROMAN CATHOLIC CHURCH OF COMMUNISTS AND THEIR ACTIVE SYMPATHERS.

TASS SAID THAT ALL OVER POLAND RESOLUTIONS ARE BEING ADOPTED SUPPORTING THE POLISH GOVERNMENT AND CONDEMNING THE VATICAN.

(THE POPULATION OF COMMUNIST-RUN POLAND IS ALMOST WHOLLY ROMAN CATHOLIC.)

MT1107AED

MOSCOW,AUG 3-(AP)-NEW TIMES SAID TODAY RECENT BRITISH CRITICISM OF PRESIDENT ROOSEVELT'S UNCONDITIONAL SURRENDER POLICY IN WORLD WAR II IS PART OF AN OVER-ALL PLAN AIMED AT THE SOVIET UNION.

THE FOREIGN AFFAIRS WEEKLY CITED STATEMENTS MADE IN THE BRITISH PARLIAMENT JULY 21 BY FOREIGN SECRETARY ERNEST BEVIN AND WINSTON CHURCHILL. CHURCHILL SAID ROOSEVELT USED THE TERM WITHOUT PREVIOUSLY CONSULTING WITH HIM. BOTH CHURCHILL AND BEVIN QUESTIONED THE WISDOM OF THE UNCONDITIONAL SURRENDER POLICY, ANNOUNCED BY ROOSEVELT AT CASABLANCA IN 1943.

THIS CRITICISM BY THE BRITISH LEADERS, NEW TIMES SAID, CONSTITUTES A PREPARATION FOR AN UNDERSTANDING WITH GERMANY AIMING AT A WESTERN WAR COALITION DIRECTED AT THE SOVIET UNION.

IT IS A RETURN TO THE POLICY SUPPORTED IN THEIR TIME BY NEVILLE

CHAMBERLAIN, PIERRE LAVAL AND OTHERS, NEW TIMES SAID.
THE PUBLICATION ADDED THAT THE SAME POLICY FINDS EXPRESSION IN THE ATLANTIC PACT, THE WESTERN EUROPEAN UNION AND THE ESTABLISHMENT OF A WESTERN GERMAN GOVERNMENT.
"THAT CONSEQUENTLY IS WHAT BEVIN IS PREPARING FOR: FOR A CULMINATION OF THE POLICY OF RESURRECTION AND ENCOURAGEMENT OF GERMAN AGGRESSION."
JK419PED

PRAGUE,AUG 3-(AP)-RUSSIA IS BOYCOTTING THE CANNES AND VENICE FILM FESTIVALS THIS YEAR BECAUSE THEY CONCENTRATE ON QUANTITY PRODUCTION FOR COMMERCIAL PURPOSES INSTEAD OF QUALITY PRODUCTION FOR ART'S SAKE, V.R.SHCERBINA, SOVIET DEPUTY MINISTER OF CINEMATROGRAPHY, SAID TODAY.
THE SOVIET OFFICIAL MADE HIS REMARKS IN A NEWS CONFERENCE AT MARIANSKE LAZNE (MARIENBAD), SCENE OF THE FOURTH INTERNATIONAL FILM FESTIVAL. THEY WERE REPORTED BY THE OFFICIAL CZECH PRESS BUREAU.
AT MARIANSKE LAZNE, RUSSIAN FILMS ARE MAKING THEIR ONLY COMPETITION THIS YEAR AGAINST THE PRODUCTS OF HOLLYWOOD, BRITAIN AND FRANCE. AN ALL-CZECH JURY IS DOING THE JUDGING.
SPEAKING OF THE DIFFERENCE BETWEEN SOVIET AND WESTERN CINEMATIC ART, SHCERBINA TOLD CORRESPONDENTS THAT SOVIET FILMS DREW THEIR INSPIRATION FROM "THE NEW LIFE AND IDEAS OF THE LIBERATED PEOPLE IN A SOCIALIST ORDER."
"SOVIET ARTISTS," HE DECLARED, "ARE FREE TO CREATE IN ACCORDANCE WITH THEIR CONSCIENCE AND COMMON SENSE AND THE NEEDS OF THE SOVIET PEOPLE. THE PLANNING OF WORK DOES NOT IMPAIR THIS CREATIVE FREEDOM. THE SOVIET ARTIST IS AT THE SAME TIME A GREAT STATEMAN."
DISCUSSING THE SOVIET BOYCOTT OF THE VENICE AND CANNES FILM FESTIVALS, SHCERBINA SAID THAT THE NEW RULES OF THOSE EXHIBITIONS WERE BASED ON "THE PRINCIPLE OF QUANTITY OF PRODUCTION, WHICH CONSIDERED FILMS TO BE COMMERCIAL AND INDUSTRIAL PRODUCTS AND NOT WORKS OF ART, WHICH IS CONTRARY TO THE SOVIET VIEW."
JK445PED

NEW YORK, AUG. 3-(AP)-TWO RUSSIAN NAVAL OFFICERS ARRIVED TODAY TO OPEN TALKS WITH U.S. OFFICIALS FOR THE RETURN OF THREE AMERICAN LEND-LEASE ICE-BREAKERS AND 28 FRIGATES.
THE UNITED STATES HAS BEEN TRYING TO GET THESE AND OTHER VESSELS BACK FROM RUSSIA. THEY WERE LENT OUT DURING THE WAR.
THE OFFICERS, REAR ADM. NICOLAI PITERSKI AND CAPT. MITRFAN VANYUKHIN, ARRIVED ABOARD AN AIR FRANCE PLANE FROM PARIS AND LEFT IDLEWILD AIRPORT IN A SEDAN WHICH MET THEM.
RB11PED

AUG 4 1949

THE HAGUE, AUG. 3-(AP)-THE INTERNATIONAL TIN STUDY GROUP ISSUED TODAY A CORRECTION OF ITS LATEST BULLETIN PUBLISHED JULY 31.
THE CORRECT FIGURES FOR THE WORLD TIN PLATE PRODUCTION ARE:
THE PRODUCTION DECLINED FROM 402,000 IN MARCH TO 347,000 TON IN APRIL AND 349,000 TON IN MAY.
WD102AED

AUG 4 1949

BY NORMAN CARIGNAN
WASHINGTON,AUG.3-(AP)-THE INTER-AMERICAN PEACE COMMISSION DECIDED TODAY TO ASK THE 21 AMERICAN GOVERNMENTS FOR THEIR SUGGESTIONS FOR DEALING WITH RECENT POLITICAL UPHEAVALS IN THE CARIBBEAN AND CENTRAL AMERICA.
THE MOVE WAS TAKEN AT THE INITIATIVE OF THE UNITED STATES AT A SPECIAL MEETING OF THE FIVE-NATION COMMISSION AT THE PAN AMERICAN UNION.
THE COMMISSION, COMPOSED OF DELEGATES FROM THE UNITED STATES, BRAZIL, ARGENTINA, MEXICO AND CUBA, WAS CREATED AT THE 1940 HAVANA INTER-AMERICAN CONFERENCE TO SEEK PEACEFUL MEANS OF RESOLVING HEMISPHERE DISPUTES.
U.S. DELEGATE PAUL C.DANIELS, IT WAS LEARNED, TOLD THE COMMISSION THAT THE CURRENT SITUATION IS DANGEROUS AND A THREAT TO THE PEACE.
AT A TWO-HOUR SESSION THE GROUP DISCUSSED THE SERIES OF INCIDENTS DATING BACK TO 1947 WHICH HAVE KEPT THE CARIBBEAN AND CENTRAL AMERICAN AREAS EMBROILED IN POLITICAL TENSIONS AND ATTEMPTED INVASIONS.
THESE INCLUDE AN ATTEMPTED INVASION OF THE DOMINICAN REPUBLIC FROM CUBA IN 1947, A DOMINICAN-HAITIAN DISPUTE, ONE INVOLVING COSTA RICA AND NICARAGUA AND THE MORE RECENT ATTEMPTED INVASION OF THE DOMINICAN REPUBLIC.
THE GROUP'S DECISION TO POLL THE OTHER AMERICAN REPUBLICS WAS CONSIDERED A PRELIMINARY TO SOME SORT OF CONCERTED ACTION, POSSIBLY A FOREIGN MINISTERS CONFERENCE ON WAYS TO STOP THE FEUDING AND THUS EASE POLITICAL TENSIONS.
MD934PED

End of August 3rd, 1949.

30.24- 4805

Truman Agrees to Yield Powers Under Arms Plan, Opposes Slash in Funds

AUG 5 1949

INSISTS SENATE APPROVE MEASURE WITHOUT DELAY

President Says He Wants Pact Nations to Be Taken Care Of

CHINA AID URGED

12 Senators Join in Demand That $175,000,000 Go to Chinese

WASHINGTON, Aug. 4 (AP)—Faced with growing opposition, President Truman today abandoned a section of the foreign arms bill giving him sweeping power to allot arm aid anywhere in the world.

He is not interested in blank check powers, he told a news conference, but he insisted that the full $1,450,000,000 he requested should be voted quickly.

All he wants is to see that the European countries in the North Atlantic Pact are properly taken care of, he said. Several legislators have talked of restricting the president's proposed authority by spelling out which nations shall be eligible for the arms aid, which is designed as a bulwark against communism.

Chairman Connally (D-Tex) of the Senate Foreign Relations committee told reporters the president had made an "admirable statement" on the arms program.

Makes Action Easier

He said the clause giving authority to re-arm "any nation" will be deleted.

Senator Dulles (R-NY) said he believed the president's attitude would make it easier to get action on an arms program.

Senator Vandenberg (R-Mich) said: "This looks like encouraging progress toward a bill that can be passed. That is the number one necessity."

Vandenberg told reporters "there remain some other hurdles" but he declined to go any further along this line.

Twelve senators joined today in a demand that $175,000,000 of the amount be earmarked for non-communist China.

This move came in the form of an amendment to the arms bill, offered by Senator Knowland (R-Calif). The $175,000,000 would become available after the president named a mission to advise the nationalist government on the use of the sum.

Ends Big Objection

Mr. Truman's stand met one of the principal objections to the program which have sprung up as it moved through hearings in the House Foreign Affairs committee. Republican committee members were predicting flatly that the president could not get the right to allot the funds as he saw fit.

In presenting the program, Mr. Truman gave Congress a projected outline of where the funds might go. He named principally the European pact nations. But he urged that he be allowed to spot arms aid wherever the interests of the nation would be served best.

He told reporters that he is content to let Congress work out the details.

Influential Republicans have been hammering at the amount of the program ever since it was disclosed. The suggestion frequently is heard that the funds be held to about half that asked by the administration.

One argument is that the pact nations are committed to working out an overall defense plan for staving off a Russian attack. All that now is needed is an interim arms program pending the cooperative pact approach, it is contended.

Amount Seen Minimum

The administration answer is that the arms aid proposed is the minimum to meet an emergency situation and that in itself it is only an interim plan.

Some committee members proposed that the program be limited to next March 31, with the expectation that Congress would look the situation over again when it returns in January.

Mr. Truman asked funds for a year, but the arms it provides would be delivered over a two year period. Leaders expect the need for aid to continue perhaps five years.

Members of the House committee expressed gratification at the President's statement he would not press for inclusion of broad powers to decide when and where to send aid.

"I'm still not ready to vote for it," said Rep. Javits (R-NY), however, after another long closed-door session at which men who drafted the bill explained its provisions to the committee.

He added "I'm not satisfied that the concept of unified command and overall strategy has been adequately covered by the bill."

Javits also said that before agreeing to vote for the plan he wanted to be completely convinced that "this will not shift emphasis from the Marshall Plan."

Chairman Kee (D-WVa) told newsmen he was "very hopeful" that the committee will approve the entire $1,450,000,000 requested.

"I feel it has been justified by all the evidence that we had before us," he said. "But some members of the committee may disagree with me on this."

Washington, Aug. 4 (AP)—President Truman today rejected suggestions that he compromise in his request for $1,450,000,000 for arms aid to friendly nations.

Mr. Truman indicated at his news conference, however, that he does not oppose suggested congressional curbs on his broad authority to allocate the funds and specify nations to receive the aid.

He said the arms-aid bill to implement the Atlantic alliance should be passed by Congress as soon as possible and that the full amount sought should be granted.

Appear Determined

Democrats and Republicans alike have agreed that Mr. Truman may not get all that he wants in the request for arms aid.

House Foreign Affairs Committee members appeared determined to trim the amount asked even after they received figures on Soviet military strength.

They had a full day of closed-door sessions yesterday with arms and State Department experts who helped draft the big arms-aid program.

Important Thing

Mr. Truman said he does not care anything about blank-check authority to allot the arms-aid money.

He said he is content to let Congress work out the details.

The important thing, he said, is to provide the money and provide it quickly.

Situation Analyzed

The situation shaped up like this after the first full week of committee consideration of the program sent to Congress last week by Mr. Truman:

1. There is heavy sentiment to curb the broad grants of presidential authority proposed and spell out, as closely as possible, the amount of assistance to be given, the nations to receive it, and the conditions under which it shall be provided.

2. There is substantial sentiment for a sharp cut in the amount and duration of the program.

No Timetable Set

Instead of approving an arms-aid plan to run through June 30, 1950, many committee members favor limiting it to next March 31, with the idea that Congress can take another look in January and extend it if necessary. Those supporting this proposal would cut the financial authorization at least in half.

House leaders have not set a timetable for full House debate. They hope to have the bill on the House floor around the middle of the month.

The expert witnesses who testified yesterday were recalled today. They are Maj. Gen. Lyman L. Lemnitzer, Edward T. Dickinson, Jr., and Dr. Lloyd Berkner, members of the Government's Foreign Assistance Correlation Committee.

Detailed Information

A formal committee announcement at the end of the session said they gave "detailed information about the specific types of equipment" proposed to be given to friendly nations fearful of Soviet encroachment.

NEW ROW DELAYS FOREIGN AID BILL

Action Balked in Dispute Over Treatment of Americans in French Morocco

WASHINGTON, Aug. 4. — (AP) The $5,647,724,000 foreign aid appropriation bill carrying funds for the second year of the Marshall Plan was held up today by a Senate dispute over the treatment of American businessmen in French Morocco.

As a result of the alleged discrimination against Americans there, the Senate threatened to shut off many millions of dollars in aid to France.

The issue was still unsettled when the administration took a hasty overnight recess. Just before that move, the Senate by a vote of 44 to 42 had overturned a ruling by Vice President Barkley that the proposed amendment denying aid was improper new legislation in an appropriation bill.

Amendment Vote Today

That opened the way for a vote on the amendment, probably tomorrow.

Before the French Morocco issue arose, the Senate appeared to be making fast progress on the measure which contains funds for the Economic Cooperation Administration (ECA), government and relief activities in occupied areas, and economic assistance for Greece and Turkey.

The administration had succeeded in knocking out a proposed $50,000,000 loan to Spain, sponsored by Senator McCarran (D-Nev). Barkley ruled that it was new legislation, and as such outlawed. When McCarran appealed, the Senate upheld its presiding officer's ruling, 55 to 36.

But a slim majority overruled the vice president on the French Morocco matter. Senator Russell (D-Ga) led the fight against Barkley's ruling.

37 Americans Affected

Russell told the Senate that 37 Americans in French Morocco claim they have been discriminated against by the French. He said ECA chief Paul Hoffman conceded

there was a matter of principle at stake "but that there were only 37 Americans" involved.

"Something in that statement gagged me," Russell said. "I don't care if only one citizen was involved. He is entitled to the protection of the American government."

Senator Hayden (D-Ariz) said he believed the Americans there were merely "fronts for French and Moroccan interests" to bring goods into Morocco.

Specifically, the amendment now pending would deny aid in counterpart funds to any nation violating a U. S. treaty. The counterpart funds are local currencies put into a special account to match ECA aid. About $100,000,000 in French counterpart funds remained unobligated June 30, ECA records showed.

The exact form of discrimination was not brought out in the debate. In hearings on the bill, however, it was charged that the French were making it almost impossible for the Americans to do business in French Morocco.

One major threat to the bill was removed when Senator McClellan (D-Ark) said he would not raise a point of order against the whole bill as he did last week. His action then sent the measure back to the Appropriations committee.

The Arkansas senator said he realized that he could accomplish nothing by raising a second point of order and that he would make no further fight. However, he said that if future appropriation bills contain legislation, he expects to challenge them.

McClellan tried unsuccessfully yesterday to write in an amendment to the pending bill requiring the purchase of $1,350,000,000 worth of surplus U. S. crops. AP

BARKLEY CUTS LOAN TO SPAIN FROM ERP BILL

Decides McCarran's Move to Supply Aid Violates Senate Rules.

TURNS DOWN AMENDMENT

Vice-President Declares Madrid Is Not Entitled to Help Under ECA Act.

Washington, Aug. 4 (A. P.).—Vice-President Barkley today ruled $50,000,000 in loans to Spain out of the European Recovery Program.

He held that an amendment sponsored by Senator McCarran (D.-Nev.) violated Senate rules against writing new legislation into an appropriation bill. Democratic leader Lucas of Illinois challenged the McCarran amendment, and then McCarran appealed the Barkley ruling.

The Senate later upheld Barkley's ruling by a roll call vote, 55 to 36.

Barkley then told the Senate that Spain was not entitled under the Economic Co-operation Administration act to participate in the recovery program. Spain has not adhered to the basic requirements of the act, the Vice-President said, and to admit Spain into the program would be a violation of the act.

The ruling came as Senate leaders strove to free the big foreign aid money bill from the threat of another blockade. Lucas said he hoped to get final approval late in the day for the bill, which carries funds for Europe's recovery, Army occupation costs and aid to Greece and Turkey. AP

How the Senate Voted On Two Barkley Rulings

WASHINGTON, Aug. 4 (AP)—Following are the two roll-calls in the Senate today on rulings by Vice President Barkley. In the first the Senate voted by 55 to 36 to sustain his ruling that an amendment to include Spain in the Economic Cooperation Administration was out of order. In the second the Senate overturned by 44 to 42 his ruling on a treaty amendment:

On Spain

FOR THE RULING—55

Democrats—38

Anderson	Hayden	Magnuson
Byrd	Hill	McFarland
Chapman	Hoey	McGrath
Connally	Holland	McMahon
Douglas	Humphrey	Myers
Downey	Hunt	Neely
Ellender	Johnson (Tex.)	O'Conor
Frear	Johnston (S. C.)	Robertson
Fulbright	Kefauver	Sparkman
George	Kerr	Taylor
Gillette	Kilgore	Thomas (Utah)
Graham	Long	Tydings
Green	Lucas	

Republicans—17

Aiken	Knowland	Smith (Me.)
Baldwin	Lodge	Thye
Dulles	Martin	Tobey
Flanders	Morse	Vandenberg
Hickenlooper	Reed	Williams
Ives	Saltonstall	

AGAINST THE RULING—36

Democrats—11

Chavez	McClellan	Russell
Eastland	McKellar	Stennis
Johnson (Col.)	Miller	Thomas (Okla.)
McCarran	O'Mahoney	

Republicans—25

Brewster	Ferguson	Mundt
Bricker	Gurney	Schoeppel
Bridges	Hendrickson	Taft
Butler	Jenner	Watkins
Cain	Kem	Wherry
Capehart	Langer	Wiley
Cordon	Malone	Young
Donnell	McCarthy	
Ecton	Millikin	

On Treaty

FOR THE RULING—42

Democrats—27

Anderson	Hayden	Magnuson
Byrd	Hoey	McGrath
Chapman	Humphrey	McMahon
Connally	Hunt	Myers
Douglas	Johnson (Tex.)	Neely
Frear	Johnston (S. C.)	O'Conor
Fulbright	Kefauver	Robertson
Graham	Kilgore	Sparkman
Green	Lucas	Thomas (Utah)

Republicans—15

Aiken	Hickenlooper	Smith (Me.)
Donnell	Lodge	Taft
Dulles	Millikin	Thye
Flanders	Morse	Tobey
Gurney	Saltonstall	Vandenberg

AGAINST THE RULING—44

Democrats—19

Chavez	Johnson (Col.)	McKellar
Eastland	Kerr	O'Mahoney
Ellender	Long	Russell
George	Maybank	Stennis
Gillette	McCarran	Thomas (Okla.)
Hill	McClellan	
Holland	McFarland	

Republicans—25

Baldwin	Ferguson	McCarthy
Brewster	Hendrickson	Mundt
Bricker	Ives	Watkins
Bridges	Jenner	Wherry
Butler	Kem	Wiley
Cain	Knowland	Williams
Capehart	Langer	Young
Cordon	Malone	
Ecton	Martin	

Paired: Tydings, Democrat, for; Taylor Democrat, against.

STAFF CHIEFS REPORT FULL AGREEMENT

Americans Fly To Paris After London Talks With 3 Nations

Paris, Aug. 4 (AP)—The American joint chiefs of staff reported today they have reached complete agreement with European leaders approached thus far on defense lines to be laid by Atlantic treaty nations.

They hopped over to Paris from London this afternoon. In London they met with army, navy and air force heads of Britain, Norway and Denmark.

In Paris and at Fontainebleau they will meet for two more days with similar leaders of France, Holland, Belgium and Portugal, and Britain's Field Marshal Viscount Montgomery.

All Are Optimistic

They already have visited Germany, and on Sunday will leave for Vienna.

All three Americans were optimistic. Admiral Louis E. Denfeld, Chief of Naval Operations, told a news conference they are in complete understanding with the British, Norwegians and Danes on mutual defense measures to be undertaken.

As spokesman in London for the three, he said the defense setup might be functioning by the end of this year "because I felt we were getting along so well it would not be too tough to work out an organization by that time. But it is a guess," he added.

No Ready-Made Plan

Denfeld told the London news conference the final forming of the organization would be done at a future high-level meeting on the basis of the current talks. He said the Americans had not come over with a ready-made plan but to exchange views and that was going most satisfactorily.

Gen. Omar N. Bradley, of the Army, and Gen. Hoyt S. Vandenberg, Air Force chief, answered questions about the atom bomb.

The first was whether the United States would be dropping bombs while the western European powers were holding the line with ground forces.

"That refers to my statement before the House Foreign Affairs Committee in Washington," Bradley said. "In those discussions we have had to present some assumed use of collective defense. In such an assumed siutation we would have to do the strategic bombing while other nations closer to the center of emergency would provide, initially, the other forces."

Denies Intending Monopoly

Vandenberg told a questioner the American Air Force does not want to monopolize the strategic bombing.

"I would favor everybody getting into that to the maximum of the limitations imposed by exchequers and manpower," he said. "British strategic bombing in the last war made a wonderful record."

Denfeld said sharing of the atom bomb with other Atlantic treaty nations was not mentioned and there was no discussion of any arms aid at this stage.

Arriving in the afternoon at Orly Airfield in President Truman's plane, the Independence, the chiefs were met by a blast of "Old Folks at Home" played by a French air force band.

Bradley Speaks On Network

Bradley, speaking over the French national network at the airfield, said:

"As spokesman for the chiefs of staff, I am glad to have the opportunity of exchanging opinions on methods of organizing the military part of the Atlantic pact."

A questioner asked Vandenberg whether the chiefs were thinking of superseding the defense plans of the Western European Union—France, Britain and the Benelux countries—with Atlantic pact measures. The Fontainebleau conferences will include the headquarters personnel of the Western Union headed by Montgomery and its four commanders in chiefs.

"We are discussing all possible types of organization under the pact," Vandenberg replied. "That's what we're making this trip for."

Welcomed By French

The party was welcomed by the three French chiefs: Gen. Georges Revers, army; Vice-Admiral Andre Leonnier, navy, and Maj. Gen. Charles Lecheres, air force. David Bruce, United States Ambassador, and others were present.

Three busloads of Paris police filed around in response to false reports there would be a demonstration by the Communist-led General Federation of Labor (CGT).

The CGT has, however, scheduled an anti-pact demonstration for tomorrow in front of the United States Embassy. The Government has forbidden the demonstration and masses of police are expected to turn out. At the demonstration hour, the chiefs will be 40 miles away, at Fontainebleau with Montgomery and his Western Union chiefs. AP

U.S. Chiefs Move To France For Pact Talks

Paris, Aug. 4 (AP)—The American joint chiefs of staff arrived in Paris today from London, where they had announced they reached a complete understanding with Britain, Norway and Denmark on organization for mutual defense under the Atlantic treaty.

The exploratory talks of the joint chiefs continue now with French, Belgian, Dutch and Portuguese military leaders.

Before boarding President Truman's private plane in London, the chiefs had talked for two days with the British, Danish and Norwegian military leaders.

Speaking for his colleagues, Admiral Louis E. Denfeld said understanding had been achieved and there was a possibility of getting a defense organization into operation before this year's end.

Reds Accuse Chiefs

In Germany, meanwhile, the Communist-controlled German People's Council of the Soviet zone accused the chiefs of staff of having held "war conferences" on German soil. This referred to the four-day visit of the group to the American zone. The council, according to the Soviet news agency ADN, adopted a resolution calling the visit to Germany an "abuse of occupation authority."

As the chiefs' plane landed in Paris, a French military band played the American and French national anthems. Denfeld was first off the plane, followed by Air Force General Hoyt S. Vandenberg and Army General Omar Bradley.

Bradley said he was glad to be in Paris to "have the opportunity of exchanging opinions on methods of organizing the military part of the Atlantic pact."

Refers To Invasion

Wartime commander of the United States 12th Army Group, he noted that his last visit to France was "under slightly different circumstances." He was in the Normandy invasion in 1944.

Denfeld was asked whether the Atlantic defense plan would supersede the western European defense organization. He replied that all types of organization are being studied before a decision is reached.

Denfeld gave no detailed information after the London meetings.

"We are going home, I am sure, with a very much better understanding of the situation than we had when we came over," the United States chief of naval operations told a news conference following meetings with Norwegian and Danish military commanders.

The subject of sharing the atom bomb with other Atlantic treaty signatories was not mentioned in the staff talks, Denfeld told a questioner.

Reveals Purpose Of Visit

"There was no general discussion of arms aid," he added. "Our purpose in coming here was to exchange ideas on proper organization."

Gen. O. E. Berg, chief of the Norwegian joint services, told the reporters:

"We have discussed defense programs and we are finding a very good solution to our problem." AP

30.24 4807

WAR RECORD DIMS CLARK'S HOPE FOR CHIEF OF STAFF

D WHITEHEAD

WASHINGTON, Aug. 4 — (AP) A bloody repulse suffered by American troops in Italy threw a shadow today over the chances of Gen. Mark W. Clark to become the Army's chief of staff.

A lot of Texans were killed in that battle on the Rapido river when the 36th Division charged toward Cassino. A lot of Texans haven't forgotten Clark was commanding the operation.

Texas' veteran Senator Tom Connally made it clear to reporters he will oppose Clark if he should be nominated to succeed General Omar N. Bradley.

Knows Better Officers

"I didn't like Clark's mistreatment of the 36th division and other Texas troops in Italy," Connally told reporters. "I think there are other officers better qualified for the job."

Whether Connally could persuade the Senate to his views was questionable, however. In 1946 he and Senator O'Daniel (D-Tex) tried in vain to block a promotion for Clark. Other senators praised Clark as an excellent officer. Army spokesmen have said that the Rapido attack was a necessary diversionary operation ordered, not by Clark, but by his superiors.

Clark has been mentioned prominently as a possible successor to Bradley, who may become chairman of the joint chiefs of staff under the new unification program. Such an appointment must be approved by the Senate.

Was Bloody Battle

Survivors of the Rapido battle in the cold January of 1944 returned home from the war voicing publicly their bitterness toward Clark. The 36th division association of veterans has been particularly vocal.

The battle at the Rapido was one of the bloodiest of the Italian campaign.

The American and British troops had landed at Anzio trying to break the German defenses before Rome. The plan called for an attack across the Rapido to break the German defenses at Cassino and link up the Anzio beachhead with the main allied armies.

The 36th Division ran into a withering cross-fire from the Germans' long-prepared positions. The attempt to cross the Rapido failed.

Military men will argue for many years the tactics at the Rapido and the battle plans to push the Germans out of Rome.

"For ten long years we have adhered to all price regulations, even though at times they have been unfair.

"But this latest cut is so inequitable, so vicious and so obviously political that for the first time in the history of price control, there is every likelihood that retailers will revolt."

British Shopkeepers Aroused

London, Aug. 4 (AP)—A quarter of a million British shopkeepers, galled by ten years of government controls, threatened outright rebellion today against an order to cut prices. They are members of the National Chamber of Trade.

The merchants objected to a directive issued last week by Harold Wilson, president of the Board of Trade, for retailers to slash prices of utility clothing, footwear and household textiles five per cent. The order is effective next month.

An association of clothing dealers said its members would go to jail rather than conform.

The National Shoe Retailers' Council announced it had informed Wilson it would advise its members to continue to charge present prices. The council declared in a statement it was prepared to face court action rather than give way.

Want To Share Reduction

The Management Council of the National Association of Outfitters also issued a statement warning of a prospective revolt.

The utility clothing involved in the order is a line of plain garments whose production cost is subsidized by the Government to keep prices down for the low-salary classes.

A. F. Hopkinson, general secretary of the Outfitters Association, explained the shopkeepers did not object to price cuts as such, but want the profit margins of manufacturers and wholesalers reduced so that the whole slash does not come out of the shopkeepers' profits.

"Vicious . . . Political"

The Outfitters' Association Council said in a statement:

"When the orders become operative, many thousands of retailers will not only have to work for nothing, but also sell at a net loss.

Attlee 'Quite Recovered'

London, Aug. 4 (AP)—Prime Minister Attlee has "quite recovered" from a cold which had confined him to his country home since last Saturday, an official spokesman said today. The cold forced him to cancel a week-end speaking engagement.

German Research Gets Radio-Active Isotopes

Goettingen, Germany, Aug. 4 (AP). Britain is sending radio-active isotopes to German universities for atomic research, Prof. Otto Hahn, the German atomic scientist revealed today.

He told an audience of international students here the isotopes are being used for medical and biological research in the atomic field. He said they have been delivered in the past two months by Britain's Harwell Atomic Research Station.

Italian Troops Take Part In Maneuvers

Turin, Italy, Aug. 4 (AP)—About 20,000 Italian troops were locked in mock battle on the plains of Piedmont today in the first large Italian Army maneuvers since the war.

Saboteurs, guerrillas and parachutists were thrown into the mock fight between the "Reds" and the "Blues."

The "Red" guerrillas are commanded by expartisan fighters, now officers in the regular army.

Labor Inquiry Facing Delay

L HITHERLING

Geneva, Switzerland, Aug. 4 (AP). The failure of the Soviet Union to approve an "on-the-spot" investigation of forced labor probably will postpone for six months, if not permanently, the creation of a commission of inquiry by the United Nations Economic and Social Council.

Sentiment was growing in the eighteen-nation council for delaying action on the inquiry and late today three members — Brazil, Denmark and India—introduced an amendment which would set the project back until the next session of the council.

Would Change Instructions

The amendment said answers received by the United Nations to inquiries concerning the readiness of governments to participate in the investigation "do not provide the conditions under which a commission of inquiry could operate effectively."

The amendment was made to an American resolution calling for a joint United Nations-International Labor Organization commission of eleven members to undertake the inquiry. It would substitute new instructions to the secretary general for the operative clauses of the American resolution.

The secretary general, under the amendment, would be asked "to request governments which have not as yet stated that they would be prepared to co-operate in such an impartial inquiry to consider whether they, before the next session of the council, can give a reply to that effect."

Believed Certain Of Passage

The Soviet Union, which has been accused of operating a massive forced-labor program, is the most important state which has not agreed to the "on-the-spot" investigation.

The United States is expected to continue pressing for its resolution and the establishment of the commission. But Great Britain, France and Belgium are expected to favor the amendment. It is regarded as almost certain to obtain enough other suppo[illegible] for passage.

The United States view is understood to be that, even without Russia taking part, a commission could get considerable evidence from available documents and from escaped victims of labor camps in public hearings.

Corley Smith, British delegate, said today "if we cannot investigate on the spot in the Soviet Union, there is not much point in carrying on this investigation."

ADD

U.N. Slave-Labor Probe Held Unlikely

Geneva, Switzerland, Aug. 4 (AP). Prospects dimmed today for a world-wide United Nations Commission on-the-spot investigation of forced labor.

Several speakers told the United Nations Economic and Social Council that such an inquiry would be useless unless the commission had access to all countries, including the Soviet Union.

A probe of forced labor was proposed yesterday by the United States after Britain formally accused Russia of maintaining 10,000,000 laborers in "a new slavery organized on a mass-production basis."

Polish Delegate Julius Katz-Suchy sought today to ridicule the British presentation of the Soviet "Correct Labor Codex."

"In Own Kitchen"

He said the British Foreign Office should get a refund from the intelligence agent who turned in the Soviet regulations for forced-labor camps because the codex was obtainable in London in 1936.

"All the intelligence agent had to do," Katz-Suchy said, "was go to the Sweet and Maxwell bookstore in Chancery lane (off London's Fleet street) and buy the same document."

"The British Foreign Office, instead of buying it there, prefers to cook up something in its own kitchen," Katz-Suchy added sarcastically. He said the Foreign Office had "falsified a few passages in translation, just to keep up the tradition."

The Polish delegate described the codex as "just prison regulations." He described British regulations for the flogging of prisoners and quoted documents which he cited as proof that compulsory labor exists in British colonies.

Peonage System

Katz-Suchy also criticized what he described as the peonage system in the Southern States of the United States. In Tokyo under United States military occupation, he said, desperate peasants are selling their children.

The American resolution on forced labor, he said, was an instigation of hatred and incitement to war propaganda.

The resolution calls for the naming of an eleven-member commission. It suggests that emphasis in such an inquiry be placed on situations involving large numbers of persons or widespread practices of forced labor.

Commenting on the prospects for such a probe, Fernand DeHousse, of Belgium, said:

"If there is not a survey on the spot we might as well not set up an investigating commission at all."

New Czech Arrests Reported

R FOSISCAFE

Prague, Czechoslovakia, Aug. 4 (AP)—Catholic authorities reported several new arrests of priests here today as the controlled Czechoslovak press threatened further treason trials against the clergy.

Reports from Rome also told of new fights between police and Slovak Catholics seeking to protect their parish priests from arrest. A Vatican source said in one such clash police fired on the people, killing one and wounding many others.

These reports could not be directly confirmed in the Czech capital. It has been generally believed in Prague that the Communist Government would try to keep things calm in strongly Catholic Slovakia until the harvest season ends. At least ten Catholics were known to have been jailed or fined for such clashes in Slovakia six weeks ago.

Warns Of Fight To Finish

The Prague press declared the Government was determined to wage a finish fight with the Czech Catholic hierarchy and clergy over the recent Vatican decree excommunicating militant Communists.

The press attacks indicated that the Government might be preparing to bring treason charges against top church figures. One religious leader singled out for attack today was Archbishop Josef Matocha, of Olomouc. He was accused of having excommunicated a priest who chose to side with the Government in the church-state controversy. Archbishop Matocha ranks second only to Archbishop Josef Beran, of Prague, in the Catholic hierarchy of Czechoslovakia.

Alexei Cepicka, Communist Minister of Justice, and other Government spokesmen already have informally hurled treason charges at Archbishop Beran.

"Merciless" Fight Predicted

The newspapers said the sentencing yesterday of the Rev. Alois Fajstl to eight years in jail for high treason was only the beginning of a "merciless" fight against the papel excommunication decree. Father Fajstl, a small-town priest, was accused of having refused to administer the last sacrament to a desperately ill 67-year-old woman until she surrendered her Communist party membership.

[The Vatican newspaper *L'Osservatore Romano* termed the Prague court's action an example of outrageous miscarriage of justice in the Cominform countries.]

A high Catholic authority in Prague expressed the belief in an interview that priests would not be frightened by the fate of Father Fajstl or by the new threats. He said reports had been received of several additional arrests of priests on undisclosed charges.

Skeptical About Trial

"We are sure that the priests will faithfully do their duty," the Catholic spokesman said, "because they have expected such persecution. Nor will our faithful people be frightened into abandoning their church, their priests or their bishops."

This churchman expressed skepticism over the Government's account of the trial and conviction of Father Fajstl. He said no priest ever would make such conditions to a person said to be dying, and that he doubted that any militant Communist would call in a priest anyway.

Red Attack Just Rumor

He prefaced his remarks by saying his former comrades in east Europe's Communist nations are following the west's action in spreading rumors of a possible Soviet attack on Yugoslavia.

Tito, conceding these reports are "nothing but ordinary rumors," added:

"Nevertheless, we are not unvigilant here x x x we are prepared to prevent all provocations, to defend our country against everyone because anyone who might endeavor to hinder our peaceful socialist construction and threaten our integrity would be our enemy, no matter who he might be.

"We can, comrades, build socialism in our country, never forgetting our duties toward the socialist countries. We shall never do anything which might to the very least extent hamper the construction of socialism in those countries, but we shall not allow them to hamper the construction of our country."

Boast Unity

In his toughest speech to date, delievered in what is perhaps the most ticklish part of his federated country, Tito boasted of the unity of Yugoslavia and bluntly made it plain he is not scared.

He said Yugoslavia is "prepared to prevent all provocations and defend our country against everyone."

He was bolstered in his speech by the knowledge that today Yugoslavia concluded a five-year $93,000,000 trade pact with Italy. The pact offset, at least in part, a cominform economic squeeze play to bring him to task and perhaps replace him with an official more subservient to Moscow's rule.

Yugos Prepared to Fight 'Any Foe,' Tito Asserts

BELGRADE, Yugoslavia, Aug. 4 —(AP) A confident Premier Marshal Tito has served notice Yugoslavia is ready to defend herself against any foe, "no matter who he might be," who tries to stop the nation's socialist development.

The warning was issued yesterday at a dinner given in his honor by army officers and Macedonian political leaders at Skoplje, Macedonia. It was reported tonight by Tanjug, official Yugoslav news agency.

Tito told the army officers they are "in a state of alert in order to safeguard the peaceful construction of our socialist country."

Tito told his army chiefs representing, as he put it, the "chosen men" of his fighting forces, and leaders of the Yugoslav republic in Macedonia who also were present:

"You are in a state of alert in order to safeguard the peaceful construction of our socialist country."

He said that on several occasions Yugoslavia's soldiers have met "the enemy" face to face and shed their blood in defense of their land.

Don't Threaten Anyone

In tart terms Tito said his soldier-citizens "will know how to give a worthy reply to every attempt to infringe upon our socialist country." He added:

"We do not threaten anyone x x x. To the contrary, we seek always brotherly cooperation with all men astride our frontiers."

He said, in reference to Yugoslavia's position between the east and west, professing allegiance to neither, that "today it might look as if we are alone."

Then he went on to say that "many of those who slander us tell us so"—that Yugoslavia stands alone.

"It is not true that we are alone," he added. "A majority of the people of all countries of the east and of the progressive peoples of all the world are with us."

Tito acknowledged the existence of rumors the Red army will attack Yugoslavia, but he denied them. He said the Red army would not attack a socialistic country without sabotaging the whole philosophy of Marxism-Leninism. Tito said that the only thing of which Yugoslavia is frightened is attacks of nature—drought, hail and similar calamities.

Attack Would End Socialism

"We today are not yet sure that someone has not any pretensions toward us," he said. "Rumors were heard and are still being heard about this. At first these rumors were spread by western quarters, thinking that we would believe their tales about the Red army attacking us.

"We did not believe in this because we knew that would be impossible. We knew that would mean the end of socialism in the world.

"We knew that the capitalists thought and wanted when they tried to intimidate us with such tales. But today those in the east are also trying to intimidate us, disseminating various rumors thrugh the so-called black-market on so many and so many Soviet divisions in one place or another, on so many Soviet artillery forces on this or that place.

"But, comrades, we are not men one can frighten with such things. We can only be afraid of things as elemental forces—drought, hail and the like, but not of other things. Those we do not fear, those we do not fear."

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"We knew what the capitalists thought and wanted when they tried to intimidate us with such tales.

Notes Rumors From East

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"But, comrades, we are not men one can frighten with such things. We can only be afraid of things as elemental forces—drought, hail and the like, but not of other things. Those we do not fear, those we do not fear."

"Nevertheless, we are not unvigilant here, either. We are prepared to prevent all provocations, to defend our country against everyone because anyone who might endeavor to hinder our peaceful socialist construction and threaten our integrity would be our enemy, no matter who he might be."

No U.S. Talks

London, Aug. 4 (AP)—Yugoslavia officially denied reports tonight that Premier Marshal Tito had met American military leaders in western Germany.

Tanjug, official Yugoslav news agency, said the reports were carried yesterday by some Italian newspapers and the Moscow radio.

"Tanjug is authorized," the agency said, "to say that this report is being fabricated from beginning to end and is being intentionally invented as part of the customary slander campaign against Yugoslavia."

ITALY, YUGOSLAVIA SIGN 1 YEAR PACT TO TRIPLE TRADE

PHILIP CLARKE

ROME, Aug. 4 (AP)—Italy and Yugoslavia, at odds politically since the war, today signed a one year-trade treaty calling for an exchange of $93,000,000 worth of goods.

A foreign ministry communique said the agreement, which forms part of a five-year economic collaboration pact signed Nov. 1947, will approximately triple last year's trade between the two nations.

Under terms of the treaty, Italy will ship $46,500,000 worth of machinery, transport equipment and other goods to the communist Balkan country.

Yugos Send Minerals

Yugoslavia, hard hit by an economic boycott applied by Russia and the cominform nations of eastern Europe, will send mainly timber, minerals and other raw materials to Italy.

The signing ended months of negotiations between commercial representatives of the two countries. The talks broke down last month when Yugoslavia suddenly switched currencies in its occupation zone of the Trieste free territory.

Italy and the western powers protested that the substitution of the official Yugoslav dinar for the occupation Yugolira had violated terms of the Italian peace treaty. The negotiations were resumed later, however, when leaders of both countries expressed a desire for friendship.

An American trade expert with the Economic Cooperation Administration (ECA) said "Marshal Tito's Yugoslavia seems willing to talk with the west. It is making a number of agreements with western countries." He did not elaborate.

Ban Not Violated

The trade expert added that ECA mission officials here had followed the on-and-off Italo-Yugoslav talks with extreme interest.

"Within limits," he added, "Yugoslavia is a natural trade area for Italy."

The ECA official said he had not examined terms of the agreement. He expreseed the opinion Italian machinery and other industrial exports did not violate bans against shipment of war-potential products into Iron Curtain countries.

He would not say whether such bans might be lifted in the case of Yugoslavia which has looked to the west economically since the Soviet-led cominform countries clamped their boycott on Tito.

Principal Italian exports to Yugoslavia include agricultural products, cork, wool, cotton and silk textiles, pharmaceutical and medicinal products, chemical products, telephone and electrical equipment, automobiles, trucks, electric buses, street cars, motorcycles, bicycles, industrial machinery and motors and parts.

Yugoslav exports include wood, corn, iron, bauxite, chrome, zinc, lead, copper magnestite and other minerals.

The exchange will be in terms of lire, totalling 50,000,000,000 divided equally between the two countries.

CHANGSHA TAKEN BY CHINESE REDS

CANTON, (Friday), Aug. 5—(AP) The nationalists today officially admitted the loss of Changsha, rice bowl bastion 365 miles north of this refugee capital.

An official announcement carried the hint that the city, which communist armies slowly were encircling, fell by treachery.

The statement said the government had ordered the arrest of Gen. Cheng Chien, who was thrown out of the governorship of Hunan province last week. Changsha is the capitol of Hunan.

It said that to save himself and his family Cheng tried to arrange a local peace in Hunan province. Fearing arrest, he left Changsha July 31. The statement said the city was turned over to the communists the next day.

Cheng, 57, once was chief of China's general staff and was a close associate of Generalissimo Chiang Kai-shek.

The cabinet on July 30 approved Cheng's "resignation." Other reports earlier said he had been forced to leave Changsha because he was suspected of disloyalty.

Earlier there were rumors that Changsha had fallen. Most of the nationalist forces had withdrawn to Hengyang, railway city 100 miles to the south.

Nationalist Bombers Smash Shanghai Shipyards

Hong Kong, Aug. 4 (AP)—A Central News dispatch from Formosa today said five Nationalist heavy bombers yesterday severely damaged the Kiangnan shipbuilding yards at Shanghai.

The news agency quoted a Nationalist air force communiqué as saying the planes dropped heavy bombs all over the sprawling plant. The communiqué said Kiangnan's electrical shop, wood works and dockyards were turned into a "sea of fire and smoke."

Are China's Best

The ship building yards are the best in China.

30.24- 4809

The control yuan in Canton recently censured the Ministry of Communications for not destroying the Kiangnan plant when the Nationalists fled Shanghai.

Meanwhile, an independent Chinese report received here from Foochow said the Nationalists were planning to develop Pingtan Island, in the Formosan Strait, into an important naval air base.

The island is off the mouth of Fukien province's Min River. It has a population of about 10,000 persons and was taken from Red guerrillas in May by the Nationalists.

In Canton, Nationalist China's emergency council adopted Premier Yen Hsi-shan's plan for aggressive war against the Communists.

Push Anti-Red Effort

Informed sources said the plan calls for the creation of task forces for mobile warfare in an effort to turn from the defensive to the offensive.

On the Central China front, however, the initiative today still remained with the Communists. The Reds are trying to catch Gen. Pai Chung-hsi's forces in a trap by outflanking movements in Kiangsi and Hunan provinces.

An army spokesman in Canton said the old American bomber base at Suichwan, 240 miles north, had fallen to the Reds. He scoffed at reports Changsha had been taken. He said the Nationalists were firmly in control there.

U. S. TO PUBLISH 'FACTUAL' REPORT ON CHINA TODAY

WASHINGTON, Aug. 4 — (AP) President Truman announced today that the State department will publish tomorrow a "frank and factual record" of American relations with China.

America's role in China has been "subject to considerable misrepresentation, distortion and misunderstanding," he said. He expressed hope that publication of the white paper will provide a new basis for an "informed and intelligent public opinion" on the whole situation.

Plan New Policy

Mr. Truman issued his China statement at a news conference. Shortly afterward the State department distributed for publication at 10 a.m. Eastern Standard Time tomorrow a thick volume dealing with the whole history of American-Chinese relations over more than a cenutry but concentrating on the last five years, which culminated in communist conquest of much of China.

In his statement Mr. Truman made clear that a chapter in American policy toward China is ending and that Secretary of State Acheson and he are now confronted with the task of working out new policies to deal with the situation created by the communist conquest.

The American government up to now, he said, had been "reluctant to reveal certain facts" about China because their publication might have "served to hasten the events in China which have now occurred."

"In the present situation," he said, "the mutual interests of the United States and China require full and frank discussion of the facts. It is only in this way that the people of the country and their representatives in Congress can have the understanding necessary to the sound evolution of our foreign policy in the far east."

Friendship Still Strong

American friendship for the people of China "is as strong today as it has ever been," the president added, but the problem now is to "find ways to give practical expression to that friendship."

Lincoln White, State department press officer, said the white paper, totaling more than 1,000 printed pages, would contain a letter from Secretary Acheson to the president, a running account of the history of American-Chinese affairs, and scores of documents, heretofore secret, dealing with American aid, proposals for Chinese reform and reports of American diplomats on conditions in China.

Other general topics included, said White, are relations between China and Russia, the missions of Ambassador Patrick J. Hurley and General George C. Marshall and the ambassadorship of J. Leighton Stuart, the present envoy to China.

White Paper Due On U.S. Policy In China

Washington, Aug. 4 (AP)—President Truman said today that the United States will publish a white paper on its relations with China to clear up "misrepresentation, distortion and misunderstanding."

In a formal statement, the President said that the friendship between the people of the United States and the people of China "is as strong today as it has ever been."

He said the problem is to find ways "to give practical expresssion to that friendship" and that this is receiving "the closest attention of this Government."

At Weekly Conference

The statement was given out at his weekly news conference.

A short time after Mr. Truman spoke out, a group of Senators moved to earmark $175,000,000 of the Administration's $1,450,000,000 arms program for military aid to non-communist China.

Senator Knowland (R., Cal.) introduced an amendment to the arms bill calling for an American mission to direct the program.

A reporter recalled that there has been criticism that the United States Government has been "too slow" in its aid to the Chinese Nationalist Government because of reported Communist influences within the State Department.

Called Erroneous

Mr. Truman said that this entirely erroneous criticism would be covered in the volume the State Department is publishing tomorrow.

He said in his statement that some of the "misrepresentation, distortion and misunderstanding" arose because this Government "was reluctant to reveal certain facts, the publication of which might have served to hasten the events in China which have now occurred."

Wedemeyer Report

The President said, under questioning, that the white paper on China would include the Wedemeyer report as well as reports made by former Secretary of State Marshall when he went to China as a special Ambassador for the President.

The Wedemeyer report, so-called because it was prepared by Lieut. Gen. Albert C. Wedemeyer, has been under Administration study for some time but has not been made public.

In his statement, the President said that the mutual interests of the United States and China "require full and frank discussion of the facts."

Policy Understanding

"It is only in this way that the people of our country and their representatives in Congress can have the understanding necessary to the sound evolution of our foreign policy in the Far East," he said.

He added that the report covers our relations with China dating back to the 1840's. It not only includes the Wedemeyer and Marshall reports, but also the reports of Maj. Gen. Patrick J. Hurley, former Ambassador to China.

A Heavy Volume

He would not say whether any new steps were proposed in the document. He held up a heavy volume, which he said was being made available to newspaper men this afternoon for publication tomorrow.

He said that if the reporters read it and understood it, they would know as much about Chinese policy as he did, and he thought he knew more about it than anybody else right now.

Sloop Amethyst's Cat Gets A Medal

London, Aug. 4 (AP)—For catching rats in a time of extreme danger, Simon, the sloop Amethyst's cat, is to get a medal.

It's the Dickin Medal which, to animals, ranks with the Victoria Cross, Britain's highest award. The Allied Forces' Mascot Club will present it.

Among the 53 mascots already holding the medal, Simon will stand out. He's the first cat. The others are dogs, horses and pigeons.

Simon was aboard the British sloop when it ran the Chinese Communist gantlet down the Yangtse last week end after three months of virtual captivity. He had been wounded by Communist shrapnel when the ship was first attacked in April, but kept right on catching the rats that theatened the ship's meager supplies.

Uranium In Honduras

Tegucigalpa, Honduras, Aug. 4 (AP) — The newspaper *Diaro Commercial* said today that uranium ore had been found in Honduras and that samples had been sent to the United States Atomic Energy Commission.

BIG 3 URGE END OF ARMS EMBARGO ON MIDDLE EAST

M. HARRELSON

LAKE SUCCESS, Aug. 4. — (AP) The United States, Britain and France led a move in the UN Security Council today to scrap the middle east arms embargo imposed during the Palestine conflict.

Despite protests from Israel, it appeared certain a majority of the delegates would accept acting Mediator Ralph J. Bunche's view that the fighting stage is over and the embargo no longer is necessary.

Debate Bunche Report

The council debated Bunche's final report. The acting mediator has recommended that all council restrictions in the various UN cease-fire and truce resolutions be cancelled.

Most important of these restrictions was the arms embargo.

Canadian delegate Gen. A. C. L. McNaughton formally moved the adoption of Bunche's proposals, after they previously had been endorsed by three big western powers. These latter were joined by others, including China, Egypt and Cuba.

Neither Russia nor the Soviet Ukraine took part in today's talks. Debate will be resumed tomorrow.

Israeli's delegate Aubrey S. Eban told the council lifting of the embargo would touch off an armaments race between Israel and her Arab neighbors. He warned that Israel could not permit herself to become militarily inferior to Arab countries.

Charge Israel Violations

Egyptian delegate Mahmoud Bey Fawzie countered with a charge that Israel had violated the embargo from the time it was put into effect, despite the fact that UN observers were on hand.

British delegate Sir Terrence Shone said Britain had agreements with Iraq and Hashemite Jordan (Trans-Jordan) to supply military goods to those countries and she felt she could not hold up deliveries any longer.

Sir Terrence said Britain intended to supply only arms needed for internal security and hoped there would be no arms race.

U. S. Delegate Warren R. Austin said he believed conclusion of the armistice agreements between Israel and her Arab neighbors had removed the need for the arms embargo. He urged all governments, however, to use prudence in shipping arms.

"The United States", Austin said, "does not intend to allow the export of arms which would permit a competitive arms race in the area."

All the delegates, including Jewish and Arab representatives, praised Bunche for his mediation efforts and agreed that the time had come to transfer his functions to the three-nation conciliation commission set up by the General Assembly last fall.

SHAW DISCOURAGES U.N. PRAYER PLAN

"Get To Business," His Advice On Assembly Proposal

Lake Success, N.Y., Aug. 4 (AP)—George Bernard Shaw's advice to the United Nations is: No prayer.

The writer's views were published in the August issue of the *United Nations World* tonight, along with the views of other prominent persons on a proposal that United Nations meetings be opened by 60 seconds of silent prayer or meditation.

The *United Nations World* is published by a private corporation and is not connected with the organization.

Advises "Get To Business"

Shaw said:

"There is no form of prayer that would satisfy Catholic, Protestant, Quaker, Jain (Hindu religion), Moslem, Buddhist, Brahman, agnostic, atheist, rationalist, creative evolutionist, determinist, etc., etc., etc., or that would not intensely annoy some of them.

"Meditation should occupy many years to qualify for membership of the Assembly. A silence under such a pretext would be supremely ridiculous. The watchword should be get to business."

Sees No Hope Of Unity

The Archbishop of Canterbury said: "It is not easy to see how representatives so diverse in their religious views, and including some committed to atheism, would unite in an act of joint prayer to Almighty God."

He added: "There should be no attempt to impose from outside upon the Assembly in this matter."

Among those who favored the idea for a minute of prayer or mediation were James A. Farley, former chairman of the Democratic National Committee in the United States, and the American-born Lady Astor.

Mrs. R.'s Offer To Quit U.N. Rejected

Washington, Aug. 4 (AP)—President Truman said today that he had rejected an offer by Mrs. Franklin D. Roosevelt to resign from her United Nations post. He said she will return to the next General Assembly as a delegate.

The President said that no reference to Mrs. Roosevelt's controversy with Francis Cardinal Spellman over Federal benefits to parochial schools was contained in her letter.

Just A "Routine" Letter

He described it as the routine formal offer to resign that virtually all holders of diplomatic posts send in regularly.

A reporter brought up the subject at Mr. Truman's weekly news conference. The newsman said he had been told that the widow of the late President had offered to resign her post with the United Nations (she is a member of the Human Rights Commission) because of her controversy with the Catholic prelate in New York.

Offered Each Year

Mr. Truman replied promptly that Mrs. Roosevelt offers her resignation every year. In the last case, he said, she expressed no reason.

Asked if he will accept the resignation, Mr. Truman replied she's going back to the United Nations.

HUNT DENIES LINK TO '5 PERCENTERS'

WASHINGTON, Aug. 4—(AP)—James V. Hunt, Washington management counselor whose business dealings are under scrutiny by Senators investigating "five percenters", said today he once saved a client $400,000 by getting the army to repossess a million DDT "bombs."

He said he got $5,000 from the transaction, or about 1 1/4 per cent of the money he claimed he saved his unnamed client.

Hunt broke his silence on the investigation in an interview, printed and copyrighted by the Washington Evening Star.

In it, he declared emphatically that he had never sold his services to clients on the basis of inside information or inside contacts, and said he didn't know anybody in the government who can be influenced in the slightest degree.

$150,000 Gross

Since opening his office three years ago, he estimated he had grossed between $150,000 and $200,000.

"And in all that time and with all this talk about five percenters," he said, "I have never been paid a 5 per cent commission on any contract. I have never collected on any contract involving a contingent fee based on any sale to the government."

A Senate investigating subcommittee headed by Senator Hoey (D-NC) will open hearings Monday after weeks of preliminary inquiry into the operations of Washington's "five percenters." The term refers to persons who undertake to get government contracts for others and charge a fee for doing it—usually 5 per cent of the gross.

Congress members generally have said there is nothing illegal about "middlemen" collecting a commission for help in getting contracts for others.

Members of the Senate investigations subcommittee said, however, that their attention has been called to two laws dealing with government procurement contracts. One of the laws covers contracts negotiated by the armed services, the other covers contracts negotiated by other government agencies.

Two Laws Cited

In both laws there is a provision that every contract negotiated without advertising shall contain a statement by the contractor that "no person or selling agency has been employed or retained to solicit or secure such contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employes or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business."

The laws also state in the case of breach or violation of the contractor's warranty "the government shall have the right to annul such contract without liability, or in its discretion to deduct from the contract price x x x the full amount of such commission, percentage, brokerage or contingent fee."

Will Study Provisions

Subcommittee members said the language would require some study to determine whether it has any application in connection with contracts under investigation.

A spokesman for the Army's legal staff declined comment on the ground it is a matter for clarification by Government officials.

An official of the General Services Agency expressed the opinion that a violation of the provision would constitute a breach of contract.

The General Services Agency official noted, however, that another statute makes it a criminal offense for contractors to conceal information they are required by law to disclose. That provision, he added, has not been very well tested."

Paper Matches Listed

A consignment of 2,500 books of paper matches, inscribed "swiped from Harry S. Truman," entered into the story today. Hunt's lawyer said they were purchased at the request of the White House for use on Mr. Truman's presidential campaign trip last fall.

When the President was asked about the matter at his news conference, he said he isn't acquainted with Hunt and hadn't received any matches from him.

In the *Star's* interview, Hunt said he worked out the deal for the Army to take back the D.D.T. bombs his client couldn't sell, after a conference with Maj. Gen. Herman Feldman, then Army quartermaster general.

Feldman Has Been Suspended

Feldman since has been suspended, along with Maj. Gen Alden H. Waitt, in connection with the five-percenter inquiry. Hunt formerly was a lieutenant colonel in the Quartermaster Corps.

Hunt was asked whether friendship with Feldman helped him work out the D.D.T.-bomb deal. The *Star* quoted him as replying:

"These people came to me and said they had bought from WAA the War Assets Administration) slightly over 1,000,000 aerosol bombs. While they had sold some, they still had almost 1,000,000 left. They had paid 40 cents apiece for them and they told me WAA had sold another quantity of them for 28 cents. . . . They wanted me to see what could be done about relieving them of the balance of deliveries.

Speaks From "Memory"

"This is all from memory, you understand, but I recall we went to WAA and talked to the people in charge of that item. . . . They also said the Army had been repossessing millions of dollars worth of items and if the Army needed these, they might be repossessed by the Army.

"We went to the Quartermaster's office and talked to the chief of supply—yes, General Feldman—and I asked if it might be possible that the Army was in the market for this item. General Feldman called the people in charge of that item and they said the Army was in the market for some bombs. General Feldman told me he would talk to WAA about it.

"I think it was a wonderful deal for everybody. The Army could repossess the bombs at 40 cents and didn't need to move them from where they were when the price for new bombs was a dollar.

Feldman Declines Comment

"If the Army hadn't needed them, my friendship with General Feldman wouldn't have made any difference."

The newspaper said that General Feldman declined to comment when told of Hunt's statement about the aerosol bombs.

The transaction appeared to have taken place in 1947, according to other information cited by the *Star*.

The newspaper said Hunt was asked whether he had ever asked the help of Maj. Gen. Harry S. Vaughan, President Truman's military aide, in getting favors for anybody.

Hunt replied:

"I don't remember anything of any importance that I asked him to do for other people or for me."

He said, however, that Vaughan is "one of my very good friends."

Doesn't Know Hunt

Washington, Aug. 4 (AP)—President Truman said today he is not acquainted with James V. Hunt, a former army officer who has been mentioned in a Senate committee's inquiry into operations of "Five Per Centers."

Mr. Truman made the statement at his news conference when he was told that a case of 2,500 books of pocket matches inscribed, "Swiped from Harry S. Truman" was purchased last December by Hunt from the Universal Match Company in St. Louis.

The President said anybody could purchase those matches. He added, in answer to questions, that the matches he frequently passes to White House guests were not given him by Hunt.

First He's Heard Of It

He said the reporters' information that Hunt had made the purchase of 2,500 such match folders was the first he had heard about it.

Roger White, attorney for Hunt, told a newsman the matches were bought at the request of the White House for use on Mr. Truman's presidential campaign trip last fall.

When a reporter asked Mr. Truman if he had received any of the match folders from Hunt, the President replied no, he had not.

Mr. Truman said he did not know Hunt, who is reportedly a friend of Maj. Gen. Harry H. Vaughan, Mr. Truman's army aide.

Reports Saving Client $400,000

Hunt was quoted today as saying he once saved a client $400,000 by getting the Army to purchase a supply of D.D.T. "bombs." Hunt's fee was $5,000.

In a copyrighted article, the Washington *Evening Star* said Hunt found the Army was in the market for D.D.T. bombs, and that the transaction was negotiated after he had conferred with Maj. Gen. Herman Feldman, Army Quartermaster General, who recently was suspended in connection with the Five Per Center investigation.

Hunt, a former lieutenant colonel in the Army Quartermaster Corps, now is a management counselor in Washington.

The Senate's Special Investigations subcommittee plans to start public hearings Monday in the Five Per Center case.

Asked About Vaughan

The *Star* said Hunt was asked whether he ever had sought the help of General Vaughan in getting favors for anyone.

"I don't remember anything of any importance that I asked him to do for other people or for me," Hunt replied, adding that he considers Vaughan as "one of my very good friends."

Vaughan has refused to comment on what relations, if any, he has had with Hunt.

Denies Using Advantages

The *Star* said Hunt declared emphatically that he has not sold his services to clients on the basis of inside information or inside contacts. He added:

"I don't know of anybody in Government who can be influenced in the slightest degree."

The *Star* said Hunt was asked whether friendship with Feldman helped him work out a deal whereby the Army agreed to repossess $400,000 worth of D.D.T. bombs. The newspaper quoted Hunt as replying:

"These people [not further identified] came to me and said they had bought from WAA slightly over 1,000,000 Aerosol bombs. While they had sold some, they still had almost 1,000,000 left. They had paid 40 cents apiece for them and they told me WAA had sold another quantity of them for 28 cents. The rug was pulled out from under them and they still had $400,000 worth. They wanted me to see what could be done about relieving them of the balance of deliveries.

Talked To WAA, He Says

"This is all from memory, you understand, but I recall we went to WAA and talked to the people in charge of that item and they said if we had another customer wanting the bombs at the same price they might be able to sell, but they did not believe this was so. They also said the Army had been repossessing millions of dollars' worth of items and if the Army needed these they might be repossessed by the Army.

"We went to the quartermaster's office and talked to the chief of supply—yes, General Feldman—and I asked if it might be possible that the Army was in the market for this item. General Feldman called the people in charge of that item and they said the Army was in the market for some bombs.

"General Feldman told me he would talk to WAA about it.

Calls It Good Deal For All

"I thing it was a wonderful deal for everybody. The Army could repossess the bombs at 40 cents and didn't need to move them from where they were when the price for new bombs was a dollar.

"If the Army hadn't needed them, my friendship with General Feldman wouldn't have made any difference."

The *Star* said that Feldman, when informed of Hunt's statement about the Aerosol bombs, declined to comment.

A check of army and War Assets (WAA) records, the *Star* said, showed the Quartermaster Corps made several attempts to get the bombs back from WAA but was told they had all been sold.

The *Star* said a general staff policy decision of April 19, 1947, directed withdrawal of surplus of certain supplies to meet increased military requirements. In August, 1947, the *Star* said, the records showed WAA notified the Army that 850,000 bombs were now available at Richmond, Va., because of default of the purchaser. These were the bombs held by Hunt's client.

FRAUDS REVEALED IN WAR CONTRACTS

Army Officers Accepted Bribes for Awarding Jobs, Probe Shows

WASHINGTON, Aug. 4 (AP)—Comptroller General Lindsay C. Warren said today that fraud or bribery involving Army officers and other government employees was indicated in award of "numerous" wartime contracts.

A merely sampling of contracts, he said, turned up $6,280,000 in fraudulent payments on contract settlements, he said, indicating that the overall total would be much greater.

Citing the award of contracts for writing wartime training manuals, he said there were signs of fraud or bribery in a number of cases.

The disclosures were the result of regular checkups made by the comptroller general's office whose task is to adult government accounts.

Contracts Duplicated

Warren estimated, at least $274,273 was obtained fraudulently in settlement of the contracts at the end of the war.

On top of that, he said, evidence indicated that at least 25 of the contracts, priced at $505,597, were for duplications or were unnecessary.

Warren referred to contracts for preparation "by various commercial writing agencies in the New York city area" of technical manuals concerning maintenance and operation of equipment.

He cited these cases in summarizing the general accounting office's examination of 9,195 contract settlements of all kinds which he said disclosed "overpayment or waste of more than $11,500,000."

This was only a sampling of the total settlements, he said, but it turned up excessive or fraudulent payments in over 12 per cent of those examined.

Criticizes Law

Warren criticized again the 1944 contract settlement act which authorizes contracting agencies to settle their terminated contracts without prior independent audit by another government agency.

The act should have prevented fraud instead of providing only for recovery of payments found later to have been induced by fraud, Warren said. He compared it to locking the barn "after the horse is stolen."

Of more than $6,280,000 fraudulent payments reported, Warren said, apparently only $107,882 has been recovered and he predicted not much more will be. He said the Justice department is not to be criticized on this because of the problem of establishing in court at this late date that fraud actually existed.

No Names Used

Warren included the manual-writing cases in a report of those he has certified "as having been induced by fraud." No names were used in his summary.

Warren gave the following details of the manual-writing cases:

In one instance, he said, "it appears that an Army officer divulged to one of the bidders for government business the prices quoted by other firms as a result of which the bidder" obtained a $40,375 contract. In settling the contract the government paid $34,343, notwithstanding that the contractor's actual costs were only $7,053, Warren said.

"It is not surprising to find, as an aftermath," he went on, "that this officer subsequently became an employe of the contractor and is shown by the contractor's payroll records to have been paid $7,600 for 'services.'"

FIRST AIRLIFT PLANE RETURNS TO U.S. TODAY

WESTOVER AIR FORCE BASE, Mass., Aug. 4 (AP)—The first Berlin airlift plane to be returned to the United States in the folding up of "operation vittles" is due here tomorrow.

A big four-engined C-54 transport is expected to land at 7:15 a.m. (eastern daylight time). The plane was scheduled to arrive tonight but was held over in the Azores to give the crew a rest.

The two pilots and the engineer aboard will be welcomed by Col. Joseph E. Barzynski, base commander.

Draft Expiration Next June Likely

Washington, Aug. 4 (AP)—Unless an unforeseen emergency develops, the peacetime draft of manpower for the armed forces is expected to expire June 25, 1950.

A closed-door conference on the subject was held today by the Senate Armed Service Committee with Gordon Gray, Secretary of the Army, and Gen. J. Lawton Collins, vice chief of staff for the Army. There have been no draft calls by the armed forces since last January because there have been sufficient voluntary enlistments.

No action appears necessary now relative to continuance of the Draft Act, Senator Tydings (D., Md.), chairman of the committee, commented, because Congress can consider an extension or revision when it meets next January.

WOULD CANCEL FINN DEBT

Blatnik Offers House Bill to End World War I Obligation

WASHINGTON, Aug. 4 (AP)—Representative John A. Blatnik, Democrat, of Minnesota, proposed today "the immediate cancellation of the $8,000,000 World War I debt owed by the Republic of Finland to the United States."

He introduced legislation to cancel the debt. He said in a statement that Finland never had missed an installment and had not received any Marshall Plan funds.

"I want to do something to help this hard working and industrious little country and to demonstrate America's feelings of good will toward her people," Mr. Blatnik said.

TOKYO ROSE ILL, TRIAL DELAYED

SAN FRANCISCO, Aug. 4 (AP)—The slow-moving treason trial of Iva Toguri D'Aquino, charged with being the taunting "Tokyo Rose" of wartime broadcasts to the south Pacific, fell further behind schedule today.

Mrs. D'Aquino is in the county jail sick bay with an attack of diarrhea.

Not Serious

Dr. A. A. Berger, who attends federal prisoners at the jail, said her condition was nothing serious. She should be back in the courtroom Monday. Federal Judge Michael J. Roche ordered a continuance until then.

The trial will go into its sixth week next Tuesday. The prosecution so far has called 32 of its 71 witnesses. Defense Attorney Wayne Collins has announced he would require "equal time" with the prosecution to present his client's case.

Many Delays

Special prosecutor Tom DeWolfe, one of a staff of three Department of Justice attorneys assigned to the case from Washington, said at the outset the government hoped to round out its case in three weeks. But lengthy cross-examinations of prosecution witnesses by Collins, plus delays for interpreting testimony of Japanese-speaking witnesses, have shattered this estimate.

Mrs. D'Aquino will round out her second year in custody this month. She was arrested in Japan at request of the Department of Justice in the present proceedings last August 26. She was held in custody a little over a year, from October '45, to October, '46, by the U. S. Army in Tokyo.

NIGHT LEAD COMMUNISTS (370)
NEW YORK, AUG.4-(AP)-ANOTHER COMMUNIST CONSPIRACY TRIAL DEFENSE
WITNESS REFUSED TODAY TO NAME IN PERSONS CONNECTED WITH PARTY
ACTIVITIES. HE SAID IT MIGHT JEOPARDIZE "THEIR VERY LIVES."
THE WITNESS WAS SAMUEL J.HALL, JR.,' OF BIRMINGHAM, ALA.,'
COMMUNIST PARTY DISTRICT ORGANIZER IN' ALABAMA, TENNESSEE AND
MISSISSIPPI.
FOR A TIME IT APPEARED HIS REFUSAL MIGHT CAUSE HIM TO BE JAILED
FOR CONTEMPT BUT HE COMPLETED HIS TESTIMONY WITHOUT ANY ACTION OF
THIS KIND.
WHILE HALL WAS TESTIFYING ON DIRECT EXAMINATION, U.S. ATTORNEY
JOHN F.X.MC GOHEY URGED THE COURT TO FIND OUT IN ADVANCE IF
DEFENSE WITNESSES INTENDED TO REFUSE ON CROSS-EXAMINATION TO TELL
WHO TAUGHT AT PARTY SCHOOLS THEY ATTENDED.
THE PROSECUTOR ASKED THAT HALL'S TESTIMONY BE SHUT OFF IF THIS
WAS HIS PLAN. HE SAID THE DEFENSE HAD ADOPTED A SCHEME WHEREBY
IT PUT IN EVIDENCE WHATEVER IT WISHED ABOUT PARTY TEACHINGS BUT
BLOCKED THE GOVERNMENT FROM REFUTING THEM BY DIRECTING
WITNESSES NOT TO REVEAL THE NAMES OF TEACHERS.
FEDERAL JUDGE HAROLD R.MEDINA REJECTED MC GOHEY'S MOTION. BUT
HE SAID HE WOULD HAVE NO ALTERNATIVE BUT TO JAIL FOR CONTEMPT
ON CROSS-EXAMINATION ANY WITNESS WHO "REFUSES TO ANSWER WITHOUT
ANY VALID AND CONSTITUTIONAL BASIS."
LATER, WHEN HALL WENT ON CROSS-EXAMINATION, HE REFUSED TO NAME
TWO MEMBERS OF THE ALABAMA DISTRICT COMMITTEE' OF THE COMMUNIST PARTY
WHO HAD TOLD HIM HE HAD BEEN SELECTED TO ATTEND A PARTY SCHOOL
NEAR BEACON, N.Y.
HE CITED THE FIRST AND FIFTH AMENDMENTS TO THE CONSTITUTION
AS THE BASIS FOR HIS REFUSAL, AND ADDED:
"I'D RATHER NOT ANSWER THAT QUESTION. I WAS BORN AND BRED IN
THAT STATE (ALABAMA) AND I KNOW THAT NOT ONLY THEIR JOBS BUT THEIR
VERY LIVES ARE AT STAKE."

HE REFUSED ALSO TO ANSWER QUERIES ABOUT THE NAMES OF TEACHERS AT THE BEACON CAMP. MCGOHEY DID NOT RAISE THE QUESTION OF CONTEMPT AND THE JUDGE SAID NOTHING FURTHER.

THE WITNESS SAID THE TWO-WEEK SESSION AT THE BEACON CAMP IN JANUARY, 1946 WAS FOR SOUTHERN COMMUNISTS ONLY.

HE SAID THE TEACHERS ADVOCATED "FULL EQUALITY" AND "FIRST CLASS CITIZENSHIP". HE DENIED A STATEMENT OF GOVERNMENT WITNESSES THAT THE PARTY FAVORED "A SEPARATE NEGRO REPUBLIC IN THE BLACK BELT" OF THE SOUTH.

THE 11 COMMUNIST LEADERS ON TRIAL ARE CHARGED WITH CONSPIRACY TO ADVOCATE THE FORCIBLE OVERTHROW OF THE GOVERNMENT.

A SECOND WITNESS WAS CALLED DURING THE DAY BY THE DEFENSE, ROBERT MANEWITZ, 32, OF (25510 CAPANNE ST.) ST.LOUIS, MO., A MEMBER OF THE MISSOURI STATE BOARD OF HIS PARTY.

MANEWITZ SAID HE JOINED THE PARTY IN 1935 WHEN HE WAS 18. HE SAID HE WORKS AS A PATTERN MAKER AND METAL FINISHER AT BRONZE FABRICATORS.

HE TESTIFIED ONLY BRIEFLY BEFORE COURT ADJOURNED UNTIL TOMORROW.

PS1114PED

NEW YORK, AUG. 4-(AP)-THE AMERICAN COMMITTEE FOR THE PROTECTION OF FOREIGN BORN (CAPS) SAYS THAT TO DATE 97 NON-CITIZENS HAVE BEEN SEIZED IN "THE CURRENT DEPORTATION HYSTERIA."

THE COMMITTEE MADE THE STATEMENT IN PROTESTING THE ARREST YESTERDAY OF MISS IDA GOTTESMAN, 50-YEAR-OLD RUSSIAN WOMAN WHO HAS LIVED IN THE U.S. SINCE SHE WAS 14.

THE WOMAN WAS ARRESTED AT A NECKTIE FIRM WHERE SHE WORKS, ON DEPORTATION CHARGES ACCUSING HER OF BEING AN ALIEN MEMBER OF AN ORGANIZATION ADVOCATING FORCIBLE OVERTHROW OF THE GOVERNMENT.

THE COMMITTEE SAID MISS GOTTESMAN TRIED TO BECOME AN AMERICAN CITIZEN "BUT WAS DENIED THAT RIGHT." HER ARREST, THE COMMITTEE SAID, WAS BASED ON "HER FORMER MEMBERSHIP IN THE COMMUNIST PARTY."

VS542AED

NEW YORK, AUG. 4-(AP)-A FIVE-POINT "PRICE FOR PEACE" SAID TO BE IN THE MIND OF GENERALISSIMO STALIN, INCLUDING A $2,000,000,000 (B) U.S. LOAN TO RUSSIA, WAS OUTLINED TODAY IN THE AUGUST ISSUE OF THE UNITED NATIONS WORLD, A PRIVATELY PUBLISHED MAGAZINE.

THE MAGAZINE QUOTED AN UNIDENTIFIED "TOP-RANKING AMERICAN BUSINESSMAN WHO IS ALSO A RESPECTED REPUBLICAN, CHURCHMAN AND CIVIC LEADER," ON THE BASIS OF A CONVERSATION THE PERIODICAL SAID THE AMERICAN HAD IN THE SUMMER OF 1948 WITH ANDREI A.GROMYKO. THE LATER THEN WAS SOVIET DELEGATE TO THE UNITED NATIONS AND NOW IS DEPUTY FOREIGN MINISTER OF THE U.S.S.R.

STALIN'S FIVE CONDITIONS FOR PEACE WERE JOTTED DOWN BY THE AMERICAN, THE MAGAZINE SAID, WITHIN AN HOUR AFTER HIS "OFF-THE-RECORD" TALK WITH GROMYKO. THE FIVE POINTS, THE MAGAZINE SAID, WERE:

1. A TREATY BETWEEN THE U. S. AND THE U.S.S.R. FORMALIZING THE COMMITMENTS OF BOTH COUNTRIES AS SET FORTH IN THE YALTA AND POTSDAM DOCUMENTS.
2. FOUR-POWER UNANIMITY ON ALL QUESTIONS CONCERNING GERMANY.
3. WESTERN GENEROSITY ON REPARATIONS FOR THE U.S.S.R.
4. IMMEDIATE CESSATION OF THE U.S.-U.K. (UNITED KINGDOM) SUPPORT OF "SUBVERSIVE FASCIST AND HITLERITE ELEMENTS."
5. ELIMINATION OF ALL ALLEGED DISCRIMINATORY TRADE PRACTICES ON THE PART OF THE U.S. AND RESUMPTION OF NORMAL TRADE RELATIONS, STIMULATED BY A $2,000,000,000 LOAN ON TERMS SIMILAR TO THOSE OF THE U.S. LOAN TO BRITAIN IN 1946.

SN1137PED

THE ANNOUNCEMENT SAID NOTHING ABOUT THE AMOUNTS EACH NATION WOULD GET. COMMITTEE MEMBERS SAID PRIVATELY FRANCE AND GREAT BRITAIN WOULD BE CUT IN FOR THE LION'S SHARE BECAUSE OF THEIR IMPORTANCE MILITARILY.

ONE COMMITTEE MEMBER SAID THE EXPERTS GAVE REPORTS ON CURRENT SOVIET MILITARY STRENGTH WHICH WERE IMPRESSIVE AND "SHOWED WITHOUT DBOUT THAT RUSSIA HAS NOT REDUCED ITS MILITARY STRENGTH TO ANY EXTENT SINCE THE END OF THE WAR." WASHINGTON-ARMS ENCROACHMENT

IN FACT, HE ADDED, THE SOVIET HAS ADDED THE EQUIVALENT OF 100 DIVISIONS OF TROOPS THROUGH CONTROL OF SATELLITE NATIONS.

ANOTHER COMMITTEE MEMBER, REP.FULTON (R-PA), TOLD NEWSMEN THE FIGURE ON SOVIET MIGHT WAS "MORE LULLING THAN IT WAS ALARMING."

REP.JUDD (R-MINN) CHAFED AT THE COMMITTEE'S DECISION TO GET DETAILS IN CLOSED SESSION. THE PUBLIC, HE TOLD NEWSMEN, HAS TO FOOT THE BILL AND SUPPORT THE PROGRAM AND OUGHT TO BE LET IN ON THE FACTS, AS MUCH AS POSSIBLE. JUDD SAID 90 PER CENT OF THE SECRET TESTIMONY COULD HAVE BEEN MADE PUBLIC WITHOUT HARM.

VH228AED

ARGUING FOR HIS SPANISH LOAN AMENDMENT, MCCARRAN DECLARED THAT SPAIN OCCUPIES A STRATEGIC POSITION FROM BOTH A MILITARY AND ECONOMIC STANDPOINT. WASH-FOR AID-XXX CROPS

"WHAT IS THE SPIRIT BEHIND THIS MOVE TO DENY AID TO SPAIN?" HE ASKED. "SHOULDN'T WE LOOK FORWARD TO THE DANGER OF WAR? AND IF WE DO, HOW CAN WE ISOLATE SPAIN WHO IS CLAMORING AT OUR DOORS TO HELP BRING ABOUT A STABLE ECONOMY?"

SENATOR VANDENBERG OF MICHIGAN, TOP REPUBLICAN ON THE FOREIGN RELATIONS COMMITTEE, TOLD THE SENATE "THIS IS NOT THE TIME OR THE PLACE" TO SETTLE THE SPANISH QUESTION.

VANDENBERG SIDED WITH BARKLEY'S RULING ON THE MATTER, BUT HE ALSO TOOK OCCASION TO DECLARE THAT THE ECA PROGRAM MUST BE "POLICED" MORE EMPHATICALLY DURING ITS SECOND YEAR'S OPERATION. HE DID NOT ELABORATE.

AFTER THE SENATE ACTED ON THE SPANISH AMENDMENT, DEMOCRATIC LEADER LUCAS (ILL) RAISED A POINT OF ORDER AGAINST AN AMENDMENT WHICH WOULD PENALIZE ANY MARSHALL PLAN NATION THAT BROKE A TREATY WITH THE UNITED STATES. HE SAID THIS WAS ANOTHER ATTEMPT TO WRITE IN NEW LEGISLATION.

THE AMENDMENT WAS DESIGNED TO LIMIT AID TO FRANCE BECAUSE OF ALLEGED DISCRIMINATION AGAINST AMERICAN BUSINESSMEN IN FRENCH MOROCCO.

HY510PED

SENATOR MCCLELLAN (D-ARK) TOLD REPORTERS HE MIGHT FORCE THE BILL BACK INTO THE APPROPRIATIONS COMMITTEE FOR THE SECOND TIME. HE COULD DO THIS BY CHALLENGING IT ON THE GROUNDS IT CONTAINS POLICY-MAKING LAWS IN VIOLATION OF SENATE RULES.

MCCLELLAN TOOK A BEATING LATE YESTERDAY WHEN HE FAILED TO GET APPROVAL OF AN AMENDMENT WHICH WOULD HAVE EARMARKED $1,350,000,000 (B) OF EUROPEAN RECOVERY FUNDS FOR BUYING SURPLUS AMERICAN FARM COMMODITIES. WASH-FOREIGN AID-XXX TURKEY

LUCAS CHALLENGED THE COMMODITY AMENDMENT ON THE GROUND THAT IT WAS NEW LEGISLATION AND VIOLATED THE RULES.

WHEN VICE PRESIDENT BARKLEY UPHELD LUCAS CHAIRMAN MCKELLAR (D-TENN) OF THE APPROPRIATIONS COMMITTEE APPEALED THE RULING.

THE SENATE VOTED 52 TO 32 TO UPHOLD BARKLEY, THUS STRIPPING THE MCCLELLAN COMMODITY RIDER FROM THE BILL.

IN A SIMILAR SITUATION LAST WEEK, MCCLELLAN CHALLENGED THE ENTIRE BILL BY RAISING A POINT OF ORDER AND FORCED IT BACK INTO THE APPROPRIATIONS COMMITTEE. THIS TIME HE MADE NO SUCH MOVE.

HE SAID HE WOULD WAIT TO SEE HOW SENATOR MCCARRAN (D-NEV) FARED WITH HIS SPANISH LOAN AMENDMENT.

"I MAY RAISE A POINT OF ORDER AGAINST THE BILL," MCCLELLAN SAID. "I'VE STILL GOT PLENTY OF TIME."

ONE DEMOCRATIC LEADER SAID MCCLELLAN WOULD FACE AN ANGRY SENATE IF HE THREW THE BILL BACK INTO COMMITTEE. MORE THAN [illegible]0,000,000,000 (B) IN APPROPRIATIONS IS BACKED UP BEHIND THE MEASURE--AND SENATORS ARE ANXIOUS TO WIND UP THE SESSION AND GET HOME.

WHEN THE DISPUTE BOILED OVER YESTERDAY, THE SENATE HAD COMPLETED ACTION ON PART OF THE FOREIGN AID BILL. IT HAD:

(1) APPROVED $3,627,380,000 (B) FOR THE ECONOMIC COOPERATION ADMINISTRATION--ROUGHLY 10 PER CENT LESS THAN ECA ASKED.

(2) VOTED $1,074,000,000 (B) FOR ECA'S EXPENSES IN THE LAST QUARTER OF THE YEAR ENDED JULY 1.

(3) APPROVED $344,000 FOR A CONGRESSIONAL WATCHDOG COMMITTEE TO KEEP A CHECK ON FOREIGN SPENDING.

THIS AMOUNTED TO A CONFIRMATION OF THE VOTES TAKEN LAST WEEK ON THE BILL.

THE BILL AS IT NOW STANDS TECHNICALLY BARS THE ARMY FROM TURNING OVER TO THE STATE DEPARTMENT ITS OCCUPATION DUTIES IN GERMANY, BUT THE SENATE IS EXPECTED TO REMEDY THIS SITUATION.

THE SITUATION AROSE WHEN THE APPROPRIATIONS COMMITTEE DELETED SOME AMENDMENTS MADE BY THE HOUSE. THE STATE DEPARTMENT PROTESTED THIS ACTION WIPED OUT AUTHORITY TO MAKE THE TRANSFER OF OCCUPATION DUTIES.

BESIDES FUNDS FOR ECA, THE BILL CONTAINS $900,000,000 (M) FOR OCCUPATION COSTS IN GERMANY, AUSTRIA, JAPAN AND THE RYUKYU ISLANDS. THERE IS ANOTHER $45,000,000 (M) FOR AID TO GREECE AND TURKEY.

VH524AED

AUG 5 1948

THE AMERICANS ARE DUE TO CONFER TOMORROW FORENOON WITH DEFENSE MINISTER PAUL RAMADIER AND THEN LUNCH WITH HIM.

IT IS COMMON KNOWLEDGE THAT THE BIG PROBLEM OF THE FRENCH IS TO ARM 469,000 SOLDIERS. IT IS EXPECTED THERE WILL BE SOME DISCUSSION OF GIVING WINGS TO THE 68,000 FRENCH AIRMEN. ONE FRENCH OFFICER RECENTLY CALLED THEIR COMBAT PLANES NON-EXISTENT BY 1949 STANDARDS. PARIS- STAFF CHIEFS- EXCLUSIVE Chiefs.

ON SATURDAY, THE CHIEFS WILL SEE SEVEN TOP WESTERN EUROPEAN MILITARY LEADERS.

SJ458PED

AUG 5 1948

DENFELD TOLD THE REPORTERS A DEFENSE ORGANIZATION MIGHT BE FUNCTIONING BY THE END OF THIS YEAR. HE ADDED THIS WAS JUST A GUESS, BASED ON A FEELING THAT "WE WERE GETTING ALONG SO WELL IT WOULD NOT BE TOO TOUGH TO WORK OUT AN ORGANIZATION BY THAT TIME."

"WE HAVE HAD A COMPLETE UNDERSTANDING AND A FINE EXCHANGE OF VIEWS ON THE ORGANIZATION OF THE ATLANTIC PACT," HE SAID "NOTHING FINAL HAS BEEN DETERMINED. FINAL ORGANIZATION WILL BE THE TASK OF A FUTURE HIGH LEVEL MEETING. PARIS- STAFF CHIEFS - EXPLAIN

"WE ARE LOOKING FORWARD TO MEETING THE FRENCH, BELGIANS, DUTCH AND PORTUGUESE IN FRANCE TOMORROW AND THE NEXT DAY."

THE NAVAL CHIEF SAID THE U.S. COMMANDERS DID NOT COME HERE WITH ANY READY MADE PLAN. RATHER, HE SAID, THE MISSION WAS TO EXCHANGE VIEWS AND REPORT BACK TO THE U.S. GOVERNMENT.

U.S. ARMY GEN. OMAR BRADLEY, EMERGING WITH DENFELD FROM THE HEAVILY GUARDED CONFERENCE ROOM, DECLINED TO DISCUSS WHAT FORM THE ATLANTIC PACT DEFENSE PLAN WOULD TAKE, WHO MIGHT BE ITS COMMANDER OR WHERE ITS HEADQUARTERS MIGHT BE.

BRADLEY WAS ASKED IF, IN THE EVENT OF WAR, THE UNITED STATES WOULD BE DROPPING ATOM BOMBS WHILE WESTERN EUROPEAN NATIONS PROVIDED GROUND FORCES. BRADLEY ANSWERED:

"THAT REFERS TO MY STATEMENT BEFORE THE HOUSE FOREIGN AFFAIRS COMMITTEE IN WASHINGTON. IN THOSE DISCUSSIONS WE HAVE HAD TO PRESENT SOME ASSUMED USE OF COLLECTIVE DEFENSE. IN SUCH AN ASSUMED SITUATION WE WOULD HAVE TO DO THE STRATEGIC BOMBING WHILE OTHER NATIONS CLOSER TO THE CENTER OF THE EMERGENCY WOULD PROVIDE, INITIALLY, THE OTHER FORCES."

THE AIR CHIEF OF STAFF, GEN. HOYT VANDENBERG, SAID THE U.S. AIR FORCE DOES NOT SEE A MONOPOLY ON STRATEGIC BOMBING.

"I WOULD FAVOR EVERYBODY GETTING INTO THAT TO THE MAXIMUM OF THE LIMITATIONS IMPOSED BY EXCHEQUERS AND MANPOWER," VANDENBERG SAID. "BRITISH STRATEGIC BOMBING IN THE LAST WAR MADE A WONDERFUL RECORD."

IN FRANCE, WHERE THE STAFF CHIEFS WILL BE AT WEEK'S END, CONFERENCES WILL BE HELD AT FONTAINEBLEU WITH BRITISH FIELD MARSHAL VISCOUNT MONTGOMERY AND WITH COMMANDERS FROM FRANCE, BELGIUM, LUXEMBOURG AND THE NETHERLANDS--THE OTHER MEMBERS OF THE WESTERN EUROPEAN UNION.

THE SCANDINAVIAN DELEGATIONS MET THE AMERICAN OFFICERS IN SEPARATE CONFERENCES AT U.S. NAVAL HEADQUARTERS IN LONDON. EACH GROUP SPENT MORE THAN AN HOUR WITH THE AMERICANS.

THE CONFERENCES WERE CONDUCTED UNDER THE SAME CONDITIONS OF SECRECY AS YESTERDAY'S MEETING WITH BRITISH MILITARY LEADERS. ARMED GUARDS MADE CERTAIN ONLY ACTUAL PARTICIPANTS ENTERED THE CONFERENCE ROOM.

THE AMERICAN REPRESENTATIVES WILL LEAVE FOR PARIS THIS AFTERNOON ON THE NEXT LEG OF THEIR 10-DAY AIR TOUR OF EUROPE.

THE U.S. LEADERS--ARMY CHIEF OF STAFF GEN. OMAR BRADLEY, NAVY CHIEF OF OPERATIONS ADM. LOUIS DENFELD AND AIR FORCE CHIEF GEN. HOYT S. VANDENBERG--CONFERRED WITH THEIR BRITISH OPPOSITE NUMBERS AT LENGTH YESTERDAY.

AFTER THE CLOSELY-GUARDED CONFERENCE, DENFELD SAID THE MILITARY ORGANIZATION OF THE ATLANTIC PACT NATIONS MIGHT BE SET UP BEFORE THE END OF THE YEAR."

HE SAID THERE HAD BEEN "CONSIDERABLE PROGRESS" DURING THE BRITISH-AMERICAN MEETING.

THE AMERICAN, BRITISH, DANISH AND NORWEGIAN MILITARY LEADERS ALL MET KING GEORGE VI AT BUCKINGHAM PALACE LAST NIGHT FOR A "FRIENDLY, INFORMAL TALK."

THE DANES FLEW HERE TUESDAY, THE NORWEGIANS ARRIVED YESTERDAY.

LIEUT. GEN. OLE BERG, NORWEGIAN CHIEF OF STAFF, SAID AT NORTHOLT AIRPORT HIS GROUP WAS INTERESTED IN:

1--COOPERATION UNDER THE ATLANTIC PACT.

2. EQUIPMENT FOR ALL THREE SERVICES "WHICH WE HOPE TO GET FROM BRITAIN AND THE UNITED STATES."

3. EXCHANGE OF IDEAS ON MILITARY TRAINING.

ALTHOUGH VERY LITTLE HAS SIFTED OUT OF THE CONFERENCES WHICH THE U.S. STAFF CHIEFS HAVE HELD WITH EUROPEAN LEADERS, IT IS KNOWN THE TALKS HAVE CENTERED ON THE TYPE AND SIZE OF FORCES CONSIDERED NECESSARY TO KEEP THE PEACE IN EUROPE AND THE EXTENT OF FINANCIAL AND MILITARY AID NEEDED. MOST OF THE AID WOULD HAVE TO COME FROM THE UNITED STATES, WITH BRITAIN HELPING OUT TO A LESSER EXTENT.

WHILE THE TALKS ARE NOT DIRECTLY TIED TO THE $1,450,000,000 FOREIGN ARMS AID PROGRAM BEFORE THE U.S. CONGRESS, THEY WILL PROVIDE INFORMATION AS TO HOW MUCH MONEY WILL BE NEEDED TO BRING THE ATLANTIC PACT MILITARY ORGANIZATION INTO EXISTENCE.

M308AED

WITH PARIS CHIEFS

LONDON, AUG.4-(AP)-FOREIGN MINISTERS OF THE 12 ATLANTIC PACT NATIONS ARE LIKELY TO MEET IN WASHINGTON IN THE NEXT MONTH OR TWO, INFORMED BRITISH SOURCES SAID TODAY.

THEY WILL PRESUMABLY GET TOGETHER AS THE SUPREME COUNCIL OF THE ATLANTIC ALLIANCE.

THE SOURCES SAID THEIR TASK WILL BE TO SET UP THE MACHINERY OF THE PACT, CHOOSE A PERMANENT HEADQUARTERS, AND CREATE THE SUBSIDIARY ORGANS -- INCLUDING THE MILITARY BODIES -- FOR WHICH THE PARTNERSHIP PROVIDES.

THE BRITISH FOREIGN OFFICE WOULD NOT CONFIRM OR DENY THE REPORT.

A SPOKESMAN SAID, HOWEVER: "SUCH A MEETING IS POSSIBLE."

FOREIGN SECRETARY BEVIN WILL BE IN WASHINGTON NEXT MONTH FOR IMPORTANT ECONOMIC TALKS. SO WILL FRENCH FOREIGN MINISTER ROBERT SCHUMAN.

BRITISH OFFICIALS REPORTED LAST WEEK REPRESENTATIVES OF THE ATLANTIC PACT COUNTRIES WERE QUIETLY -- ALTHOUGH INFORMALLY -- EXCHANGING IDEAS IN WASHINGTON ABOUT BRINGING THE ATLANTIC COUNCIL INTO BEING. SO FAR THEY HAVE REACHED NO DECISIONS.

SJ427PED

(250) UNIFICATION

WASHINGTON, AUG.4-(AP)-SECRETARY OF DEFENSE JOHNSON TODAY PRESSED FORWARD WITH HIS PLANS FOR A STRONGER MILITARY ESTABLISHMENT, FOLLOWING CREATION OF TWO NEW POLICY POSTS.

JOHNSON LATE YESTERDAY SET UP AN OFFICE OF FOREIGN AFFAIRS TO HELP HIM WORK OUT "POLITICO-MILITARY" MATTERS WITH THE STATE DEPARTMENT AND OTHER FOREIGN POLICY AGENCIES. HE NAMED N.E. HALABY TO HEAD THE NEW OFFICE.

HALABY HAS BEEN FOREIGN AFFAIRS ADVISER TO THE SECRETARY OF DEFENSE. HE FORMERLY WAS A STATE DEPARTMENT OFFICIAL.

THE DEFENSE SECRETARY ALSO ANNOUNCED APPOINTMENT OF A MAJ.GEN. JAMES H.BURNS TO BE HIS CONSULTANT IN THE FIELD OF FOREIGN POLICY. THE 64-YEAR OLD GENERAL, WHO HAS BEEN IN RETIREMENT, SERVED AS EXECUTIV TO JOHNSON WHEN HE WAS ASSISTANT SECRETARY OF WAR IN 1939.

THE SECOND POLICY AGENCY CREATED WITHIN THE DEFENSE ESTABLISHMENT YESTERDAY WAS A CIVILIAN RESERVE POLICY BOARD, TO COORDINATE PROGRAMS OF THE ORGANIZED RESERVE. WILLIAM T.FARICY, PRESIDENT OF THE ASSOCIATION OF AMERICAN RAILROADS, WAS PICKED TO HEAD IT.

STILL FURTHER TIGHTENING UP OF THE MILITARY MACHINE WAS IN PROSPECT AS SOON AS PRESIDENT TRUMAN SIGNS THE NEW BILL GIVING JOHNSON GREATER CONTROL OVER THE THREE ARMED SERVICES.

THE MEASURE SETS UP A PERMANENT CHAIRMAN FOR THE JOINT CHIEFS OF STAFF. PENTAGON REPORTS WERE THAT ARMY CHIEF OF STAFF GEN.OMAR BRADLEY WAS SLATED FOR THAT JOB--WHICH WOULD MAKE HIM THE NATION'S HIGHEST RANKING OFFICER.

BRADLEY HAS BEEN A MEMBER OF THE JOINT CHIEFS, ALONG WITH ADM. LOUIS E.DENFELD, COMMANDER OF THE NAVY, AND GEN.HOYT VANDENBERG, WHO HEADS THE AIR FORCE. GEN. DWIGHT D.EISENHOWER HAS BEEN SERVING AS TEMPORARY CHAIRMAN OF THE GROUP.

VH316AED

VAUGHAN HAS SAID HE KNOWS ABOUT 300 PERSONS IN WASHINGTON OPERATING IN CONTRACT DEALS, BUT HE HAS REFUSED TO DISCUSS WHAT RELATIONS, IF ANY, HE HAS HAD WITH HUNT.

THE SENATE SUBCOMMITTEE HAS BEEN TRYING TO FIND OUT WHETHER HUNT HAD ANY PART IN GETTING GOVERNMENT CLEARANCE FOR CONSTRUCTION WORK AT TANFORAN RACE TRACK SHORTLY AFTER THE WAR WHEN BUILDING MATERIALS WERE SCARCE.

THE STAR QUOTED HUNT AS SAYING IN CONNECTION WITH THAT INCIDENT:

"I WAS NOT INVOLVED WITH TANFORAN IN THE SLIGHTEST WAY. I WAS CHATTING WITH GEN.VAUGHAN IN HIS OFFICE AND HE MADE A COMMENT THAT SOME FRIENDS OF HIS HAD COMPLAINED TO HIM THE DAY BEFORE THAT THEY HAD GOTTEN THE RUN-AROUND FROM SOME OF THE PEOPLE IN THE OFFICE OF THE HOUSING EXPEDITER WHEN THEY WENT IN TO INQUIRE ABOUT THEIR RIGHTS TO BUILD AT A TRACK IN CALIFORNIA.

"GEN.VAUGHAN SAID IT BOTHERED HIM THAT FELLOWS I SPOKE SO HIGHLY OF AT HOUSING HAD TREATED HIS FRIENDS LIKE SCHOOLBOYS. I TOLD HIM I WOULD BE AT HOUSING IN A DAY OR TWO AND I'D TALK TO THEM ABOUT IT BUT I DIDN'T THINK THEY PUSHED PEOPLE AROUND BECAUSE THEY HAD BEEN SO COURTEOUS TO ME.

"WHEN I WENT DOWN THERE I ASKED A MAN NAMED MAHER ABOUT THE THING AND HE CALLED IN TWO OR THREE OTHERS WHO HAD BEEN PRESENT AT THE OTHER MEETING AND THEY DISCUSSED IT WITH ME FULLY AND FRANKLY AND WENT OVER THEIR CONVERSATION.

"I TOLD GEN.VAUGHAN I THOUGHT HIS FRIENDS HAD BEEN ACCORDED COURTESY AND PROPER TREATMENT AND OFFERED TO SHOW HIM A MEMO I HAD WRITTEN ABOUT IT. I GOT NO FEE. I JUST DIDN'T WANT TO SEE ANY MISUNDERSTANDING BETWEEN TWO OFFICIALS OF THE GOVERNMENT."

HUNT ALSO TOLD THE STAR:

1. THAT HE REPRESENTED DOROTHY DRAPER, AN INTERIOR DECORATOR, IN TRYING TO GET HER A CONTRACT FOR PART OF THE WHITE HOUSE REDECORATING. HUNT SAID THE ONLY CONNECTION VAUGHAN HAD WITH THAT WAS A CALL MADE FROM HUNT'S OFFICE TO VAUGHAN'S OFFICE TO FIND OUT THE PROPER PERSON TO SEE ABOUT IT. HUNT SAID VAUGHAN'S OFFICE REFERRED HIM TO THE WHITE HOUSE ARCHITECT.

2. THAT HE GOT AN $80,000 FEE FOR HIS HELP IN GETTING THE LIDO BEACH HOTEL ON LONG ISLAND BACK TO ITS ORIGINAL OWNERS AT SUBSTANTIALLY LESS THAN THE FIRST PURCHASE PRICE.

3. THAT HE NEVER HAS CLAIMED HE WAS "VERY CLOSE" TO SECRETARY OF DEFENSE JOHNSON.

4. THAT HE HAS KNOWN GENERAL WAITT FROM BOYHOOD. HUNT SAID HE NEVER HAS OBTAINED ANY CONTRACTS FOR CLIENTS FROM THE CHEMICAL CORPS HEADED BY WAITT, BUT HE ADDED "THERE IS PRESENTLY ONE UNDER CONSIDERATION X X X."

5. THAT HE AND JOHN MARAGON, ANOTHER KEY FIGURE IN THE FIVE PERCENTER INQUIRY, HAVE "MET BRIEFLY SEVERAL TIMES, BUT I HAVE HAD NO SOCIAL, BUSINESS OR ANY OTHER CONTACTS WITH HIM."

IT APPEARED TODAY THAT THE PRINCIPAL EMPHASIS AT THE START OF THE SENATE COMMITTEE HEARINGS WILL BE ON THE EVENTS WHICH LED UP TO THE SUSPENSION OF GENERALS FELDMAN AND WAITT.

ORDERS FOR THEIR TEMPORARY RELIEF FROM DUTY WENT OUT JULY 17 AFTER PAUL GRINDLE, MASSACHUSETTS MANUFACTURER, SAID HE HAD PAID HUNT $1,000 FOR HELP IN SEEKING A GOVERNMENT CONTRACT, AND THAT HUNT CLAIMED INFLUENCE WITH FELDMAN AND WAITT.

SENATOR HOEY SAID HE HAS BEEN ADVISED HUNT HAS ENTERED A HOSPITAL HERE FOR AN OPERATION TO REMOVE A BLOOD CLOT ON HIS LEG. THE SENATOR SAID THAT WOULDN'T DELAY THE HEARINGS, HOWEVER, AS IT WOULD BE POSSIBLE TO GO ON WITHOUT HUNT'S TESTIMONY AT THE VERY START.

V626PED

"SEVERAL OTHER CASES WERE DISCLOSED INDICATING A 'FEATHERING OF NESTS' BY OFFICERS AND EMPLOYES OF THE GOVERNMENT WHO SUBSEQUENTLY WERE EMPLOYED BY THE CONTRACTORS." WASHINGTON - FRAUD IN SERVICES

IN ANOTHER CASE, WARREN REPORTED THAT AFTER THE REPRESENTATIVES OF A FIRM WERE INTRODUCED TO TWO GOVERNMENT EMPLOYES IT GOT THREE CONTRACTS. LATER THE FIRM'S BOOKS SHOWED "LIABILITIES TO THESE EMPLOYES" OF $1,175 AND $2,029, HE SAID.

ANOTHER FIRM ASKED A GOVERNMENT OFFICIAL FOR AN INCREASE IN ITS CONTRACT PRICE, GOT IT, AND PAID THE OFFICIAL $500, WARREN SAID.

"IN YET ANOTHER CASE," THE REPORT SAID, "TWO FORMER ARMY OFFICERS, WHILE ON ACTIVE DUTY CHARGED WITH CARRYING ON THE TECHNICAL MANUAL PROGRAM ON BEHALF OF THE GOVERNMENT, RECEIVED SHARES OF CORPORATE STOCK VALUED AT $2,000 IN RETURN FOR PURPORTED 'PART-TIME SERVICES' TO A FIRM WHICH SHORTLY THEREAFTER RECEIVED GOVERNMENT CONTRACTS AT PRICES TOTALLING IN EXCESS OF $100,000.

"IN ADDITION TO THE FOREGOING, NUMEROUS INSTACES WERE FOUND INVOLVING THE ACCEPTANCE BY GOVERNMENT PERSONNEL OF ENTERTAINMENT,

LUNCHES, DINNERS, LIQUORS, ETC., FROM CONTRACTORS, WHO, IN RETURN, SEEM TO HAVE BEEN FAVORED WITH GOVERNMENT CONTRACTS AND LIBERAL TERMINATION SETTLEMENTS."

WARREN REPORTED THAT THE INVESTIGATION TURNED UP "AN APPARENT SCHEME WHEREBY 20 PERCENT OF THE CONTRACT PRICES WAS TO BE 'KICKED-BACK' TO CERTAIN GOVERNMENT REPRESNTATIVES EITHER DIRECTLY, THROUGH THEIR RELATIVES, OR THROUGH DUMMY CORPORATIONS."

IT MAY BE ASSUMED, HE ADDED, THAT THE CONTRACT PRICES WERE PADDED ENOUGH TO COVER THIS ADDED EXPENSES.

WARREN SAID IT APPEARS THAT AT LEAST EIGHT CONTRACTORS HID FACTS ABOUT THEIR TERMINATION CLAIMS TO GET EXCESSIVE PAYMENTS FOR THEMSELVES OR OTHERS--"INCLUDING PRESENT OR FORMER GOVERNMENT PERSONNEL."

THE CLAIMS INCLUDED AMOUNTS PAID GOVERNMENT PERSONNEL FOR AIDING THE CONTRACTOR OBTAIN THE AWARD, WARREN SAID.

IN MANY CASES THE SETTLEMENTS WERE APPROVED ON THE RECOMMENDATIONS OF THE SAME INDIVIDUALS WHO PARTICIPATED IN IRREGULARITIES SURROUNDING THE AWARD OF THE CONTRACTS, WARREN ADDED.

V64SPED

(250) AMS BUDGET
NIGHT LEAD MRS.ROOSEVELT

WASHINGTON, AUG.4-(AP)-PRESIDENT TRUMAN SAID TODAY MRS. FRANKLIN D.ROOSEVELT HAS MADE HER ANNUAL ROUTINE OFFER TO RESIGN FROM HER UNITED NATIONS POSITION BUT HE ISN'T GOING TO ACCEPT IT.

THE WIDOW OF FRANKLIN D.ROOSEVELT IS ONE OF THE U.S.DELEGATES TO THE UNITED NATIONS GENERAL ASSEMBLY. SHE IS ALSO A MEMBER OF THE U.N. HUMAN RIGHTS COMMISSION.

THE SUBJECT CAME UP AT MR.TRUMAN'S NEWS CONFERENCE WHEN A REPORTER ASKED IF IT WAS TRUE THAT MRS.ROOSEVELT HAD OFFERED TO RESIGN BECAUSE OF HER RECENT CONTROVERSY WITH FRANCIS CARDINAL SPELLMAN OF NEW YORK CITY.

THE ROMAN CATHOLIC CARDINAL CRITICIZED MRS.ROOSEVELT AFTER SHE HAD OPPOSED FEDERAL AID FOR CHURCH-OPERATED SCHOOLS. HE SAID HER "RECORD OF ANTI-CATHOLICISM" IS "UNWORTHY OF AN AMERICAN MOTHER." SHE REPLIED THAT SHE HAS NO BIAS AGAINST THE CATHOLIC CHURCH AND THAT GOD IS THE FINAL JUDGE OF THE WORTHINESS OF ALL HUMAN BEINGS.

THIS EXCHANGE CREATED CONSIDERABLE TENSION WITHIN THE DEMOCRATIC PARTY OF NEW YORK STATE.

MR.TRUMAN, REPLYING TO THE QUESTION, SAID MRS.ROOSEVELT EVERY YEAR OFFERS TO RESIGN BUT BECAUSE--WITH HER CUSTOMARY COURTESY TO HIM--SHE THINKS THE PRESIDENT OUGHT TO HAVE A FREE HAND TO APPOINT ANYONE HE WANTS TO.

MR.TRUMAN SAID HER OFFER THIS YEAR CAME AT THE USUAL TIME, AND SHE EXPRESSED NO REASON FOR IT.

QUESTIONED FURTHER, THE PRESIDENT SAID MRS.ROOSEVELT IS GOING BACK TO THE NEXT UNITED NATIONS ASSEMBLY IN HER SAME JOB.

THE NEXT GENERAL ASSEMBLY WILL BE SOMETIME IN THE FALL.

ES4PED

SAN FRANCISCO, AUG 4-(AP)-TOKYO ROSE TERMED THE FIRST MARINE DIVISION "THE BLOODY BUTCHERS OF GUADALCANAL," AN EX-SERVICEMAN TESTIFIED AT HER TREASON TRIAL.

WILLIAM H. THOMPSON OF RIVERSIDE, CALIF., A PROSECUTION WITNESS IN THE TRIAL OF MRS. IVA TOGURI (TOKYO ROSE) D'AQUINO, SAID YESTERDAY HE HEARD THAT IN A RADIO BROADCAST, "WELCOMING" THE MARINES TO NEW BRITAIN ON DEC. 26, 1943.

THOMPSON WAS ONE OF THE MARINES WHO HAD WADED ASHORE A FEW HOURS BEFORE THE BROADCAST.

LAST OF SIX GOVERNMENT WITNESSES WHO TESTIFIED THEY HEARD TOKYO ROSE'S BROADCASTS IN THE PACIFIC, THOMPSON SAID THE SAME VOICE SOMETIME LATER TOLD AMERICANS THEY SHOULD GIVE UP "THIS FRUITLESS FIGHT."

HE SAID THE VOICE IDENTIFIED ITSELF AS ORPHAN ANN AND SUGGESTED IF THEY QUIT FIGHTING THEY COULD REJOIN THEIR GIRL FRIENDS IN SOUTHERN CALIFORNIA DRIVE-INS.

THE GOVERNMENT CONTENDS MRS. D'AQUINO, 33 AND LOS ANGELES-BORN, COMMITTED TREASON BY BROADCASTING OVER RADIO TOKYO AS ORPHAN ANN AND THAT SHE ALSO WAS KNOWN AS TOKYO ROSE. IT CONTENDS THE BROADCASTS WERE DESIGNED TO UNDERMINE THE MORALE OF ALLIED FIGHTING MEN.

HF/LW320APS NM

NIGHT LEAD REPARATIONS (350)

BY ARTHUR GAVSHON

LONDON, AUG. 4-(AP)-DIPLOMATIC SOURCES SAID TODAY THE UNITED STATES AND BRITAIN ARE TALKING OVER AN IDEA FOR STOPPING REPARATIONS DELIVERIES FROM WESTERN GERMANY TO RUSSIA.

THESE SOURCES, WHO REFUSED TO BE IDENTIFIED FOR PUBLICATION, EMPHASIZED THAT THE IDEA WAS INITIATED BY THE AMERICAN GOVERNMENT IN A TENTATIVE WAY AND THOUGHTS ON THE SUBJECT ARE STILL BEING EXCHANGED IN WASHINGTON AND LONDON.

THE BRITISH ARE AGAINST THE PROPOSAL IN THE FORM BROACHED BY THE AMERICANS DURING TALKS WITH BRITAIN ON GERMAN REPARATION POLICIES. INSTEAD, THE BRITISH ARE TENTATIVELY FOR CONTINUING PART FULFILLMENT OF DELIVERIES TO RUSSIA.

THE MAIN PRIZES ARE INDUSTRIAL PLANTS DISMANTLED IN WESTERN GERMANY AND MOSTLY IN BRITISH HANDS. AROUND 20 HAVE BEEN ALREADY TAKEN DOWN AND SOME ARE CRATED AND MARKED FOR RUSSIA.

RUSSIA AND POLAND TOGETHER WERE ASSIGNED 25 PERCENT OF DISMANTLED PLANTS UNDER THE POTSDAM PACT FOR DISPOSAL OF THE SPOILS IN THE THREE WESTERN ZONES. TEN PERCENT WAS ALLOCATED UNCONDITIONALLY AND THE OTHER 15 PERCENT WAS TO BE EXCHANGED FOR GOODS FROM RUSSIA.

COUNTERING THE ORIGINAL AMERICAN PROPOSAL TO CUT OFF ALL FURTHER REPARATIONS SHIPMENTS TO RUSSIA, BRITAIN PROPOSED THE SHIPMENT OF 10 PERCENT IF RUSSIA WILL RENOUNCE CLAIM TO THE OTHER 15 PERCENT.

BRITISH OFFICIALS EXPLAINED THAT RUSSIA IS NOT KEEPING UP WITH EXCHANGES OF GOODS IN PAYMENT FOR MAINTAINING PLANTS. HOWEVER, THE WESTERN POWERS WERE SUPPOSED TO COMPLETE SHIPMENTS TO RUSSIA WHILE THE RUSSIANS WERE GIVEN FIVE YEARS TO PAY IN GOODS.

THE WESTERN POWERS ARE KNOWN TO HAVE TURNED DOWN RUSSIAN OFFERS TO DRAIN GOODS FROM EASTERN GERMANY TO PAY THE WEST.

THERE APPEARED TO BE TWO ALTERNATIVES IN THE EVENT OF A STALEMATE: 1-WESTERN GERMANY MIGHT BE ALLOWED TO KEEP PLANTS MARKED FOR RUSSIA, BUT THIS WOULD RAISE A CLAMOR AMONG OTHER WESTERN EUROPEAN COUNTRIES; AND 2-THE 18-NATION INTER-ALLIED REPARATIONS AGENCY BASED IN BRUSSELS MIGHT DISTRIBUTE THEM IN WESTERN EUROPEAN COUNTRIES AS NEEDED.

IN THE LATTER EVENT, THE UNITED STATES MIGHT BE EXPECTED TO PROTEST BECAUSE OF A DESIRE TO STRENGTHEN WESTERN GERMANY ECONOMICALLY. THE BRITISH MIGHT BE FOR IT AS A STIMULUS TO EUROPEAN ECONOMIC RECOVERY GENERALLY.

EZ412PED

BY ARTHUR GAVSHON (350)

LONDON, AUG.4-(AP)-THE UNITED STATES HAS TENTATIVELY PROPOSED ENDING ALL FURTHER REPARATIONS DELIVERIES TO RUSSIA FROM WEST GERMANY, RESPONSIBLE DIPLOMATIC OFFICIALS SAID TODAY.

THE INFORMANTS, WHO REFUSED TO BE IDENTIFIED BY NAME OR NATIONALITY REPORTED THE AMERICAN IDEA CAME UP IN TALKS WITH BRITAIN OVER GERMAN POLICIES.

THE OFFICIALS STRESSED THE AMERICAN PROPOSAL DOES NOT REPRESENT A FINAL STAND. THE EXCHANGE OF IDEAS IS STILL GOING ON IN WASHINGTON AND LONDON, THEY SAID.

THE BRITISH OPPOSE THE U.S. PROPOSAL AS IT NOW STANDS.

UNDER THE POTSDAM PACT, RUSSIA AND POLAND TOGETHER WERE TO GET 25 PER CENT OF ALL INDUSTRIAL PLANTS DISMANTLED IN THE THREE WESTERN ZONES OF GERMANY. OF THIS PROPORTION, 10 PER CENT WAS TO BE SENT EASTWARD UNCONDITIONALLY AND THE REST --15 PER CENT -- TO BE SUPPLIED IN RETURN FOR RECIPROCAL DELIVERIES OF GOODS FROM RUSSIA.

IF THE AMERICAN IDEA IS ACCEPTED, IN EFFECT IT WILL MEAN THE WESTERN POWERS REPUDIATE RUSSIA'S RIGHT TO FURTHER COMPENSATION BY GERMANY FOR DAMAGE INFLICTED DURING THE WAR.

BRITAIN HAS PROPOSED THE WESTERN POWERS FULFIL THEIR POTSDAM AGREEMENT TO SEND RUSSIA ONE-TENTH OF THE DISMANTLED PLANTS -- PROVIDED RUSSIA RENOUNCES HER CLAIMS TO THE OTHER 15 PER CENT.

ABOUT 20 PLANTS ARE ALREADY DISMANTLED, SOME IN CRATES AWAITING SHIPMENT, EARMARKED FOR RUSSIA IN THE WESTERN ZONES, THE INFORMANTS ESTIMATED. THESE WOULD BE DELIVERED UNDER THE UNCONDITIONAL ALLOCATION.

THE OFFICIALS SAID RUSSIA IS BEHIND IN DELIVERING RUSSIAN GOODS IN EXCHANGE FOR CAPITAL PLANTS SENT TO HER UNDER THE RECIPROCAL DELIVERIES -- 15 PER CENT -- ARRANGEMENT. THE WESTERN POWERS WERE, HOWEVER, SUPPOSED TO COMPLETE THESE DELIVERIES WITHIN TWO YEARS, WHILE RUSSIA WAS GIVEN FIVE YEARS IN WHICH TO REPAY IN GOODS. THE WESTERN POWERS, MOREOVER, ARE KNOWN TO HAVE TURNED DOWN RUSSIAN OFFERS TO SEND SUCH GOODS AS RADIO SETS. THEY INDICATED A PREFERENCE FOR FOODSTUFFS.

TWO POSSIBILITIES CONFRONT THE WESTERN POWERS IN THE EVENT OF RUSSIA TURNING DOWN THE BRITISH PROPOSAL, THE INFORMANTS SAID.

ONE WOULD BE TO LET WEST GERMANY KEEP THE PLANTS EARMARKED FOR RUSSIA. FRANCE, BELGIUM AND OTHER EUROPEAN COUNTRIES WOULD NOT FAVOR THIS, HOWEVER. NOR WOULD BRITAIN.

THE OTHER POSSIBILITY -- AND THE STRONGER ONE -- WOULD BE TO TURN OVER ALL THE PLANTS ALLOCATED TO RUSSIA TO THE BRUSSELS-BASED 18-NATION INTER-ALLIED REPARATIONS AGENCY FOR DISTRIBUTION TO OTHER EUROPEAN COUNTRIES.

IN THE THREE YEARS ENDING IN JUNE 1948, RUSSIA HAD RECEIVED THE EQUIVALENT OF ABOUT $16,000,000 WORTH OF REPARATIONS FROM THE BRITISH-AMERICAN ZONES.

ADDITIONALLY, UP TO JUNE, 1948, RUSSIA HAD RECEIVED 11 NON-WAR PLANTS AND ONE WAR PLANT FROM THE BRITISH ZONE ALONE, OUT OF A TOTAL 496 PLANTS THEN DUE FOR DISMANTLEMENT. ALSO, THE BRITISH HAD SENT TO THE INTER-ALLIED REPARATIONS AGENCY 137 PLANTS, 85 OF THEM WAR PLANTS.

OFFICIALS SAID AMERICAN AND ZONAL FIGURES OF REPARATIONS DELIVERIES TO RUSSIA WERE NOT AVAILABLE. THERE WERE FEW DELIVERIES OF CAPITAL PLANT TO RUSSIA DURING THE PERIOD OF THE BLOCKADE FROM THE WESTERN ZONES.

THE SOZIALDEMOKRAT OF BERLIN, ORGAN OF THE WEST GERMAN SOCIALIST PARTY, ESTIMATED LAST JANUARY THAT RUSSIAS HAS TAKEN GOODS WORTH $7,000,000,000 (B) OUT OF GERMANY IN THE LAST THREE YEARS. THE NEWSPAPER SAID IT BASED ITS ESTIMATE ON GERMAN RAIL SHIPMENTS TO THE SOVIET UNION.

SF355PED

30.24- 4817

LONDON, AUG.4-(AP)-EUROPE'S FIRST PARLIAMENT HAS COME INTO BEING FORMALLY, THE BRITISH FOREIGN OFFICE ANNOUNCED TODAY.

A FOREIGN OFFICE SPOKESMAN ANNOUNCED THE SEVENTH RATIFICATION OF THE 10-NATION COUNCIL OF EUROPE HAS BEEN DEPOSITED HERE, FOUR DAYS BEFORE THE COUNCIL'S SCHEDULED OPENING AT STRASBOURG, FRANCE.

THE CHARTER OF THE PARLIAMENT PROVIDED THAT IT WOULD COME INTO BEING WHEN SEVEN INSTRUMENTS OF RATIFICATION HAD BEEN HANDED TO THE BRITISH FOREIGN OFFICE. THOSE OF LUXEMBOURG, ITALY AND NORWAY ARRIVED IN THE PAST 24 HOURS, ADDED TO THE EARLIER RATIFICATIONS BY BRITAIN, DENMARK, SWEDEN AND THE REPUBLIC OF IRELAND. FRANCE, BELGIUM AND THE NETHERLANDS STILL ARE TO DEPOSIT THEIR INSTRUMENTS.

AIDES OF THE 10 NATIONS MEET IN PARIS TOMORROW TO STUDY RULES AND REGULATIONS FOR THE PARLIAMENT, THEY WILL STUDY A REPORT OF THE PARLIAMENT'S PREPARATORY COMMISSION.

THE COMMITTEE OF MINISTERS OF THE COUNCIL OF EUROPE MEETS IN STRASBOURG MONDAY AND THE ASSEMBLY GATHERS WEDNESDAY. BRITAIN IS SENDING A 100-MAN TEAM TO THE FIRST ASSEMBLY SESSION.

THE TWO-CHAMBER COUNCIL WILL HAVE LIMITED POWERS. ITS DECISIONS THEORETICALLY ARE BINDING ON THE MEMBERS, BUT THE SUBJECTS WHICH MAY BE DISCUSSED BY THE DELIBERATIVE OR CONSULTATIVE ASSEMBLY MUST BE APPROVED IN ADVANCE BY THE MINISTERIAL COMMITTEE (CABINET.)

IN THE CABINET THE MINISTERS HAVE VETO POWERS. WITHIN THE ASSEMBLY BINDING DECISIONS MUST HAVE A TWO-THIRDS MAJORITY VOTE. DEFENSE AND MILITARY MATTERS ARE BARRED FROM THE COUNCIL'S AGENDA.

WW1144AED

London, Friday, Aug. 5--(AP)--Tass today quoted a claim by Greek Communist guerrillas ~~xxxxxxxxxx~~ they had killed 220 government troops and wounded 590 in the battle for Mount Grammos.

The guerrilla claim was made in a broadcast, reported by Tass, official Soviet news agency, from Prague. It said the figures were for the first two days of the current offensive, beginning Tuesday.

The broadcast said government troops had captured a point called Ghinovo but that the rebels beat back other attacks and that the government forces had retreated far from their established lines by Wednesday.

apl. 0427. rch 1148p.

LONDON, AUG. 4-(AP)-YUGOSLAV PREMIER MARSHAL TITO TOLD A GROUP OF HIS ARMY OFFICERS YESTERDAY IT IS YUGOSLAVIA'S DUTY "TO DEFEND THE PRINCIPLES OF MARXISM-LENINISM AGAINST EVERYONE, AND EVEN AGAINST THE CREATORS OF THESE PRINCIPLES SHOULD THEY GO AGAINST THEM."

HIS SPEECH TO GARRISON OFFICERS AND GENERALS STATIONED AT SKOPLJE, IN MACEDONIA, WAS REPORTED TONIGHT BY TANJUG, OFFICIAL YUGOSLAV NEWS AGENCY.

TITO, WHO WAS KICKED OUT OF THE RUSSIAN-DOMINATED COMINFORM BECAUSE OF HIS "NATIONALISTIC" TENDENCIES, TOLD THE GATHERING:

"YOU ARE ON A SECTOR OF DEFENSE OF OUR LAND WHICH IS OF GREAT IMPORTANCE, ON WHICH DIFFERENT PROVOCATIONS FREQUENTLY TAKE PLACE AND ON WHICH THEY ARE STILL OCCURING TODAY AND WILL PROBABLY TAKE PLACE IN THE FUTURE.

"YOU ARE IN A STATE OF ALERT IN ORDER TO SAFEGUARD THE PEACEFUL CONSTRUCTION OF OUR SOCIALIST COUNTRY."

TITO ALSO SAID IT IS NOT YUGOSLAVIA'S FAULT THAT "LASTING BROTHERLY COOPERATION AMONG THE COUNTRIES OF THE PEOPLES' DEMOCRACIES AND THE U.S.S.R. HAS NOT BEEN ESTABLISHED."

YUGOSLAVIA'S AIM, HE ADDED, IS "TO BUILD UP SOCIALISM, TO STAY CONSISTENTLY LOYAL TO THE SCIENCE OF MARX, ENGELS, LENIN AND STALIN, NOT TO DEVIATE BY ONE STEP FROM THIS SCIENCE AND NOT TO PERMIT ANYONE TO REVISE THAT SCIENCE AND DISTORT IT IN PRACTICE."

TITO ASSURED HIS ARMY OFFICERS THAT A MAJORITY OF THE PEOPLE OF THE EASTERN EUROPEAN COUNTRIES ARE BEHIND HIM.

EZ459PED

ROME, AUG. 4-(AP-YUGOSLAVIA AND ITALY SIGNED A MAJOR TRADE TREATY HERE TODAY. ITALY WILL POUR $46,500,000 WORTH OF MACHINERY, TRANSPORT EQUIPMENT AND OTHER GOODS INTO YUGOSLAVIA IN THE NEXT YEAR IN EXCHANGE FOR YUGOSLAV PRODUCTS.

YUGOSLAVIA HAS BEEN HIT HARD BY THE COMINFORM ECONOMIC BOYCOTT. OBSERVERS VIEWED THE ITALO-YUGOSLAV DEAL AS AN INDICATION OF YUGOSLAV PREMIER MARSHAL TITO'S NEED TO REACH WESTWARD AND BETTER HIS ECONOMIC RELATIONS WITH NON-COMMUNIST NATIONS.

A FOREIGN MINISTRY SPOKESMAN, MEANWHILE, SAID HE KNEW NOTHING OF REPORTS ITALIAN PREMIER DE GASPERI PLANNED A MEETING WITH TITO IN THE NEXT 10 DAYS.

SJ257PED

FRANKFURT, GERMANY, AUG. 4-(AP)-A CHRISTIAN DEMOCRAT CAMPAIGN SPEAKER TONIGHT PROMISED GERMANS A BOOMING EXPORT TRADE IF THEY WILL REJECT SOCIALIZATION OF THEIR BIG INDUSTRIES.

SOCIALIZATION IS THF BIGGEST ISSUE IN THE CAMPAIGN FOR THE AUG. 14 ELECTION, WHICH WILL NAME THE PARLIAMENT FOR THE NEW EST GERMAN FEDERAL REPUBLIC.

THE POWERFUL LEFT WING SOCIAL DEMOCRAT PARTY FAVORS NATIONALIZATION. ITS BIG CONSERVATIVE RIVAL, THECHRISTIAN DEMOCRATIC UNION (CDU), OPPOSES IT.

AT A CDU RALLY IN FRANKFURT, PROF.LUDWIG ERHARD, PROMISED THAT WESTERN GERMANY WILL PRODUCE GOODS WORTH $1,200,000,000 (B) FOR EXPORT NEXT YEAR IF IT IS LEFT TO PRIVATE ENTERPRISE.

LAST YEAR WEST GERMANY EXPORTED ABOUT $900,000,000 (M).

ERHARD IS DIRECTOR OF ECONOMICS IN THE BIZONAL ADMINISTRATION OF THE BRITISH-AMERICAN ZONE, A JOB IN WHICH HE HAS PROMITED A FREE MARKET ECONOMY.

ERHARD'S SPEECH WAS INTERRUPTED REPEATEDLY BY SOCIAL DEMOCRAT HECKLERS. SOCIAL DEMOCRAT PAMPHLETS ATTACKING HIS FREE MARKET POLICIES WERE DISTRIBUTED AMONG HIS LISTENERS.

WD519PED

FRANKFURT, GERMANY, AUG 4-(AP)-DANIEL MC CARTHY, THE FORMER GI WHOSE ATTEMPT TO BECOME A GERMAN CITIZEN LANDED HIM IN JAIL, IS ON HIS WAY BACK TO THE UNITED STATES AND FREEDOM, THE U.S. ARMY ANNOUNCED TODAY.

MC CARTHY, SENTENCED TO EIGHT MONTHS IN JAIL LAST JUNE FOR ILLEGALLY ENTERING GERMANY, WAS GRANTED CLEMENCY BY DR. JAMES R. NEWMAN, U.S. MILITARY GOVERNOR IN HESSE. ARMY AUTHORITIES SAID MC CARTHY WOULD BE RELEASED WHEN HE REACHES FORT HANCOCK, N.J., ON AUG.8.

THE ARMY ERRONEOUSLY ANNOUNCED TUESDAY MC CARTHY WAS SERVING HIS JAIL SENTENCE AT THE ARMY DISCIPLINARY BARRACKS AT FORT HANCOCK.

MC CARTHY, WHOSE HOME IS IN NEW HYDE PARK, N.Y., RETURNED TO GERMANY ILLEGALLY LAST SPRING. HE TOLD A MILITARY GOVERNMENT COURT HE LIKED GERMANY SO MUCH WHILE SERVING HERE IN THE U.S. ARMY THAT HE WANTED TO GIVE UP HIS U.S. CITIZENSHIP AND BECOME A GERMAN.

DR. NEWMAN ORDERED HIS EARLY RELEASE, SAYING THE EX-SOLDIER'S OFFENSE WAS CAUSED "BY YOUTHFUL IMPETUOUSNESS AND THOUGHTLESSNESS RATHER THAN FROM CRIMINAL INCLINATION."

M650AED

FRANKFURT, GERMANY, AUG 4-(AP)-GERMAN POLITICIANS YESTERDAY ATTACKED ALLIED "INTERFERENCE" IN GERMANY. A RIGHT WING GERMAN LEADER JOINED HIS POLITICAL OPPONENT IN RAILING AGAINST ALLIED CONTROLS.

THE TWO, WHILE CONTESTING FOR CONTROL OF PARLIAMENT IN THE CAMPAIGN FOR THE NEW WEST GERMAN REPUBLIC'S FIRST ELECTION ON AUG.1499

FOR THE NEW WEST GERMAN REPUBLIC'S FIRST ELECTION AUG.14, ALSO DEMANDED MORE POWER FOR THE GERMAN GOVERNMENT.

DR. KURT SCHUMACHER, HEAD OF THE SOCIAL DEMOCRAT (SOCIALIST) PARTY, TOLD 5,000 PERSONS AT AN OUTDOOR RALLY HERE THAT "NEVER HAVE RELATIONS BETWEEN THE ALLIES AND THE GERMANS BEEN SO BAD AS TODAY."

"THE ALLIES INTERFERE IN EVERYTHING," HE CRIED.

JOINING HIS POLITICAL FOE, KONRAD ADENAUER, CHAIRMAN OF THE RIGHT WING CHRISTIAN DEMOCRAT PARTY, IN A SPEECH AT KOBLENZ, SAID:

"IF WESTERN EUROPE CANNOT BE RECONSTRUCTED WITHOUT GERMANY, THEN GERMANY MUST BE GIVEN THE RIGHT TO PARTICIPATE IN INTERNATIONAL COUNCILS."

ADENAUER SAID THE VISIT OF THE U.S. CHIEFS OF STAFF, DURING WHICH THEY CONFERRED WITH MILITARY LEADERS OF OTHER COUNTRIES BUT WITH NONE FROM GERMANY, SHOWED HOW DEPENDENT GERMANY IS ON FOREIGN RULERS.

M250AED

BERLIN, AUG 4-(AP)-FACILITIES WILL BE REDUCED AT SPANDAU PRISON IN A MOVE TO LOWER THE COST OF KEEPING SEVEN TOP NAZIS BEHIND BARS.

DR.OTTO SUHR, CHAIRMAN OF THE WEST BERLIN CITY ASSEMBLY, SAID TODAY THE CITY'S SHARE OF MAINTAINING THE FOUR-POWER PRISON AMOUNTS TO 450,000 MARKS ($135,000) A YEAR. A SLASH OF 100,000 MARKS HAS BEEN ORDERED.

SUHR DID NOT ELABORATE ON WHAT EFFECT THIS WOULD HAVE ON THE DAY-TO-DAY ROUTINE OF THE LAST OF HITLER'S HIGH ASSOCIATES. THE NAZI LEADERS HAVE THE ENTIRE PRISON TO THEMSELVES.

SPANDAU ORIGINALLY WAS A PRISON FOR SEVERAL THOUSAND. THE ALLIES SET IT ASIDE EXCLUSIVELY FOR THE SEVEN NAZIS WHO ESCAPED THE HANGMAN AT NUERNBERG, BUT WERE SENTENCED TO LONG TERMS. THEY ARE:

RUDOLF HESS, FORMER NO. 2 DEPUTY FUEHRER, WALTER FUNK, ONCE REICHS-BANK PRESIDENT, AND GRAND ADM. ERICH RAEDER, (ALL LIFE IMPRISONMENT); ALBERT SPEER, MUNITIONS MINISTER, AND BALDUR VON SCHRIACH, HITLER YOUTH LEADER (EACH 20 YEARS); KONSTANTIN VON NEURATH, FOREIGN MINISTER (15 YEARS); AND GRAND ADM.KARL DOENITZ (10 YEARS).

THE CITY BEARS THE COST OF MAINTENANCE, UTILITIES, FOOD AND GERMAN PERSONNEL. THE GUARDS ARE AMERICAN, RUSSIAN, BRITISH AND FRENCH SOLDIERS.

AN AMERICAN SOURCE SAID THE SEVEN MEN HAVE DETERIORATED CONSIDERABLY. FUNK AND RAEDER ESPECIALLY ARE IN POOR HEALTH.

"SPEER AND DOENITZ ARE THE ONLY ONES WHO HAVE A CHANCE TO LIVE THROUGH THEIR IMPRISONMENT," THE INFORMANT SAID. "THEY HOLD UP WELL, BOTH PHYSICALLY AND MENTALLY."

JJ951AED

VIENNA, AUG.4-(AP)-AUSTRIAN PRISONERS OF WAR IN SIBERIA REFUSED UNTIL 1947 TO BELIEVE GERMANY HAD LOST THE WAR, A REPATRIATED OFFICER SAID TODAY.

"WE WERE TOLD SO MANY LIES BY THE RUSSIANS WE REFUSED TO BELIEVE THE WAR WAS OVER UNTIL WE TALKED TO PRISONERS TAKEN BY THE RUSSIANS AFTER THE ARMISTICE," HE SAID.

THE OFFICER WAS ONE OF 458 PRISONERS, INCLUDING 13 OFFICERS, WHO ARRIVED TODAY FROM CAMPS IN RUSSIA.

THOUSANDS OF PARENTS, WIVES AND CHILDREN WERE AT THE STATION TO MEET THE RETURNED PRISONERS. MANY OF THEM CARRIED SIGNS READING "DO YOU KNOW MY SON (OR MY HUSBAND)?"

MOST TRAFIC OF ALL WAS A LITTLE 10-YEAR-OLD GIRL WHO MET THE TRAIN TODAY CARRYING A PICTURE OF HER FATHER. IT IS THE 47TH TIME SHE HAS MET A TRAIN BRINGING PRISONERS AND THE 47TH TIME SHE HAS BEEN DISAPPOINTED.

RB824PED

AUG 5 1949

PRAGUE - XXX ANY WAY.

THE CHURCH OFFICIAL DESCRIBED AS RIDICULOUS THE OFFICIAL PRESS BUREAU'S ACCOUNT ABOUT THE WOMAN'S SPEEDY TRANSITION "FROM THE POINT OF DEATH" ON JULY 16 TO AN APPARENTLY HEALTHY PERSON TWO WEEKS LATER. THE OFFICIAL VERSION WAS THAT THE WOMAN GAVE A DETAILED ACCOUNT OF HER CONVERSATION WITH THE PRIEST, WHICH RESULTED IN HIS CONVICTION.

MEANWHILE, ARCHBISHOP BERAN REMAINED SILENT AND SECLUDED IN HIS PRAGUE PALACE. HE HAS NOT LEFT THE BUILDING SINCE JUNE 19 WHEN COMMUNIST HECKLERS SHOUTED DOWN HIS SERMON IN ST. VITUS CATHEDRAL.

A HIGH CHURCH SOURCE SAID THE ONLY CATHOLIC OFFICIAL IN THE COUNTRY WHO HAS BEEN ABLE TO SEE BERAN IS THE VATICAN'S DIPLOMATIC REPRESENTATIVE, AND EVEN HE WAS ADMITTED BY A DETECTIVE WHO LOCKED THE ARCHBISHOP'S DOOR WHEN THE VISITOR LEFT. OTHERWISE, BERAN REPORTEDLY IS COMPLETELY ISOLATED FROM OTHER MEMBERS OF HIS HIERARCHY.

THIS SOURCE SAID BERAN IS IN GOOD HEALTH BUT "HE DOES NOT KNOW WHAT EVENTUALLY WILL HAPPEN TO HIM -- WHETHER HE WILL BE FORMALLY ARRESTED AND TRIED OR JUST NEUTRALIZED UNTIL THE GOVERNMENT CAN IMPOSE ITS CONTROL OVER THE CHURCHES."

THE PRESS ATTACK ON MATOCHA WAS LED BY MLADA FRONTA, ORGAN OF THE COMMUNIST-DOMINATED YOUTH FRONT. THE PAPER ALSO CHARGED THAT PRESIDENT TRUMAN AND HIS VATICAN ENVOY, MYRON C. TAYLOR, WERE URGING THE VATICAN ON WITH "THE SPIRITUAL TERROR AND METHOD OF THE MEDIEVAL INQUISITION -- THE EXCOMMUNICATION."

SJ327PED

AUG 5 1949

EXCOMMUNICATION

BY RICHARD KASISCHKE

PRAGUE, CZECHOSLOVAKIA, AUG 4-(AP)-CZECHOSLOVAKIA'S COMMUNIST-RULED GOVERNMENT HAS CARRIED OUT ITS THREAT TO IMPRISON ROMAN CATHOLIC PRIESTS ACCUSED OF SUPPORTING THE VATICAN DECREE EXCOMMUNICATING CATHOLICS WHO ARE MILITANT COMMUNISTS.

CATHOLIC AUTHORITIES HERE REPORTED SEVERAL NEW ARRESTS OF PRIESTS, AND ROME REPORTS QUOTED AN UNOFFICIAL VATICAN SOURCE AS SAYING CLASHES BETWEEN CATHOLICS AND CZECHOSLOVAK POLICE HAVE OCCURRED AT FOUR PLACES IN DEVOUTLY CATHOLIC SLOVAKIA. IN ONE SUCH CLASH, THE VATICAN SOURCE SAID, ONE PERSON WAS KILLED AND MANY OTHERS WERE WOUNDED BY POLICE WHILE TRYING TO PROTECT A PRIEST FROM ARREST. THE SOURCE GAVE NO DATE.

THESE REPORTS COULD NOT BE CONFIRMED DIRECTLY HERE. IT IS KNOWN THAT THERE WAS A CLASH AT LEVOCA SIX WEEKS AGO AND THAT AT LEAST 10 CATHOLICS HAVE BEEN JAILED OR FINED IN CONNECTION WITH SUCH CLASHES IN SLOVAKIA AT ABOUT THAT TIME.

THE OFFICIAL PRAGUE RADIO ANNOUNCED LAST NIGHT A VILLAGE PRIEST HAD BEEN SENTENCED TO EIGHT YEARS IMPRISONMENT FOR TREASON. HE WAS ACCUSED OF REFUSING TO ADMINISTER THE LAST SACRAMENT TO A SICK OLD WOMAN UNTIL SHE RESIGNED FROM THE COMMUNIST PARTY.

THE PRIEST, REV. ALOIS FAJSTL, DENIED THE CHARGE.

IT WAS THE FIRST TEST OF THE CZECH GOVERNMENT'S DEFIANT STAND AGAINST THE EXCOMMUNICATION DECREE. THE VATICAN ANNOUNCED LAST MONTH THAT ALL CATHOLICS WHO MILITANTLY SUPPORT COMMUNISM WOULD BE EXCOMMUNICATED--A CHURCH PENALTY BARRING THEM FROM RECEIVING THE SACRAMENTS AND ASSOCIATING WITH FAITHFUL CATHOLICS.

THE GOVERNMENT, THROUGH JUSTICE MINISTER ALEXEI CEPICKA, PROMPTLY THREATENED THAT PRIESTS WHO CARRIED OUT THE EXCOMMUNICATION DECREE WOULD BE TRIED ON TREASON CHARGES.

DR. H. RICHTER, PRESIDENT OF THE STATE COURT WHICH SENTENCED FATHER FAJSTL, CALLED THE PRIEST'S ACTION HIGH TREASON. HE SAID ANY PRIEST REFUSING RELIGIOUS RITES TO ANY PERSON BECAUSE OF POLITICAL PARTY MEMBERSHIP OR LOYALTY TO THE STATE "IS IN THE SERVICE OF AN ENEMY POWER--THE VATICAN--AIMING TO DESTROY THE PEOPLE'S DEMOCRATIC REGULATIONS OF OUR STATE."

IN ROME, A VATICAN SOURCE SUGGESTED THE CZECH TRIAL MAY HAVE BEEN A "COMMUNIST TRICK TO TRY TO DISCREDIT THE CHURCH AND ITS FAITHFUL." VATICAN OFFICIALS HAVE SAID THAT EXCOMMUNICATION IS PRIMARILY DIRECTED AT THE CONSCIENCES OF WAYWARD CATHOLICS AND REQUIRES NO OFFICIAL EXECUTION BY PRIESTS.

THE PRAGUE RADIO GAVE THIS ACCOUNT OF THE CHARGES AGAINST THE PRIEST:

FATHER FAJSTL, A PRIEST IN THE VILLAGE OF SEBRANICE, 90 MILES EAST OF PRAGUE, WAS CALLED ON JULY 16 TO ADMINISTER THE CHURCH'S LAST SACRAMENTS TO ZOFIE PACLIKOVA, 67, WHO WAS GRAVELY ILL OF PNEUMONIA.

THE PRIEST ASKED THE WOMAN WHETHER SHE BELONGED TO THE COMMUNIST PARTY.

"WHEN SHE REPLIED IN THE AFFIRMATIVE," THE RADIO ACCOUNT DECLARED, "FATHER FAJSTL DECLARED THAT ACCORDING TO THE PAPAL DECREE OF JULY 13 COMMUNISTS AND THEIR COLLABORATORS ARE EXCOMMUNICATED OUT OF THE CHURCH AND REFUSED TO ADMINISTER THE LAST SACRAMENT TO THE SICK WOMAN."

ONLY AFTER THE WOMAN--"IN MORTAL FEAR," ACCORDING TO THE RADIO REPORT--SENT HER MEMBERSHIP CARD BACK TO HEADQUARTERS DID THE PRIEST AGREE TO ADMINISTER THE CHURCH RITES.

THE WOMAN LATER RECOVERED AND TESTIFIED AGAINST THE PRIEST AT THE TRIAL.

IN ADDITION TO DENYING THE CHARGE, THE PRIEST REFUSED TO DISCLOSE THE NATURE OF HIS BEDSIDE TALK WITH THE SICK WOMAN BECAUSE OF CHURCH VOWS AGAINST TELLING CONFESSIONAL SECRETS.

THE COURT ALSO SENTENCED FATHER FAJSTL TO LOSS OF CIVIL RIGHTS FOR 10 YEARS AND ORDERED HIS PROPERTY CONFISCATED.

THE CZECH ARMY NEWSPAPER OBRANA LIDU SAID JAILING OF FATHER FAJSTL WAS ONLY THE START OF THE GOVERNMENT'S FIGHT AGAINST THE EXCOMMUNICATION DECREE.

"THIS JUST SENTENCE," THE PAPER SAID, "MUST BE A DECISIVE PROOF TO THE VATICAN THAT WE ARE NOT AFRAID OF ITS DECREES AND THAT WE SHALL BE MERCILESS IN THE DEFENSE OF OUR PEOPLE'S DEMOCRATIC REGIME."

THE PUBLICATION OF THE CZECH AUTHORS' UNION, LIDOVE NOVINY, CONTENDED: "THE HORRIFYING CHAIN OF EVENTS WHICH RESULTED IN FAJSTL'S DEED IS A FRUIT OF REACTION--A TERRIBLE FRUIT OF HATE AGAINST WHICH WE FIGHT, AGAINST WHICH WE SHALL FIGHT TO THE END AND SWEEP OUT."

MEANWHILE, A GROUP OF FOUR AMERICAN EDUCATORS AND CLERGYMEN ENDED AN EIGHT-DAY VISIT TO CZECHOSLOVAKIA SAYING THEY FOUND CONSIDERABLE DIFFERENCES OF OPINION AMONG THE PEOPLE ABOUT THE CHURCH-STATE CONFLICT. THEY RECOMMENDED THAT THE U.S. RELAX TRADE RESTRICTIONS AGAINST CZECHOSLOVAKIA TO PROMOTE FRIENDSHIP AND UNDERSTANDING.

MEMBERS OF THE GROUP, WHO LEFT FOR BUDAPEST, ARE JEROME DAVIS, THEOLOGIST; HENRY PRATT FIRCHILD, MEMBER OF THE NATIONAL COUNCIL FOR AMERICAN-SOVIET FRIENDSHIP; BENJAMIN MAYS, PRESIDENT OF MOREHOUSE COLLEGE, ATLANTA, GA., AND THE REV. GEORGE E. PAINE OF CAMBRIDGE, MASS.

"WE FOUND CONSIDERABLE DIFFERENCES OF OPINION AS TO THE RELIGIOUS SITUATION," THE FOUR SAID IN A STATEMENT. "IT MUST BE REMEMBERED THAT THE STATE HAS LONG BEEN SUBSIDIZING THE CATHOLIC CHURCH.

"FOLLOWING THE CONFISCATION OF CHURCH LANDS IT IS NOW PROPOSED TO INCREASE THIS SUBSIDY AND PAY THE SALARIES OF ALL PRIESTS AND PASTORS. SOME RELIGIOUS PEOPLE ARE FOR THIS AND SOME AGAINST. THE FUTURE ALONE CAN TELL HOW IT WILL FINALLY WORK OUT."

CATHOLIC CHURCH LEADERS IN CZECHOSLOVAKIA HAVE CHARGED THAT THE GOVERNMENT, BY PAYING THE SALARIES OF PRIESTS, WOULD HAVE A STRANGLEHOLD OVER CHURCH POLICY.

M303AED

WITH PRAGUE EXCOMMUNICATION

VATICAN CITY, AUG.4-(AP)-THE [illegible] NEWSPAPER L'OSSERVATORE ROMANO LASHED OUT TODAY AT THE IMPRISO[illegible] ROMAN CATHOLIC PRIEST IN CZECHOSLOVAKIA WHO WAS ACCUSED OF [illegible]ING SACRAMENTS TO AN AILING COMMUNIST WOMAN.

THE NEWSPAPER CALLED THE PRAGUE COURT'S ACTION AN EXAMPLE OF OUTRAGEOUS MISCARRIAGE OF JUSTICE IN COMINFORM COUNTRIES.

THE PRAGUE GOVERNMENT ANNOUNCED YESTERDAY THAT THE REV. ALOIS FAJSTL, A VILLAGE PRIEST, WAS SENTENCED TO EIGHT YEARS ON TESTIMONY OF A WOMAN, WHO LATER RECOVERED, THAT SHE WAS DENIED LAST RITES OF THE CHURCH BECAUSE SHE WAS A COMMUNIST.

"IT IS DIFFICULT," SAID L'OSSERVATORE, "TO FIND ANOTHER SUCH EPISODE OF THE MORTIFICATION OF JUSTICE X X X EVEN AMONG THE MAJOR TRIALS WHICH THIS YEAR DOTTED THE COMINFORM FIRMAMENT LIKE STARS OF THE FIRST MAGNITUDE."

SJ130PED

"FROM THE EVASIVE REPLIES RECEIVED SO FAR IT SEEMS THAT THE SOVIET UNION WILL NOT PERMIT AN INVESTIGATION INSIDE THE SOVIET UNION. THE SOVIET DELEGATE HAS MADE NO STRAIGHT REPLY TO MY REQUEST FOR A YES OR NO ANSWER." GENEVA-~~XXX~~ INVESTIGATION".

THE COUNCIL'S ECONOMIC COMMITTEE, MEANWHILE, WAS CONCENTRATING EXCLUSIVELY ON THE PROGRAM OF TECHNICAL ASSISTANCE FOR UNDER-DEVELOPED COUNTRIES IN AN EFFORT TO WORK OUT RECOMMENDATIONS FOR DECISIVE ACTION BY THE GENERAL ASSEMBLY. THE COMMITTEE HAS STARTED A PROGRAM OF NIGHT MEETINGS IN AN EFFORT TO COMPLETE THE WORK BEFORE THE COUNCIL'S PLANNED ADJOURNMENT ON AUG.12.

EZ426PED

LAKE SUCCESS, AUG.4-(AP)-ACTING PALESTINE MEDIATOR RALPH J. BUNCHE URGED THE U.N. SECURITY COUNCIL TODAY TO LIFT THE MIDDLE EAST ARMS EMBARGO WHICH WAS IMPOSED DURING THE ARAB-JEWISH FIGHTING.

BUNCHE TOLD THE COUNCIL ALL RESTRICTIONS INCLUDING THOSE ON IMPORTS AND IMMIGRATION, SHOULD BE CANCELLED AS A RESULT OF THE ARMISTICES WHICH HAVE BEEN SIGNED BY ISRAEL AND THE NEIGHBORING ARAB COUNTRIES.

BUNCHE SAID THE ARMISTICE AGREEMENTS ARE NOT A FINAL PEACE SETTLEMENT, BUT THEY SIGNAL THE END OF "THE MILITARY PHASE OF THE PALESTINE CONFLICT."

"THE OBJECTIVE NOW, CLEARLY, SHOULD BE TO RESTORE NORMAL CONDITIONS OF PEACE TO THE FULLEST POSSIBLE EXTENT," BUNCHE SAID.

THE QUESTION OF LIFTING THE ARMS EMBARGO AROSE RECENTLY WHEN BRITISH SOURCES DISCLOSED BRITAIN WAS READY TO START SHIPPING ARMS TO IRAQ AND HASHEMITE JORDAN (TRANS-JORDAN) IN ACCORDANCE WITH AGREEMENTS REACHED BEFORE THE OUTBREAK OF THE PALESTINE FIGHTING. ISRAEL PROTESTED STRONGLY AT THE TIME.

AT TODAY'S COUNCIL DISCUSSION, FRENCH DELEGATE JEAN CHAUVEL SUPPORTED BUNCHE'S PROPOSAL TO LIFT THE EMBARGO.

BUNCHE SAID: "THERE SHOULD BE FREE MOVEMENT FOR LEGITIMATE SHIPPING AND ANY VESTIGES OF THE WARTIME BLOCKADE SHOULD BE REMOVED AS INCONSISTENT WITH BOTH THE LETTER AND SPIRIT OF THE ARMISTICE AGREEMENTS."

HIS REFERENCE TO THE WARTIME BLOCKADE WAS INTERPRETED AS AN APPEAL TO EGYPT TO END HER INTERFERENCE WITH SHIPPING IN THE SUEZ CANAL. ISRAEL HAS PROTESTED AGAINST INTERFERENCE NUMEROUS TIMES.

ISRAELI DELEGATE, AUBREY S.EBAN, TOLD THE COUNCIL THAT BUNCHE'S PROPOSAL TO LIFT THE ARMS EMBARGO WOULD TOUCH OFF A BITTER ARMS RACE IN THE MIDDLE EAST.

"ISRAEL WILL NOT ALLOW ITSELF TO BE OVERTAKEN," EBAN SAID. "IT WILL NOT, UNDER ANY CIRCUMSTANCES, SUFFER ITSELF TO REACH A STATE OF MILITARY INFERIORITY WHICH MIGHT BE A TEMPTATION TO RENEWED ASSAULT."

BJ129PED

tel aviv, israel, aug. 4-(ap)-the body of gilbert redley, a sailer on the american expert ~~xxx~~ line ship emilie victoria, was taken ashore here today.

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redley, of 930 green avenue, brooklyn, n.y., died in israeli territorial waters.

AUG 5 1949

30.24- 4821

KARACHI, PAKISTAN, AUG 4-(AP)-PAKISTAN ACCEPTED TODAY JMPROPOSAL TO CUT HER DOLLAR EXPENDITURES BY 25 PER CENT, AS SUGGESTED AT A CONFERENCE OF BRITISH COMMONWEALTH FINANCE MINISTERS IN LONDON LAST MONTH.

PAKISTAN'S DOLLAR EXPENDITURES WILL BE LIMITED TO $65,000,000 (M), WHICH REPRESENTS 75 PER CENT OF HER PREVIOUS YEARLY DOLLAR EXPENDITURES. THE MOVE BY PAKISTAN AND OTHER COUNTRIES IN THE COMMONWEALTH IS DESIGNED TO CONSERVE THE GOLD AND DOLLAR RESERVES OF THE STERLING BLOC.

DY703PED

NEW DELHI, INDIA, AUG 4-(AP)-INDIA HAS AGREED TO REDUCE HER IMPORTS FROM DOLLAR NATIONS BY 25 PER CENT THIS YEAR IF OTHER COUNTRIES OF THE BRITISH COMMONWEALTH DO SO.

THE PLAN TO STAND BY THE DECISION OF THE RECENT CONFERENCE OF COMMONWEALTH FINANCE MI ISTERS IN LONDON WAS ANNOUNCED HERE TODAY BY DR. JOHN MATTHAI, INDIAN FINANCE MINISTER.

HE SAID THE CONFERENCE HAD ACCEPTED INDIA'S FOUR POINT STAND:

1. THE PRINCIPLE OF EQUALITY OF SACRIFICE AMONG THE COMMONWEALTH COUNTRIES.

2. IMPORTS FROM THE STERLING AREA SHOULD BE MADE AVAILABLE TO INDIA TO COMPENSATE FOR CUTS IN IMPORTS FROM DOLLAR COUNTRIES.

3. THE COMMONWEALTH COUNTRIES SHOULD SET UP MACHINERY TO KEEP EACH OTHER INFORMED OF INDIVIDUAL REQUIREMENTS SO AS TO MEET THEM FROM THE STERLING AREA.

4. REVIEW THE WHOLE POSITION AT THE EARLIEST POSSIBLE TIME TO CONSIDER RESTORATION OF CUTS IN DOLLAR IMPORTS.

MATTHAI SAID INDIA IS DISCUSSING THE POSSIBILITY OF BUYING WHEAT FROM AUSTRALIA, INSTEAD OF THE NORTH AMERICA, TO AID IN CUTTING HER DOLLAR PURCHASES.

HE SAID THE DOLLAR AREA HAD BEEN DEFINED AS INCLUDING THE UNITED STATES, CANADA AND SOME CENTRAL AMERICAN COUNTRIES.

EXPORTS FINANCED BY LOANS FROM THE INTERNATIONAL BANK WILL BE EXCLUDED FROM THE 25 PER CENT REDUCTION, MATTHAI SAID.

M729AED

SYDNEY, AUSTRALIA, AUG 4-(AP)-THE AUSTRALIAN GOVERNMENT'S DOLLAR COMMITTEE WORKED TODAY ON PLAN'S TO CUT IMPORTS FROM DOLLAR AREAS BY 25 PER CENT.

THE PLAN WILL BE PRESENTED TO THE CABINET AUG.19.

ALTHOUGH DETAILS OF THE CUTS WERE NOT DISCLOSED OFFICIALLY, PRESS REPORTS FROM THE CAPITAL AT CANBERRA SAID THE IMPORTS WHICH WILL BE AFFECTED INCLUDE NEWSPRINT, MACHINERY, TOBACCO, GASOLINE, MOTOR VEHICLES, AMERICAN MOVIES AND TEXTILES.

THE FINANCE MINISTERS OF THE NATIONS IN THE BRITISH COMMONWEALTH AGREED AT A RECENT MEETING IN LONDON TO CUT IMPORTS FROM DOLLAR AREAS BY 25 PER CENT BECAUSE OF THE SHRINKAGE IN THE COMMWEALTH'S DOLLAR AND GOLD RESERVES.

M752AED

IN THE FAR NORTHWEST, COMMUNIST TROOPS, THE SPOKESMAN SAID, HAD REACHED THE FOOT OF THE LIU PAN MOUNTAINS IN THEIR DRIVE ON CHINESE MOSLEMS. HE PREDICTED ANY FURTHER ADVANCE IN THAT RUGGED REGION WOULD BE EXTREMELY DIFFICULT. HONG KONG - XXX THERE

THE CANTON GOVERNMENT SPOKESMAN SAID THE RECENTLY ANNOUNCED RUSSIAN-MANCHURIAN TRADE PACT "WOULD SEEM TO INDICATE THE ADVANCE STEP FOR SETTING UP MANCHURIA AS AN AUTONOMOUS REPUBLIC."

HF554APS NM

CANTON--1ST ADD 2ND NITE LEAD CHINESE (A111KX)

XXX THE SOUTH.

OFFICIAL DISPATCHES ALSO ACKNOWLEDGED ANOTHER COMMUNIST COLUMN HAD SWEPT TO WITHIN 215 MILES OF CANTON ON THE NORTHEAST.

THE REDS WERE SAID TO HAVE MADE A 25-MILE ADVANCE FROM NEWLY-WON SUICHWAN, WHICH IS 160 MILES SOUTHEAST OF CHANGSHA AND 240 MILES NORTH OF CANTON.

THE OFFICIAL CENTRAL NEWS AGENCY SAID CRACK NATIONALIST TROOPS WERE POURING IN FROM FORMOSA TO SOUTHEAST CHINA TO REINFORCE GOVERNMENT TROOPS ON THE FRONT NORTH OF CANTON. THERE WAS NO ESTIMATE OF THEIR NUMBER.

(THE COMMUNIST RADIO IN PEIPING MEANWHILE REPORTED 20,000 NATIONALIST TROOPS HAD BEEN "WIPED OUT" AND 37 CITIES HAD FALLEN IN THE CENTRAL CHINA DRIVE IN THE 20 DAYS ENDING JULY 29. THE BROADCAST SAID NOTHING OF CURRENT OPERATIONS BUT MENTIONED RAIN AND HEAT AS OBSTACLES TO THE ADVANCE.)

HH632PCSNMASKT

AUG 5 1949

SHANGHAI, AUG 4-(AP)-THE AMERICAN PRESIDENT LINES HAVE ASKED THE COMMUNISTS FOR PERMISSION TO BRING THE LINER GENERAL GORDON TO SHANGHAI ON SEPT. 15 TO TAKE OUT FOREIGNERS.

THE RED SHIPPING BUREAU SAID BECAUSE THE SHIP WAS NOT SCHEDULED TO LEAVE SAN FRANCISCO UNTIL AUG. 28 THE REQUEST FOR AN ENTRY PERMIT CAN NOT BE MADE UNTIL AUG. 20. FLOYD DOWNS, APL MANAGER IN SHANGHAI, SAID HE WAS HOPEFUL THE PERMIT WOULD BE GRANTED.

THE AMERICAN PRESIDENT LINES AND THE AMERICAN STATE DEPARTMENT JOINTLY HAVE ASKED THE NATIONALISTS FOR SAFE CONDUCT FOR THE GORDON BUT NO REPLY HAS BEEN RECEIVED. THE NATIONALISTS ARE BLOCKADING ALL CHINESE PORTS HELD BY THE COMMUNISTS.

TRANSPORTATION MEN BELIEVE MORE THAN 1,000 FOREIGNERS WANT TO LEAVE SHANGHAI BUT MANY PROBABLY WILL BE UNABLE TO GET EXIT PERMITS IN TIME TO MAKE THE SHIP.

HF413APS NM

CHINA TEXT

WASHINGTON,AUG.4-(AP)-FOLLOWING IS THE TEXT OF A STATEMENT CONCERNING CHINA THAT PRESIDENT TRUMAN READ TO HIS NEWS CONFERENCE TODAY: (330)

THE DEPARTMENT OF STATE IS PUBLISHING TOMORROW A VOLUME ON UNITED STATES RELATIONS WITH CHINA, PARTICULARLY DURING THE LAST FIVE YEARS. I ASKED THE SECRETARY OF STATE TO HAVE THIS RECORD COMPILED AND PUBLISHED.

MY PRIMARY PURPOSE IN HAVING THIS FRANK AND FACTUAL RECORD RELEASED AT THIS TIME IS TO INSURE THAT OUR POLICY TOWARD CHINA, AND THE FAR EAST AS A WHOLE, SHALL BE BASED ON INFORMED AND INTELLIGENT PUBLIC OPINION. THIS IS THE WAY IN WHICH OUR SYSTEM OF GOVERNMENT ACQUIRES ITS STRENGTH. AS I SAID IN MY SPEECH AT CHICAGO LAST MONTH, "ONLY IF MEN KNOW THE TRUTH ARE THEY IN A POSITION TO WORK FOR A STABLE AND PEACEFUL WORLD...IN THIS NATION, FOREIGN POLICY IS NOT MADE BY THE DECISIONS OF A FEW. IT IS THE RESULT OF THE DEMOCRATIC PROCESS, AND REPRESENTS THE COLLECTED JUDGMENT OF THE PEOPLE."

THE ROLE OF THIS GOVERNMENT IN ITS RELATIONS WITH CHINA HAS BEEN SUBJECT TO CONSIDERABLE MISREPRESENTATION, DISTORTION, AND MISUNDERSTANDING. SOME OF THESE ATTITUDES AROSE BECAUSE THIS GOVERNMENT WAS RELUCTANT TO REVEAL CERTAIN FACTS, THE PUBLICATION OF WHICH MIGHT HAVE SERVED TO HASTEN THE EVENTS IN CHINA WHICH HAVE NOW OCCURRED. IN THE PRESENT SITUATION, HOWEVER, THE MUTUAL INTERESTS OF THE UNITED STATES AND CHINA REQUIRE FULL AND FRANK DISCUSSION OF THE FACTS. IT IS ONLY IN THIS WAY THAT THE PEOPLE OF OUR COUNTRY AND THEIR REPRESENTATIVES IN CONGRESS CAN HAVE THE UNDERSTANDING NECESSARY TO THE SOUND EVOLUTION OF OUR FOREIGN POLICY IN THE FAR EAST.

THE SECRETARY OF STATE IN TRANSMITTING THIS RECORD HAS MADE A CLEAR AND ILLUMINATING STATEMENT OF THE SITUATION THAT EXISTS IN CHINA, THE NATURE OF THE PROBLEMS THAT ARE PRESENTED, AND THE GOVERNING PRINCIPLES OF OUR POLICIES TOWARD CHINA. THIS STATEMENT WILL ALSO BE PUBLISHED AND SHOULD BE READ, WITH THE RECORD, BY EVERYONE WHO IS INTERESTED IN PROBLEMS OF THE FAR EAST.

THE WARM FEELING OF FRIENDSHIP BETWEEN THE PEOPLE OF THE UNITED STATES AND THE PEOPLE OF CHINA HAS BEEN ONE OF THE MOST NOTABLE FACTS IN AMERICAN FOREIGN RELATIONS. THAT FRIENDSHIP IS AS STRONG TODAY AS IT HAS EVER BEEN. THE PROBLEM OF FINDING WAYS TO GIVE PRACTICAL EXPRESSION TO THAT FRIENDSHIP WILL CONTINUE TO RECEIVE, DAY IN AND DAY OUT, THE CLOSEST ATTENTION OF THIS GOVERNMENT, AND I KNOW THAT IT WILL RECEIVE THE HOPEFUL, CONSTRUCTIVE, FORWARD-LOOKING THOUGHT OF THE AMERICAN PEOPLE.

(END TEXT)

LT1157AEDNM

SAN FRANCISCO, AUG 4-(AP)-A RADIO BLACKOUT DISRUPTED TRANSPACIFIC COMMUNICATIONS LAST NIGHT.

THE ASSOCIATED PRESS LISTENING POST SAID IT WAS ONE OF THE MOST SEVERE "CURTAINS" IN MANY MONTHS. COMMERCIAL RADIO COMPANIES LOST ALL CONTACT WITH ORIENTAL POINTS FOR A TIME.

HF150APS

AMETHYST (150)

SHANGHAI, AUG 4-(AP)-SEVENTY-ONE CREWMEN AND 39 PASSENGER SURVIVORS OF THE MERCHANT SHIP KIANGLING LIBERATION (CQ) HAVE BEEN BROUGHT TO SHANGHAI, PRO-COMMUNIST NEWSPAPERS SAID TODAY.

THE COMMUNISTS CHARGE THE MERCHANTMAN WAS SUNK SATURDAY NIGHT ON THE YANGTZE BY FIRE FROM THE FLEEING BRITISH SLOOP AMETHYST. THE SLOOP HAD BEEN A HOSTAGE ON THE YANGTZE SINCE APRIL. BRITISH SOURCES DENIED THE MERCHANTMAN WAS SUNK BY THE SLOOP.

LIBERATION DAILY, ONE NEWSPAPER, QUOTED A PASSENGER AS SAYING THE AMETHYST OPENED UP ON THE KIANGLING LIBERATION AT CLOSE RANGE. THE PASSENGER SAID MANY PASSENGERS LEAPED INTO THE RIVER AND WERE DROWNED. AT LEAST 40 HITS WERE SCORED ON THE VESSEL, HE SAID.

BRITISH ACCOUNTS SAY COMMUNIST SHORE GUNS SANK WHAT APPEARED TO BE A CHINESE GUNBOAT AS THEY FIRED AT THE ESCAPING AMETHYST.

AS A WHOLE, COMMUNIST NEWSPAPERS TODAY TOOK A MORE MODERATE VIEW OF THE INCIDENT THAN YESTERDAY. BRISTLING STATEMENTS CALLING FOR STRINGENT MEASURES AGAINST THE BRITISH WERE ISSUED BY PRESS AND RADIO YESTERDAY.

HF410APS

LONDON, AUG.4-(AP)-FOR CATCHING RATS IN A TIME OF EXTREME DANGER, SIMON, THE SLOOP AMETHYST'S CAT, IS TO GET A MEDAL.

IT'S THE DICKIN MEDAL WHICH, TO ANIMALS, RANKS WITH THE VICTORIA CROSS, BRITAIN'S HIGHEST AWARD. THE ALLIED FORCES' MASCOT CLUB WILL PRESENT IT.

AMONG THE 53 MASCOTS ALREADY HOLDING THE MEDAL, SIMON WILL STAND OUT. HE'S THE FIRST CAT. THE OTHERS ARE DOGS, HORSES AND PIGEONS.

SIMON WAS ABOARD THE BRITISH SLOOP WHEN IT RAN THE CHINESE COMMUNIST GANTLET DOWN THE YANGTSE LAST WEEKEND AFTER THREE MONTHS OF VIRTUAL CAPTIVITY. HE HAD BEEN WOUNDED BY COMMUNIST SHRAPNEL WHEN THE SHIP WAS FIRST ATTACKED IN APRIL, BUT KEPT RIGHT ON CATCHING THE RATS THAT THREATENED THE SHIP'S MEAGER SUPPLIES.

THE ALLIED FORCES' MASCOT CLUB WILL PRESENT THE MEDAL.

SJ424PED

30.24- 4823

3RD NITE LEAD KOREAN

BY WILLIAM R.MOORE

SEOUL,FRIDAY,AUG.5-(AP)-GENERALISSIMO CHIANG KAI-SHEK OF CHINA WAS EXPECTED HERE MOMENTARILY TODAY TO DISCUSS WITH SOUTH KOREA A PACIFIC PACT TO DAM THE RED TIDE FLOWING ACROSS ASIA.

PRESIDENT SYNGMAN RHEE OF THE REPUBLIC OF SOUTH KOREA--WHOSE UNITED NATIONS-SPONSORED COUNTRY NOW IS UNDER ATTACK FROM THE COMMUNIST NORTH--WAITED TO GREET CHIANG.

SIMULTANEOUSLY, RELIABLE REPORTS SAID THE COMMUNISTS FROM THE NORTH HAD BEEN CHECKED, AT LEAST TEMPORARILY, IN THEIR INVASION OF ONGJIN PENINSULA. THE DEFENSE MINISTRY PLACED THE NUMBER OF INVADERS AT 6,000 MEN.

ONE REPORT NOT YET FULLY VERIFIED SAID THE FORCES OF THE UNITED NATIONS-SPONSORED SOUTH KOREAN REPUBLIC HAD REGAINED TWO STRONGPOINTS ON THE PENINSULA NORTHWEST OF SEOUL.

CHIANG IS EXPECTED TO LAND SOME TIME DURING THE DAY AT CHINHAE, ON THE SOUTHERN COAST OF KOREA.

THE LATEST COMMUNIST ASSAULT ON ONGJIN COST THE SOUTH TWO INFANTRY COMPANIES (ABOUT 400 MEN), THE DEFENSE MINISTER ANNOUNCED YESTERDAY.

THIS WAS THE NEWEST AND APPARENTLY THE STRONGEST OF A CONTINUING SERIES OF FIGHTS ALONG THE 38TH PARALLEL, WHICH DIVIDES TERRITORY OF THE AMERICAN-SPONSORED REPUBLIC IN THE SOUTH FROM THE SOVIET-SPONSORED COMMUNIST REGIME OF THE NORTH.

DEFENSE MINISTER SHIN SUNG MO SAID HIS INFORMATION CAME FROM A COURIER HE HAD SENT BY PLANE TO THE SCENE 90 MILES NORTHWEST OF SEOUL. HE EXPRESSED HOPE THE NORTHERN ASSAULT WOULD BE CHECKED BY FRIDAY.

NORTHERN FORCES INVADED THE ONGJIN PENINSULA LAST MAY AND SEIZED ABOUT ONE-THIRD OF THAT RICH RICE-GROWING REGION, BUT WERE THRUST BACK ACROSS THE BORDER IN JUNE. SOUTHERN REINFORCEMENTS HAD TO BE SENT BY SEA, SINCE THE BOUNDARY CUTS OFF THE PENINSULA FROM LAND CONTACT WITH THE REST OF THE SOUTH.

SINCE JUNE THERE HAVE BEEN SMALL, SPORADIC CLASHES.

(SHIN DID NOT SAY WHETHER THE "COST" OF TWO SOUTHERN COMPANIES MEANT THEY HAD BEEN DESTROYED OR BEATEN BACK IN DISORDER.)

EW450PCS

FIRST LEAD.

SEOUL, AUG 4-(AP)-DEFENSE MINISTER SHIN SUNG MO SAID TONIGHT A NEW DRIVE BY NORTHERN COMMUNIST TROOPS ONTO THE ONGJIN PENINSULA OF SOUTH KOREA HAD COST THE REPUBLIC TWO INFANTRY COMPANIES.

SOME 4,000 TO 6,000 NORTHERN BORDER GUARDS WERE REPORTED ATTACKING. SHIN SAID HE BELIEVED THE DRIVE WOULD BE CHECKED BY REPUBLICAN TROOPS BY TOMORROW.

A COURIER SENT BY PLANE TO THE AREA REPORTED THE COMMUNIST FORCES HAD CROSSED INTO SOUTH KOREA AT THREE POINTS.

LAST MAY COMMUNIST TROOPS FROM THE NORTH THREATENED TO OVERRUN THE RICH RICE GROWING PENINSULA. THEY WERE PUSHED BACK TO THE 38TH PARALLEL, WHICH DIVIDES NORTH AND SOUTH KOREA, BY REINFORCEMENTS RUSHED NORTHWARD BY SHIP.

WHEN THAT BATTLE ENDED THE SOUTHERN FORCES HELD TWO HIGH POINTS NORTH OF THE 38TH PARALLEL AND COMMUNIST TROOPS OCCUPIED A LARGE MOUNTAIN WHICH EXTENDED SOUTH OF THE BORDER.

TODAY'S BATTLE BURST AS GENERALISSIMO CHIANG KAI-SHEK OF NATIONALIST CHINA WAS REPORTED ENROUTE TO SOUTH KOREA TO DISCUSS A PACIFIC PACT AGAINST COMMUNISM WITH PRESIDENT SYNGMAN RHEE OF SOUTH KOREA.

WE150APS

OTTAWA, AUG.4-(AP)-KOREA IS PREPARED TO SIGN A MAJOR TRADE AND DIPLOMATIC PACT WITH CANADA, DR.PYUNG OK CHOUGH SAID TODAY.

THE UNITED STATES-EDUCATED KOREAN CARRIED A LETTER FROM THE PRESIDENT OF KOREA TO EXTERNAL AFFAIRS MINISTER L.B.PEARSON AND TRADE MINISTER C.D.HOWE.

HE ASKED PEARSON TO CONSIDER THE POSSIBILITY OF EXCHANGING DIPLOMATIC MINISTERS OR ESTABLISHMENT OF CONSULS. REPRESENTATIVES OF THE UNITED STATES AND THE UNITED KINGDOM ALREADY ARE IN KOREA, BUT CANADA HAS NONE.

WITH HOWE AND OTHER TRADE DEPARTMENT OFFICERS, DR.CHOUGH DISCUSSED RESUMPTION OF TRADE BETWEEN THE COUNTRIES. IT WAS CUT OFF DURING THE WAR. NOW THERE IS A PROSPECT OF AN APPROPRIATION OF $400,000,000 THROUGH MARSHALL AID TO BE SPENT BY KOREA DURING THE NEXT THREE YEARS.

PART OF THAT MONEY, SAID DR.CHOUGH, WOULD BE SPENT IN CANADA, BUYING CANADIAN LUMBER, FOODSTUFFS AND INDUSTRIAL MACHINERY.

KOREA WANTS TO BUILD UP A STRONG MERCHANT MARINE AND DR.CHOUGH SAID HIS GOVERNMENT WAS CONSIDERING GETTING SOME OF HER SHIPS FROM CANADA.

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Acheson Writes Off China as Lost, Blames Chiang; Warns Russia; Wedemeyer's '47 Report Is Cited

CHIANG IS BLAMED FOR FAILURE TO HALT RED ADVANCE

State Department Pledges U. S. Will Work to Rebuild Nation

POLICY CRITICIZED

Senator Calls Statement an Alibi for American Failure

By JOHN M. HIGHTOWER

WASHINGTON, Aug. 5 (AP)—The Truman administration today publicly abandoned all hope of saving China from the Reds by aiding its nationalist government.

In an unprecedented blast, it labelled that government as a dismal failure in the war against communism.

Instead of aiding it, the administration laid down a policy of encouraging the Chinese people to throw off the "foreign yoke" of a Red regime which, Secretary of State Acheson charged, serves Russian imperialism.

The new turn in American policy was announced in a letter from Acheson to President Truman, presenting him with the long awaited white paper on American relations with China. It was amplified in a statement which Acheson made to a news conference an hour after the white paper was made public at 10 a.m., eastern standard time.

Emphasizes Rebuilding

In the statement Acheson laid down five "basic principles" for American relations with China, with emphasis on rebuilding "an independent" Chinese nation.

Criticism of the white paper sent by Acheson to President Truman today crossed party lines. One Democratic congressman called it an "alibi" for American failure.

A Democratic Senator, Pat McCarran of Nevada, forecast that Acheson's proposed policy of giving only one arm's-length encouragement to internal Chinese resistence would bring all Asia under communist control "in a short time".

Republicans were almost unanimously critical. But the State department course was defended by some Democrats who saw it as the only "realistic" one to follow. Said Senator Johnson, (D-Colo).

"To intervene in the civil war in China would be reckless beyond description. The State department in this instance is being realistic and sensible."

Truman Endorsed Letter

Mr. Truman had endorsed the Acheson letter at his own news conference yesterday and there was no doubt that it represented the considered views of the administration. It accepted the communist conquest of China as an accomplished fact. Acheson argued that the nationalists are militarily incapable of blocking the forward march of the Red armies into those areas of China which they do not yet actually control.

But, Acheson said in his statement, he does not at all share in "the defeatist attitude" of some. Rather he sees the communists extending themselves without being sure of their strength or of the reactions in store for them in China and elsewhere.

The secretary wrote Mr. Truman that the communist regime might try to attack China's neighbor nations in line with "aims of Soviet Russian imperialism."

The 1,054-page official record of Chinese-American relations is probably without parallel in U. S. diplomatic history for its criticism of another friendly government. It bluntly blamed China's fall to communism on Generalissimo Chiang Kai-Shek and other Chinese nationalist leaders. It said their unwillingness to win popular support for their leadership was the root cause of their "failures."

No battle was lost by the nationalists for lack of American aid, Acheson told the president in his letter. This aid since the end of the war has totaled more than $2,000,000,000, he reported.

The administration report was promptly assailed by members of Congress who have long favored greater assistance to the Chinese nationalists. Their attacks on the report as a "face saving" explanation were countered by administration supporters in Congress who described the bulky document as "realistic."

The white paper included not only Acheson's letter but also a 409-page running account of American-Chinese relations since 1844, including the famous Wedemeyer report, and a total of 186 diplomatic documents. Many of the papers were classed, until today, as top secret.

The report by Lt. Gen. Albert C. Wedemeyer, who went on a special mission to China for President Truman in 1947, conditionally advocated in September of that year a five-year program of American aid. Wedemeyer said this government should undertake the program, even through it threatened a third world war, because establishment of Russian influence in China would be "inimical" to American interests.

The conditions which Wedemeyer laid down would have required the Chiang government to ask for a United Nations trusteeship over Manchuria to prevent that area from becoming a Soviet satellite.

Wedemeyer also stressed that if American aid was to be effective, Chiang would have to undertake extensive economic, political and military reforms.

Report Suppressed

Acheson said the report was suppressed until today because its publication, particularly in 1947, would have made trouble for Chiang's government on account of the recommendation to take Manchuria out of Chinese control.

Both Mr. Truman, in his statement yesterday, and Acheson today declared that the reason for issuing the white paper was to provide the basis for an informed public opinion.

Beyond that the administration also was evidently concerned to provide the details of the record on which it had for more than a year taken an increasingly gloomy view of the usefulness of American aid to the Chiang government. Its basic position is that this aid could not do for the Chinese what they were unwilling to do for themselves in revitalizing their government and infusing their army with the "will to fight."

In support of the argument that the failure is blamable on China's own leaders during the presidency of Generalissimo Chiang, the white paper disclosed the text of the three opening paragraphs of a letter which China's acting president, General Li Tsung-Jen wrote President Truman on May 5 of this year.

Li reviewed the history of American assistance to China and the mission of General George C. Marshall during 1945-46 in trying to make peace between the nationalists and Communists. Then Li declared:

Early Signs of Decay

"It is regrettable that, owing to the failure of our then government to make judicious use of this aid and to bring about appropriate political, economic and military reforms, your assistance has not produced the desired effect. To this failure is attributable the present predicament in which our country finds itself."

Acheson, in his letter summarizing the voluminous documents of the white paper, declared that as early as 1943, when the Chiang government was fighting the Japanese from its capital at Chungking, American observers had found signs of "decay."

Many of the documents, particularly those bearing on the Marshall mission, disclosed that Chiang had repeatedly been advised to initiate drastic reforms, that he had sometimes given assurances that he would do so, but that in fact he never took the steps which American advisors considered essential.

The nationalist-communist battles in 1948 marked the crucial stage of the long civil war, Acheson said, and it was in that year that the nationalists received their most damaging blows.

"The fact was," Acheson declared, "that the decay which our observers had detected in Chungking early in the war had fatally sapped the powers of resistance of the Kuomintang (Chang's political party). Its leaders had proved incapable of meeting the crisis confronting them, its troops had lost the will to fight, and its government had lost popular support."

For the future, Acheson indicated in his statement today that he believes the Chinese communists may have taken on a bigger job than they will be able to handle in trying to rule the country "in the interests of a foreign power." He said that they are "committing themselves deeply on the basis of unproved assumptions as to the extent of their own strength and the nature of the reactions which they are bound to provoke in China and elsewhere."

"The United States, for its part," Acheson asserted, "will be prepared to work with the people of China and of every other country in Asia to preserve and promote their true interest, developed as they choose and not as dictated by any foreign imperialism."

U.S. Willing To Help Chinese Win Liberty, Acheson Says

JOHN M. HIGGINS

Washington, Aug. 5 (AP)—Secretary of State Acheson today blasted the Chinese Communists as tools of Russia and declared United States willingness to help the people of China establish true independence.

The Secretary reviewed United States-China relations at a news conference after issuance of a State Department report, in which he wrote off China's Nationalist Government as a total failure.

In a statement he laid down the five "basic principles" which he said should govern United States policy toward China.

He declared he was not in the least "defeatist" about the Chinese situation.

Sees Reds Triumphant

Acheson met correspondents one hour after the State Department released a bitterly critical "White Paper" on its relations with Nationalist China.

The 1,054-page book contained statements by Acheson showing he is convinced the Nationalist regime is done for and the Communists can sweep over all China anytime they choose.

As for his lack of defeatism, Acheson indicated in a 1,000-word statement that it was based on a belief that the Communists are in for serious difficulties in trying to govern the Chinese "in the interests of a foreign power"—Russia.

U.S. To Help People

They are "committing themselves deeply on the basis of unproved assumptions as to the extent of their own strength and the nature of the reactions which they are bound to provoke in China and elsewhere," he said.

"The United States, for its part, will be prepared to work with the people of China and of every other country in Asia to preserve and to promote their own true interest, developed as they chose and not as dictated by any foreign imperialism."

It was in a letter to President Truman, with which he opened the White Paper, that Acheson declared that the Communist regime serves the interests "of Soviet Russia" and predicted eventually the Chinese people "will throw off the foreign yoke."

Bare Wedemeyer Report

The State Department document included the long-surpressed Wedemyer report. In it, Acheson told Mr. Truman that United States policy now must be shaped to "encourage all developments" in China which are directed to this end.

He advised the President it may "lend itself to the aims of Soviet Russian imperialism" to start an aggression against China's neighbor nations.

U.S. Action Predicted

If that aggression comes, Acheson indicated the United States would try to block it through the United Nations.

While not all China is presently under the Red Banner, Acheson said in another document of the White Paper, the Communists can take over the rest any time they want and Nationalist armies will be powerless to resist. He thus advised Chairman Connally (D., Texas) of the Senate Foreign Relations Committee March 15.

For the "ominous result of the Chinese civil war," Acheson placed full blame on Generalissimo Chiang Kai-shek and other leaders of the crumbling National Government. He said they "lost no battles" in the last crucial year for lack of American weapons.

Reason For Failure

Their failures, he said, were due to loss of popular support and loss by the armies of the will to fight. The Communists battled with "fanatical zeal." Acheson added, but the Nationalist armies did not have to be defeated; they disintegrated.

To support the position that Chinese—not American—leaders were to blame for the disaster, the State Department included among the unveiled state documents a sensational letter from China's current acting president, General Li Tsung-jen.

Li, who succeeded Chiang Kai-shek as chief of state, wrote President Truman May 5, 1949, that China was brought to its present plight by the failure of its previous government (Chiang's) to make "judicious use" of American aid to put through "political, economic and military reforms."

"Slashing" Criticism

The two-inch thick white paper (official diplomatic record) spanning more than a century, contains probably the most slashing criticism ever issued by the United States against another friendly government, even a dying one. It pours out all the known and secret reasons and arguments why the Truman Administration for more than a year now has fought all demands in Congress for any major new China aid program.

Even the two-year-old report of Lieut. Gen. Albert C. Wedemeyer, made to President Truman in 1947, is disclosed to have tempered its proposal for China aid with a big "if." Wedemeyer advocated a five-year aid program but said Chiang should undertake drastic reforms and should place Manchuria under United Nations trusteeship to keep the Communists from taking over.

Reason For Suppression

It was this recommendation regarding Manchuria, Acheson said, which caused the report to be suppressed so long. He said the suggestion for alienation of Chinese territory would have caused trouble with the Nationalist Government if published at that time.

Acheson's letter to Mr. Truman formally presented him with the "frank record" of American-Chinese relations from their beginning in 1844 to the present. The letter itself constituted a summary review of that policy together with a brief hopeful look at the future. Acheson assured the President that no documents had been left out of the White Paper for the purpose of avoiding criticism.

The full record's 1,054 pages include 409 pages of a running account of American-Chinese relations and a total of 186 "annexes" which are in the main the texts of previously secret papers. Roving Ambassador Philip C. Jessup edited the book. Now he is working on detailed development of Acheson's new China policy.

Among the annexes perhaps the most interesting, because it has been the most publicly suppressed, is the much-debated Wedemeyer report.

The fact that the department feels it now can be released affords a clue to the publication of the entire White Paper. Mr. Truman and Acheson evidently have decided that China's Nationalist Government is beyond the point where it can be hurt even by bitter criticism.

Decision Justified

In addition they appear to believe that the record justifies their decision not to undertake any great new aid program to the Chinese Nationalists and their determination to break with the past, release the facts as they see them, and lay out new lines of anti-Communist diplomacy in the Far East.

About what can be done, Acheson spoke only in general terms. He expressed the belief that "ultimately" the Chinese people "will reassert themselves" and China "will throw off the foreign yoke." The United States, he said, "should encourage all developments in China which now and in the future work toward this end."

Acheson added that what the United States can do will depend on "the degree to which the Chinese people come to recognize that the Communist regime serves not their interest but those of Soviet Russia and the manner in which they react to this foreign domination.

American Policies

The White Paper presents American policies as stemming from a consistent effort by this Government to make China a politically stable power, peaceful and free of foreign domination. Acheson declared that these remain American objectives.

The review brings out that various means were tried to achieve those objectives in the past.

During the war with Japan, when President Roosevelt was concerned to keep all China in the fight, he tried to get Generalissimo Chiang to name the late General Joseph W. Stilwell as commander in chief of Chinese and American forces. The idea was to unify Chinese armed forces under a "neutral." Chiang agreed in principle but never did anything about it.

Stilwell Criticisms

Chiang and Stilwell fell out and Stilwell was called home. In a report to the War Department, published in the White Paper, he blasted both Chiang and United States Government diplomacy.

Chiang, he said, sought to "dominate rather than unify and lead" China in the face of the Japanese offensive. The United States, he said, failed by its "genial parental admonishments" to force Chiang into unity.

Ambassador Patrick J. Hurley next took up the task. His mission spanned the transition period at the war's end (1944-45). American policy still emphasized unity of the Communists within a China led by Chiang.

Molotov's Assurance

Hurley went to Moscow and conferred with Foreign Minister Molotov who assured him the Russians had friendly feeling toward Nationalist China and favored American help to Chinese unity.

Hurley then went to work on Chiang and soon reported to Washington. Chiang finally was persuaded, he said, that the Russians were not supporting the Chinese Communists and was convinced that he could "unite the military forces of China against Japan."

Long months of negotiation followed. Unity did not progress. Hurley fell out with the American career diplomats working with him and finally resigned with a violent denunciation of American diplomacy.

Yalta Deal Made

The United States meanwhile made the Yalta deal with Russia for restoration of old Czarist port, base and rail rights in Manchuria.

This agreement by President Roosevelt is defended by Acheson as necessary to assure Russia's entrance into the war against Japan.

Finally, Gen. George C. Marshall, with orders from President Truman to pacify and unify China, followed the trail of failure to China in December, 1945. Marshall put heavy pressures on both Chiang and the Communist leaders to make concessions, but his efforts collapsed in a full-scale renewal of the civil war in 1946.

Acheson, like Marshall earlier, blamed the final failure mainly on the "deep-seated mutual suspicion between the Kuomintang and the Chinese Communist party." Stilwell had said years before that the key to the Chinese situation was the struggle for power between the two groups.

The United States continued to give extensive help to Chiang in arms, money and advice. In a sense it thus followed a two-lane policy. On one side it urged Communist-Nationalist peace and unity; on the other it armed the Nationalists to smash the Communists. The justification given for this duality is that Chiang's government was the recognized government and fully entitled to American help.

Wedemeyer's Efforts

It was after the Marshall mission that Wedemeyer went to China (1947). Despite his recommendations for a five-year aid program, subject to reforms by Chiang, no large-scale American Government action developed.

The White Paper brings out that General Marshall, then Secretary of State, believed China's only salvation lay in political reforms that would give the Liberals real power. Chiang promised reforms but according to the record never really transferred power when, in Marshall's view, it would have done some good.

Repeated Warnings

From 1943 on, one American diplomat after another warned the State Department that unless the Nationalists reformed and recaptured popular support the Communists might some day take over China.

Acheson told Mr. Truman that in 1943-44 "American officials repeatedly brought their concern with this situation to the attention of the Generalissimo and he repeatedly assured them that it would be corrected." Acheson continued:

"He made, however, little or no effort to correct it and tended to shut himself off from Chinese officials who gave unpalatable advice."

Destruction Forecast

Another instance of Chiang's ignoring American advice was cited by Acheson in 1946. The Nationalists then embarked on an "over-ambitious military campaign (against the Communists) in the face of warnings by General Marshall that it would not only fail but would plunge China into economic chaos and eventualy destroy the Nationalist Government."

"No estimate of a military situation," Acheson said, "has ever been more completely confirmed by the resulting facts."

The critical year in the Chinese civil war was 1948, Acheson said, and he quoted American military observers as reporting that "the Nationalist armies did not lose a single battle" in that year "through lack of arms or ammunition."

Resistance "Sapped"

What happened, Acheson said, was that the "decay" which American diplomats and military men had noted in 1943-44 "had fatally sapped the powers of resistance of the Kuomintang." He added:

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"Its leaders had proved incapable of meeting the crisis confronting them, its troops had lost the will to fight, and its Government had lost popular support.

"The Communists, on the other hand, through a ruthless discipline and fanatical zeal, attempted to sell themselves as guardians and liberators of the people. The Nationalist armies did not have to be defeated; they disintegrated."

Acheson reviewed the extent of American aid to China, saying that grants and credits totaled about $2,000,000,000 since the war, plus about $1,000,000,000 worth of war surplus (original cost) marked down for the Chinese to $232,000,000.

ernment, and for placing that part under an international administration to include Soviet Russia, would not be helpful."

Wedemeyer's report was contained in the State Department's 1,054-page "White Paper" documenting the Administration's past China policy.

Proposed Condition

Wedemeyer proposed that as a condition for American aid the Nationalist Government agree to accept American economic and military advisers who would make sure Chiang would carry out reforms.

The American general said he was sure Chiang was sincere in his desire to make drastic changes, but

'47 Wedemeyer China Plea Is Released

Washington, Aug. 5 (AP)—Lieut. Gen. Albert C. Wedemeyer urged President Truman in 1947 to adopt a new five-year aid program for Nationalist China—if Generalissimo Chiang Kai-shek would agree to drastic reforms in his government and army.

Wedemeyer told the President this action was necessary to defeat the Chinese Communists and block Russia's "dangerous" plans for expansion in the Far East.

He made the recommendations to the White House on September 19, 1947, after conducting an on-the-spot survey as head of a Truman-appointed investigating mission to China.

Feared Further Red Spread

The army general denounced Russia's role in the Chinese revolution and told Mr. Truman:

"Any further spread of Soviet influence would be inimical to United States strategic interests."

Wedemeyer suggested that the President urge China to appeal to the United Nations to set up a five-nation "guardianship" or trusteeship over the rich industrial area of Manchuria.

The trustees would be the United States, Britain, Russia, France and China.

Advice Not Followed

Wedemeyer's advice was not followed and the Administration suppressed his report until today. In making it public, Secretary of State Acheson gave this reason for the secrecy:

"It was decided that the publication at that time of suggestion for alienation of a part of China from the control of the Nationalist Gov-

he was not sure Chiang was determined to carry them out, "if this requires absolute overruling of the political and military cliques surrounding him."

If Chiang would meet the conditions, Wedemeyer said, the United States should expand its aid to the Nationalists "as soon as practicable," even at the risk of a third world war or turning China into another Spain. He said:

"There is always the possibility that such developments in this area, as in Europe and in the Middle East, might precipitate a third world war. An arena of conflicting ideologies might be created as in 1935 in Spain."

Wait-And-See Policy Adopted

But Wedemeyer said that to cut off American aid or to adopt a policy of wait and see—the attitude later adopted by the State Department—would have tremendous political and military repercussions throughout the Far East and the world.

The three-star General said the disappearance of a traditionally friendly China as an ally would have these very important military effects in the event of war:

"Our own air and naval bases in Japan, Ryukyus (islands) and the Philippines would be subject to relatively short-range neutralizing air attacks.

Peril Of Losing Bases

"It would result in denying us important airbases for use as staging areas for bombing attacks, as well as important naval bases along the China coast.

"Its control by the Soviet Union or a regime friendly to the Soviet Union, would make available for hostile use a number of warm-water ports and airbases."

On the other hand, Wedemeyer reported, a friendly China would not only provide important air and naval bases to the United States but would prove an "important ally" because of its manpower and size.

Had No Illusions

Wedemeyer made clear that he had no illusions that a big aid program to China would automatically insure victory for the anti-Communist forces.

He said there was proof of graft, corruption, lack of leadership and a lack of a will to fight in the Chinese Nationalist ranks, but the General expressed confidence that this situation stood a good chance of being remedied with continued, large-scale American help and close supervision.

Wedemeyer said Moscow had deliberately strengthened the Communists in China, in violation of the Sino-Soviet treaty of 1945. [Russia had promised in this pact to recognize the Nationalist regime as the sole legal government of China.]

Chief Recommendations

The General's chief recommendations were that:

1. China inform the United Nations of her request to the United States for new economic and military aid.
2. The United States, with congressional approval, provide "moral, advisory and material support" to the Chinese Nationalist Government "to contribute to gradual development of stability in China."
3. China request the United Nations to arrange a truce for Manchuria and request that it be placed under a five-power guardianship or trusteeship.
4. China agree to undertake broad economic, political and social reforms, "in order to maintain a happy and satisfied and, therefore, loyal population in Nationalist areas."
5. Chiang Kai-shek agree to reorganize, retrain and reduce his armed forces under the supervision of increased American military missions. This American assistance would be carried on "outside operational areas to prevent the criticism that American personnel are actively engaged in fratricidal warfare."
6. Chiang reduce funds earmarked to the military in the Government's national budget, with a view to greater efficiency and effectiveness of smaller forces.
7. China withdraw its occupation forces stationed in Japan.
8. Arrangements be made as quickly as possible for China to purchase military equipment and supplies, motor-maintenance parts and other stores from the United States.
9. The Nationalist Government seek to cut expenditures to balance its budget and stabilize its currency.
10. Remove civil administration of China from military control.

Acheson's Views About China

WASHINGTON, Aug. 5 (AP).—A condensation of Secretary of State Dean Acheson's letter to President Truman on United States relations with China follows:

Department of State
WASHINGTON, July 30, 1949.

The President: In accordance with your wish, I have had compiled a record of our relations with China, special emphasis being placed on the last five years. This record is being published and will therefore be available to the Congress and to the people of the United States. . . .

Since the beginning of World War II, these relations have involved many government departments and agencies. The preparation of the full historical record of that period is by no means yet complete. . . .

I instructed those charged with the compilation of this document to present a record which would reveal the salient facts which determined our policy toward China during this period and which reflects the execution of that policy. This is a frank record of an extremely complicated and most unhappy period in the life of a great country to which the United States has long been attached by ties of closest friendship. No available item has been omitted because it contains statements critical of our policy or might be the basis of future criticism. . . . Two factors have played a major role in shaping the destiny of modern China.

The population of China during the eighteenth and nineteenth centuries doubled, thereby creating an unbearbale pressure upon the land. The first problem which every Chinese Government has had to face is that of feeding this population. So far none has succeeded. The Kuomintang attempted to solve it by putting many land-reform laws on the stature books. Some of these laws have failed, other have been ignored. In no small measure, the predicament in which the National Government finds itself today is due to its failure to provide China with enough to eat. A large part of the Chinese Communists' propaganda consists of promises that they will solve the land problem.

The Impact of Western Ideas

The second major factor which has shaped the pattern of contemporary China is the impact of the west and of western ideas. . . . By the beginning of the twentieth century, the combined force of over-population and new ideas set in motion that chain of events which can be called the Chinese Revolution. It is one of the most imposing revolutions in recorded history and its outcome and consequences are yet to be foreseen. Out of this revolutionary whirlpool emerged the Kuomintang, first under the leadership of Dr. Sun Yat-sen and later Generalissimo Chiang Kai-shek, to assume the direction of the revolution. The leadership of the Kuomintang was not challenged until 1927 by the Chinese Communist party which had been organized in the early twenties under the ideological impetus of the Russian Revolution . . . (Mr. Acheson explained that from 1927 to 1937 the Kuomintang prospered politically and in reform.) Perhaps largely because of the progress being made in China, the Japanese chose 1937 as the departure point for the conquest of China proper, and the goal of the Chinese people became the expulsion of a brutal and hated invader . . . In contrast to the unity of the people of China in the war against Japan were the divided interests of the leaders of the Kuomintang and of the Chinese Communists. It became apparent in the early forties that the leaders of the government, just as much as the Communist leaders, were still as pre-occupied with the internal struggle for power as they were with waging war against Japan. Once the United States became a participant in the war, the Kuomintang was apparently convinced of the ultimate defeat of Japan and saw an opportunity to improve its position for a show-down struggle with the Communists.

Communists Saw An Opportunity

The Communists, for their part, seemed to see in the chaos of China an opportunity to obtain that which had been denied them before the Japanese war, namely, full power in China. This struggle for power in the latter years of the war contributed largely to the partial paralysis of China's ability to resist. . . . Representatives of our government, military and civilian, who were sent to assist the Chinese in prosecuting the war soon discovered that, as indicated above, the long struggle had seriously weakened the Chinese government not only militarily and economically, but also politically and in morale. The reports of United States military and diplomatic officers reveal a growing conviction through 1943 and 1944 that the government and the Kuomintang had apparently lost the crusading spirit that won them the people's loyalty during the early years of the war.

In the opinion of many observers they had sunk into corruption, into a scramble for place and power, and into reliance on the United States to win the war for them and to preserve their own domestic supremacy. The government of China, of course, had always been a one-party rather than a democratic government in the western sense. . . . It was evident to us that only a rejuvenated and progressive Chinese government which could recapture the enthusiastic loyalty of the people could and

would wage an effective war against Japan. American officials repeatedly brought their concern with this situation to the attention of the Generalissimo and he repeatedly assured them that it would be corrected. He made, however, little or no effective effort to correct it and tended to shut himself off from Chinese officials who gave unpalatable advice.

In addition to a concern over the effect which this atrophy of the central Chinese administration must have upon the conduct of the war, some American observers, whose reports are also quoted in the attached record, were concerned over the effect which this deterioration of the Kuomintang must have on its eventual struggle, whether political or military, with the Chinese Communists. These observers were already fearful in 1943 and 1944 that the National government might be so isolating itself from the people that in the postwar competition for power it would prove itself impotent to maintain its authority. Nevertheless, we continued for obvious reasons to direct all our aid to the National government. . . . When Major General Patrick J. Hurley was sent by President Roosevelt to Chungking in 1944 he found what he considered to be a willingness on the part of the National government and the Chinese Communists to lay aside their differences and cooperate in a common effort. Already they had been making sporadic attempts to achieve this result.

Hurley Assured by Stalin

Previously and subsequently, General Hurley had been assured by Marshal Stalin that Russia had no intention of recognizing any government in China except the National government with Chiang Kai-shek as its leader. It may be noted that during the late war years and for a time afterwards, Marshal Stalin reiterated these views to American officials. He and Molotov expressed the view that China should look to the United States as the principal possible source of aid. The sentiments expressed by Marshal Stalin were in large part incorporated in the Sino-Soviet Treaty of 1945.

From the war-time co-operation with the Soviet Union and from the costly campaigns against the Japanese came the Yalta Agreement. . . . At Yalta, Marshal Stalin not only agreed to attack Japan within two or three months after V-E day but limited his "price" with reference to Manchuria substantially to the position which Russia had occupied there prior to 1904. We, for our part, in order to obtain this commitment and thus to bring the war to a close with a consequent saving of American, Chinese and other Allied lives, were prepared to and did pay the requisite price. . . . In conformity with the Russian agreement at Yalta to sign a treaty of friendship and alliance with Nationalist China, negotiations between the two nations began in Moscow in July, 1945. During their course, the United States felt obliged to remind both parties that the purpose of the treaty was to implement the Yalta agreement —no more, no less—and that some of the Soviet proposals exceeded its provisions. . . . As the record shows, it was the Chinese National government itself which, prior to General Hurley's mission, had taken steps to arrive at a working agreement with the Communists. As early as September, 1943, in addressing the Kuomintang Central Executive Committee, the Generalissimo said, "We should clearly recognize that the Communist problem is a purely political problem and should be solved by political means." He repeated this view on several occasions.

Negotiations Opened in 1944

Comprehensive negotiations between representatives of the government and of the Communists, dealing with both military co-operation and civil administration, were opened in Sian in May, 1944. These negotiations, in which Ambassador Hurley later assisted at the invitation of both parties between August, 1944, and September, 1945, continued intermittently during a year and a half without producing conclusive results and culminated in a comprehensive series of agreements on basic points on October 11, 1945, after Ambassador Hurley's departure from China and before General Marshall's arrival.

Meanwhile, however, clashes between the armed forces of the two groups were increasing and were jeopardizing the fulfillment of the agreements. The danger of widespread civil war, unless the negotiations could promptly be brought to a successful conclusion, was critical. It was under these circumstances that General Marshall left on his mission to China at the end of 1945. . . .

Our policy at that time was inspired by the two objectives of bringing peace to China under conditions which would permit stable government and progress along democratic lines, and of assisting the National government to establish its authority over as wide areas of China as possible. As the event proved, the first objective was unrealizable, because neither side desired it to succeed. . . .

The second objective of assisting the National government, however, we pursued vigorously from 1945 to 1949. The National government was the recognized government of a friendly power. Our friendship, and our right under international law alike, called for aid to the government instead of to the Communists who were seeking to subvert and overthrow it.

The National government had in 1945, and maintained until the early fall of 1948, a marked superiority in man power and armament over their rivals. Indeed during that period, thanks very largely to our aid in transporting, arming and supplying their forces, they extended their control over a large part of North China and Manchuria.

By the time General Marshall left China at the beginning of 1947, the Nationalists were apparently at the very peak of their military successes and territorial expansion. The following year and a half revealed, however, that their seeming strength was illusory and that their victories were built on sand.

The crisis had developed around Manchuria, traditional focus of Russian and Japanese imperialism. On numerous occasions Marshal Stalin had stated categorically that he expected the Nationalist government to take over the occupation of Manchuria. In the truce agreement of Jan. 10, 1946, the Chinese Communists agreed to the movement of government troops into Manchuria for the purpose of restoring Chinese sovereignty over this area. In conformity with this understanding, the United States transported sizable government armies to the ports of entry into Manchuria. Earlier the Soviet Army had expressed a desire to evacuate Manchuria in December, 1945, but had remained an additional two or three months at the request of the Chinese government.

When the Russian troops did begin their evacuation, the National government found itself with extended lines of communications, limited rolling stock and insufficient forces to take over the areas being evacuated in time to prevent the entry of Chinese Communist forces, who were already in occupation of the countryside. As the Communists entered, they obtained the large stocks of material from the Japanese Kwantung Army which the Russians had conveniently "abandoned."

To meet this situation the National government embarked on a series of military campaigns which expanded the line of its holdings to the Sungari River. Toward the end of these campaigns it also commenced hostilities within North China and succeeded in constricting the areas held by the Communists.

Marshall's Peace Efforts Vain

In the spring of 1946 General Marshall attempted to restore peace. This effort lasted for months and during its course a seemingly endless series of proposals and counter-proposals had made which had little effect upon the course of military activities and produced no political settlement. . . . In his farewell statement, General Marshall announced the termination of his efforts to assist the Chinese in restoring internal peace. He described the deep-seated mutual suspicion between the Kuomintang and the Chinese Communist party as the greatest obstacle to a settlement. He made it clear that the salvation of China lay in the hands of the Chinese themselves and that, while the newly adopted constitution provided the framework for a democratic China, practical measures of implementation by both sides would be the decisive test. He appealed for the assumption of leadership by liberals in and out of the government as the road to unity and peace. With these final words he returned to Washington to assume, in January, 1947, his new post as Secretary of State.

As the signs of impending disaster multiplied, the President in July, 1947, acting on the recommendation of the Secretary of State, instructed Lieutenant General C. Wedemeyer to survey the Chinese scene and make recommendations. In his report, submitted on Sept. 19, 1947, the general recommended that the United States continue and expand its policy of giving aid to Nationalist China, subject to these stipulations:

1. That China inform the United Nations of her request for aid.

2. That China request the United Nations to bring about a truce in Manchuria and request that Manchuria be placed under a five-power guardianship or a trusteeship.

3. That China utilize her own resources, reform her finances, her government and her armies, and accept American advisers in the military and economic fields. . . . It was decided that the publication at that time of a suggestion for the alienation of a part of China from the control of the National government, and for placing that part under an international administration to include Soviet Russia, would not be helpful. . . .

Why the Nationalists Failed

The reasons for the failures of the Chinese National government appear in some detail in the attached record. They do not stem from any inadequacy of American aid. Our military observers on the spot have reported that the Nationalist armies did not lose a single battle during the crucial year of 1948 through lack of arms or ammunition.

The fact was that the decay which our observers had detected in Chungking early in the war had fatally sapped the powers of resistance of the Kuomintang. Its leaders had proved incapable of meeting the crisis confronting them, its troops had lost the will to fight, and its government had lost popular support.

The Communists, on the other hand, through a ruthless discipline and fanatical zeal, attempted to sell themselves as guardians and liberators of the people. The Nationalist armies did not have to be defeated; they disintegrated. History has proved again and again that a regime without faith in itself and an army without morale can not survive the test of battle. . . .

The distrust of the leaders of both the Nationalist and Communist parties for each other proved too deep-seated to permit final agreement, notwithstanding temporary truces and apparently promising negotiations. The Nationalists, furthermore, embarked in 1946 on an overambitious military campaign in the face of warnings by General Marshall that it not only would fail, but would plunge China into economic chaos and eventually destroy the National government.

Marshall Warned Nationalists

General Marshall pointed out that though Nationalist armies could, for a period, capture Communist-held cities, they could not destroy the Communist armies. Thus every Nationalist advance would expose their communications to attack by Communist guerrillas and compel them to retreat or to surrender their armies, together with the munitions which the United States has furnished them. No estimate of a military situation has ever been more completely confirmed by the resulting facts.

The historic policy of the United States of friendship and aid toward the people of China was, however, maintained in both peace and war. Since V-J day, the United States government has authorized aid to Nationalist China in the form of grants and credits totaling approximately 2 billion dollars, an amount equivalent in value to more than 50 per cent of the monetary expenditures of the Chinese government and of proportionately greater magnitude in relation to the budget of that government than the United States has provided to any nation of western Europe since the end of the war.

In addition to these grants and credits, the United States government has sold the Chinese

30.24- 4829

government large quantities of military and civilian war surplus property with a total procurement cost of over 1 billion dollars, for which the agreed realization to the United States was 232 million dollars. A large proportion of the military supplies furnished the Chinese armies by the United States since V-J Day has, however, fallen into the hands of the Chinese Communists through the military ineptitude of the Nationalist leaders, their defections and surrenders, and the absence among their forces of the will to fight. . . . It must be admitted frankly that the American policy of assisting the Chinese people in resisting domination by any foreign power or powers is now confronted with the gravest difficulties. The heart of China is in Communist hands. The Communist leaders have forsworn their Chinese heritage and have publicly announced their subservience to a foreign power. Russia, which during the last fifty years, under czars and Communists alike, has been most assiduous in its efforts to extend its control in the Far East.

Calls American Aid Unavailing

In the recent past, attempts at foreign domination have appeared quite clearly to the Chinese people as external aggression and as such have been bitterly and in the long run successfully resisted. Our aid and encouragement have helped them to resist. In this case, however, the foreign domination has been masked behind the facade of a vast crusading movement which apparently has seemed to many Chinese to be wholly indigenous and national. Under these circumstances, our aid has been unavailing.

The unfortunate but inescapable fact is that the ominous result of the civil war in China was beyond control of the government of the United States. Nothing that this country did or could have done within the reasonable limits of its capabilities could have changed that result; nothing that was left undone by this country has contributed to it. It was the product of internal Chinese forces, forces which this country tried to influence but could not. A decision was arrived at within China, if only a decision by default.

And now it is abundantly clear that we must face the situation as it exists in fact. We will not help the Chinese or ourselves by basing our policy on wishful thinking. We continue to believe that, however tragic may be the immediate future of China and however ruthlessly a major portion of this great people may be exploited by a party in the interest of a foreign imperialism, ultimately the profound civilization and the democratic individualism of China will reassert themselves and she will throw off the foreign yoke. I consider that we should encourage all developments in China which now and in the future work toward this end.

In the immediate future, however, the implementation of our historic policy of friendship for China must be profoundly affected by current developments. It will necessarily be influenced by the degree to which the Chinese people come to recognize that the Communist regime serves not their interests but those of Soviet Russia, and the manner in which, having become aware of the facts, they react to this foreign domination.

One point, however, is clear. Should the Communist regime lend itself to the aims of Soviet Russian imperialism and attempt to engage in aggression against China's neighbors, we and the other members of the United Nations would be confronted by a situation violative of the principles of the United Nations Charter and threatening international peace and security.

Meanwhile, our policy will continue to be based upon our own respect for the Charter, our friendship for China, and our traditional support for the Open Door and for China's independence and administrative and territorial integrity.

Respectfully yours,
DEAN ACHESON.

Wedemeyer's China Proposals

WASHINGTON, Aug. 5 (AP).—The text of Lieutenant General Wedemeyer's conclusions and recommendations to President Truman on the China situation in September, 1947:

PART IV—Conclusions:

The peaceful aims of freedom-loving peoples in the world are jeopardized today by developments as portentous as those leading to World War II.

The Soviet Union and her satellites give no evidence of a conciliatory or co-operative attitude in these developments. The United States is compelled, therefore, to initiate realistic lines of action in order to create and maintain bulwarks of freedom, and to protect United States strategic interests.

The bulk of the Chinese are not disposed to Communism and they are not concerned with ideologies. They desire food, shelter and the opportunity to live in peace.

The spreading internecine struggle within China threatens world peace. Repeated American efforts to mediate have proven unavailing. It is apparent that positive steps are required to end hostilities immediately. The most logical approach to this very complex and ominous situation would be to refer the matter to the United Nations.

A China dominated by Chinese Communists would be inimical to the interests of the United States, in view of their openly expressed hostility and active opposition to those principles which the United States regards as vital to the peace of the world.

The Communists have the tactical initiative in the overall military situation. The Nationalist position in Manchuria is precarious, and in Shantung and Hopei provinces strongly disputed. Continued deterioration of the situation may result in the early establishment of a Soviet satellite government in Manchuria and ultimately in the evolution of a Communist-dominated China.

China is suffering increasingly from disintegration. Her requirements for rehabilitation are large. Her most urgent needs include governmental reorganization and reforms, reduction of the military budget and external assistance.

A program of aid, if effectively employed, would bolster opposition to Communist expansion, and would contribute to gradual development of stability in China.

Due to excesses and oppressions by government police agencies basic freedoms of the people are being jeopardized. Maladministration and corruption cause a loss of confidence in the government. Until drastic political and economic reforms are undertaken, United States aid can not accomplish its purpose.

Even so, criticism of results achieved by the National government in efforts for improvement should be tempered by a recognition of the handicaps imposed on China by eight years of war, the burden of her opposition to Communism, and her sacrifices for the Allied cause.

A United States program of assistance could best be implemented under the supervision of American advisers in specified economic and military fields. Such a program can be undertaken only if China requests advisory aid as well as material assistance.

PART V—Recommendations

It is recommended:

That the United States government provide as early as practicable moral, advisory and material support to China in order to contribute to the early establishment of peace in the world in consonance with the enunciated principles of the United Nations, and concomitantly to protect United States strategic interests against militant forces which now threaten them.

That United States policies and actions suggested in this report be thoroughly integrated by appropriate government agencies with other international commitments. It is recognized that any foreign assistance extended must avoid jeopardizing the American economy.

That China be advised that the United States is favorably disposed to continue aid designed to protect China's territorial integrity and to facilitate her recovery, under agreements to be negotiated by representatives of the two governments, with the following stipulations:

That China inform the United Nations promptly of her request to the United States for increased material and advisory assistance.

That China request the United Nations to take immediate action to bring about a cessation of hostilities in Manchuria and request that Manchuria be placed under a five-power guardianship or, failing that, under a trusteeship in accordance with the United Nations charter.

That China make effective use of her own resources in a program for economic reconstruction and initiate sound fiscal policies leading to reduction of budgetary deficits.

That China give continuing evidence that the urgently required political and military reforms are being implemented.

That China accept American advisers as responsible representatives of the United States government in specified military and economic fields to assist China in utilizing United States aid in the manner for which it is intended.

White Paper Required 5 Weeks, Staff of 80

WASHINGTON, Aug. 5 (AP).—Ambassador Philip C. Jessup and a staff of about eighty assistants worked steadily for nearly five weeks to compile the State Department's White Paper on China. The paper-back volume, officially titled "United States Relations With China," weighs nearly three pounds. It has 1,054 pages and is two inches thick.

Gist Of Acheson's Report On China

Washington, Aug. 5 (AP)—The gist of Secretary of State Acheson's report today to President Truman and the nation on the situation in China:

WHY THE COMMUNISTS ARE WINNING IN CHINA—The ruling Kuomintang party by 1948, the crucial year of the war, had fallen into "decay." "Its leaders had proved incapable of meeting the crisis confronting them, its troops had lost the will to fight, and its Government had lost popular support."

MORE AMERICAN AID WOULD NOT HAVE PREVENTED DEFEAT—"Our military observers on the spot have reported that the Nationalists did not lose a single battle during the crucial year 1948 through lack of arms or ammunition."

WHERE THE COMMUNISTS GOT THEIR ARMS—First they obtained captured Japanese weapons which the Russians abandoned in Manchuria; second they captured huge supplies of American equipment due to "the military ineptitude of the Nationalist leaders, their defections and surrenders and the absence among their forces of the will to fight."

WHAT AMERICAN FUTURE POLICY SHOULD BE—"Ultimately the profound civilization and the democratic individualism of China will reassert themselves and she will throw off the foreign yoke. I consider that we should encourage all developments in China which now and in the future work toward this end."

WHY THE MARSHALL AND HURLEY MISSIONS FAILED TO UNIFY CHINA—"The distrust of the leaders of both the Nationalist and Communist parties for each other proved too deep-seated to permit final agreement, notwithstanding temporary truces and apparently promising negotiations."

Li Blames China Aid Failure On Chiang Rule

Washington, Aug. 5 (AP)—Probably the biggest surprise in the Government's report on China policy is three paragraphs of a letter from China's Acting President, Gen. Li Tsung-jen, to President Truman last May 5. It blamed China's previous (Chiang Kai-shek) Government for failure against the Communists.

The report does not say why General Li wrote such a letter nor does it indicate what he said in the unpublished paragraphs.

Report Quotes Letter

The text of that part of the report referring to the Li letter and including the text of the three paragraphs:

"Perhaps the aptest and most tragic summary of American intentions toward China and of the reasons for the present predicament of China was given by the Acting President, Gen. Li Tsung-jen, himself.

"The first three paragraphs of a letter he wrote to President Truman on May 5, 1949, concern the events of the period with which this paper is concerned and read as follows:

"'Throughout our war of resistance against Japanese aggression, the United States of America continuously extended to us her moral and material assistance, which enabled our country to carry on an arduous struggle of eight long years until final victory was achieved.

Work "Rendered Fruitless"

"'The sincere friendship thus demonstrated by the United States has contributed not only to strengthen further the traditional ties between our two countries but to win the deep gratitude and unbounded good will of the people of China.

"'This policy of friendly assistance was continued when some years ago Gen. George C. Marshall, under instructions from your good self, took up the difficult task of mediation in our conflict with the Chinese Communists, to which he devoted painstaking effort.

"'All this work was unfortunately rendered fruitless by the lack of sincerity on the part of both the then Government and the Chinese Communists.

Failure Laid To Chiang

"'In spite of this, your country continued to extend its aid to our Government. It is regrettable that, owing to the failure of our then Government to make judicious use of this aid and to bring about appropriate political, economic and military reforms, your assistance has not produced the desired effect. To this failure is attributable the present predicament in which our country finds itself.'"

General Li came in as Acting President on January 21, 1949, when Generalissimo Chiang Kai-shek retired from the presidency. Li's initial task was to make peace with the Communists, and when negotiations failed over Communist demands for unconditional surrender his job was to continue prosecuting the war. (AP)

Marshall's China Advice Ignored

Washington, Aug. 5 (AP)—General Marshall warned China Nationalist military leaders in advance that their 1946 military offensive was so overambitious it was doomed to disastrous failure.

Marshall repeatedly advised against the proposed campaign, warning it would "not only fail but would plunge China into economic chaos and eventually destroy the Nationalist Government."

The State Department today made public Marshall's grim prediction with the comment:

"No estimate of a military situation has ever been more completely confirmed by the resulting facts."

Advice Disregarded

Generalisimo Chiang Kai-shek disregarded Marshall's advice and ordered his troops into Manchuria only to suffer a crushing defeat later at the hands of the Communist forces.

The State Department said the wartime United States Army chief of staff correctly foresaw the outcome when he pointed out Nationalist armies would be able to capture some Communist-held cities but would not be able to destroy the Communist forces.

"Thus every Nationalist advance would expose their communications to attack by Communist guerrillas and compel them to retreat or surrender their armies together with the munitions which the United States has furnished them."

Report On China Called Alibi, Realism, Back-Door Folly

Washington, Aug. 5 (AP)—Here is how some Congress members reacted to the Government's "White Paper" reporting on China policy and American-Chinese relations over the past century:

SENATOR WHERRY (Neb.), Republican Floor Leader—I can't agree to writing off Nationalist China. I can't see why we lock the front door against communism in Europe and leave the back door open in Asia.

SENATOR JOHNSON (D., Col.)—To intervene in the civil war in China would be reckless and beyond description. . . . The State Department, in this instance, is being realistic and sensible.

"A Face-Saving Device"

REPRESENTATIVE COX (D., Ga.)—The China White Paper is only a face-saving device. It is an alibi and does not state the truth. . . . We took Russia, a second-class power, and made her into the terror of the world. The blame for this bad situation must be credited, in large part, to . . . our own State Department.

SENATOR McCARRAN (D., Nev.)—We still could stop communism in China, but if we continue the policy set out in the White Paper it will be only a short time until all Asia is under Communist control. . . . We should do something affirmative.

"Sorry To See Write-Off"

SENATOR SALTONSTALL (R., Mass.): "Im sorry to see the Secretary of State write off Nationalist China as a complete loss. I'd like to know more about it before I agree with him."

SENATOR KNOWLAND (R., Cal.): "The White Paper confirms and underscores the fact that this Government for several critical war and postwar years tried to encourage, induce or compel the inclusion of Communists into the Government of China. It is to the everlasting credit of Generalissimo Chiang Kai-shek that he stood then as he stands today—uncompromisingly against this tie-up with international communism."

FOUR POWERS MAP COMMAND UNDER TREATY

U.S., Britain, France And Canada Would Run Defense System

ARTHUR GAVSHON

London, Aug. 5 (AP)—A four-power high command is being planned for the Atlantic treaty defense system, diplomatic officials reported today.

They said the projected supreme defense council for the twelve treaty nations would be run by the United States, Britain, France and Canada. The big-four plan was said to be one of the main subjects brought up in discussions this week among the three touring American chiefs of staff and army, navy and air force leaders of European signers of the pact.

Likened To Joint Board

Diplomatic sources said Britain and Canada had given preliminary indorsement to the plan and that France was expected to agree in conferences today and tomorrow in Paris.

Informants said the supreme council would work something like the Washington-based British-American joint staff board created in wartime but still functioning.

It would have politico-military character, they added, to design and mount the grand strategy for the treaty nations and make recommendations on political and diplomatic levels as needed to complement military aims.

Advanced In Atomics

A general twelve-nation defense committee would work under the council with advisory powers.

Some observers pointed out the four countries named for the supreme council are those most advanced in atomic developments and strongest militarily. Such a setup would restrict the circle in which it might become necessary to exchange top-secret atomic information.

W. German Talk Against Britain Held Risky

London, Aug. 5 (AP)—A British official, speaking with the authority of the Labor Government, said today West German leaders risk loss of Britain's friendship by inflammatory talk against his country.

The official, who would not permit himself to be identified, was commenting on remarks he attributed to Dr. Kurt Schumacher, Social Democratic leader in West Germany.

Schumacher was quoted as having said in an election-campaign speech "the British fought the war merely as a trade war to benefit the interests of their profiteers, who wanted to rid themselves of German competition." Other German politicians also have attacked the Western occupation powers, Britain, France and the United States.

"Lying Criticism"

The British official said "lying criticism" from the campaign platforms in Germany would jeopardize the re-entry of Germany "into the comity of nations."

West Germans will vote August 14 for a parliament which will set up a federal republican government. (AP)

Cripps To Visit D.C. In Search For Aid

London, Aug. 5 (AP)—Sir Stafford Cripps plans to leave London for Washington September 3 in quest of a cure for Britain's dollar crisis.

The Chancellor of the Exchequer, now under treatment in Switzerland for a digestive ailment, will travel by air.

Foreign Secretary Ernest Bevin is expected to sail on the Queen Elizabeth August 27. He will arrive in Washington September 2, two days before Cripps, for British talks with American and Canadain leaders."

Groundwork Laid

The travel dates were disclosed by Government sources today.

Groundwork for the Washington conference was laid here last month during a visit of American Treasury Secretary John Snyder. Its purpose will be not only to halt the drain which cut the sterling bloc's gold and dollar reserve to $1,624,000,000 at the end of June, but to find—if possible—a long-term answer to Britain's economic ailments.

Devaluation Out

Government financial experts here decline to indicate the exact direction the Cripps proposals for American assistance will take. They insist, however, on one point which the Chancellor himself reiterated before Parliament—he will not accept devaluation of the pound.

Simply stated, the problem is to find a means for Britain and other members of the sterling bloc to earn or otherwise obtain the dollars they require for "hard currency" imports.

30.24- 4831

Paris Bars Anti-Pact March On U.S. Embassy

CARL HARTMAN

6,000 Police, Troops Control Parade Of Communists Protesting Visit Of U.S. Top Brass

Paris, Aug. 5 (AP)—Twenty-five hundred Communists marched and sang around the fringes of the police-packed Place de la Concorde today but failed to carry their demonstration against the Atlantic treaty to the doorstep of the United States Embassy.

The semi-official French News Agency reported several persons were slightly hurt and said about 100—including three women Communist deputies of the National Assembly—were arrested for refusing to move on. The disturbance was slight. Later all those arrested were released.

Chant "We Want Peace"

The Communist chorus on the outskirts of the spacious square chanted "we want peace" and sang the Communist anthem, "The Internationale."

The three American chiefs of staff, whose presence in France was the pretext for the advertised demonstration banned by police, saw none of it. They were at Fontainebleau at the time, 35 miles away, on one leg of a busy round of talks with French and European union military commanders, exploring the preliminaries for the Atlantic-pact defense system.

Six thousand police and soldiers, using the customary massing strategy to frighten off threatening Communist uprisings, kept the peace in the Place de la Concorde. The United States Embassy is in a corner of the great square.

Rebuffed By Ambassador

A small Communist delegation was permitted inside the embassy. Brig. Gen. Joseph O'Hare, of the embassy staff, received the delegation but said it was not his place to accept any petition.

Ambassador David Bruce refused to see the Communists today but said he would be glad to receive them tomorrow. Members of the delegation said they wanted to protest aggression against "peace-loving Russia."

More than 100 busses and trucks loaded with police and gendarmes armed with rifles and prepared to use tear-gas crowded into the area.

In addition to an array of command cars and radio jeeps, a police plane hovered over the areas as a trouble-spotter. A few armored cars also were on hand.

Meet French Chiefs

The American chiefs, Gen. Omar N. Bradley, Admiral Louis Denfeld and Gen. Hoyt S. Vandenberg, spent more than four hours in military talks on their first full day here. In the forenoon they met with the three French chiefs of staff and lunched with them and Defense Minister Paul Ramadier.

Then they went to Western European Union military headquarters at Fontainebleau, the place where Napoleon signed his abdication.

Vandenberg said afterward: "What we were talking about was to get ideas of what type of organization is best from the military point of view."

The American chiefs made no comment on the demonstration. They re-emphasized that they were not making any big military decisions at this time, but were collecting ideas on how to organize the defense.

Call On Generals

At Fontainebleau they called on some of the victorious generals of World War II—Viscount Field Marshal Montgomery, Gen. Jean de Lattre de Tassigny and Air Chief Marshal Sir James Robb.

An official communiqué called the Fontainebleau meeting "a useful conversation . . . in a most cordial atmosphere."

Tomorrow the United States chiefs will talk with military leaders from Belgium, Holland and Portugal.

They said they would lay a wreath on the tomb of the French unknown soldier Sunday and then hold a news conference before leaving for Vienna.

Reds In Paris Halted At U.S. Embassy

ROBERT EUNSON

Paris, Aug. 5 (AP)—Communists massed 1,500 singing marchers today in protest against Atlantic pact talks here, but the presence of 6,000 troops and police in the Place de La Concorde cooled the demonstrators' ardor.

The marchers sang the Communist anthem, the "Internationale."

They made no attempt to break through lines of police, bolstered by soldiers in battle equipment. They had intended to march on the United States Embassy in the square and protest against the presence in France of the American joint chiefs of staff who are discussing Atlantic Alliance strategy.

Went To Fontainebleau

The staff chiefs had already gone to Fontainebleau, 40 miles outside Paris, for talks with western European chiefs.

Brig. Gen. Joseph O'Hare, of the embassy, received a delegation of four Communists twice in the afternoon. They wanted a third meeting tonight, but O'Hare put them off until tomorrow.

The Communists said they had a petition to present protesting that the Atlantic meetings here were provocative actions against a peace-loving Russia and they wanted it delivered to the chiefs of staff.

In Bordeaux, United States Consul Walter Lichicun received a delegation of the Communist-controlled General Labor Confederation. The delegation expressed hostility to the Atlantic pact and told Lichicun, "French workers will not let the nation enter a new war."

Tourists Attracted

Many American tourists had gathered in the Place de la Concorde in Paris in anticipation of trouble with the Communist marchers, but there was none. The first group of marchers gathered quietly, apparently impressed by the presence of the troops and unwilling to make their attempt to march on the embassy look silly.

The soldiers and police rolled up in 100 trucks several hours before the time of the Communist march, which had been announced for noon (D.S.T.).

Military Chiefs Talk

Meanwhile, American and French military chiefs held what they described as satisfactory talks on Western European defense.

The American chiefs — Army General Omar N. Bradley, Air Force General Hoyt Vandenberg and Admiral Louis Denfeld—left here on schedule before the hour for the demonstration.

Welcomed By Monty

The party was welcomed by the union's commander in chief, British Field Marshal Lord Montgomery, and his top officers.

These are French General Jean De Lattre De Tassigny, land forces chief; Brtiish Marshal Sir James Robb, head of the Air Forces, and French Vice Admiral Robert Jaujard, chief flag officer for the naval forces.

The Fontainebleau meeting lasted less than two hours. A communiqué was issued, saying: "The United States chiefs of staff met western European commanders in their committee at Fontainebleau this afternoon at 1530 (3.30 P.M., French Time). Useful conversation took place in a most cordial atmosphere. The United States chiefs of staff left Fontainebleau at 1720 (5.30 P.M.) to return to Paris."

Chiefs Noncommittal

As on previous occasions during the Atlantic talks, the staff chiefs were noncommittal concerning their discussions.

After their sessions in Paris they had described their progress as satisfactory.

"I think we see eye to eye," United States Air Force Chief of Vandenberg said after the officers had talked for almost three hours in the French War Ministry.

No Decisions Made

Vandenberg said no decisions had been made, but that the discussions had been "very helpful."

French leaders had been reported seeking assurances that France won't be shoved into the background in drafting Atlantic pact defense strategy.

Asked if the talks get down to discussion of how far east to draw western Europe's defense line, Vandenberg said: "We were just finding things out."

He also was asked if the talks had concerned France's desire for a top role in the Atlantic defense council. He replied:

"Our discussions were on a military, not a political level."

One Of Main Topics

Diplomatic officials in London said France, along with the United States, Britain and Canada, would be named to a supreme defense council to direct the military and strategic program of the twelve-nation Atlantic alliance. The officials said this was one of the main topics under discussion by the staff chiefs.

Reds Charged With Taking Slave Labor

THOMAS A. REEDY

Berlin, Aug. 5 (AP)—The Sachsenhausen concentration camp near Berlin is being used as a depot to provid Soviet Russia slave laborers, Mrs. Erika Raeder asserted today.

The wife of the former German grand admiral was released from the camp a month ago after four years as a prisoner of the Russians and now is in western Germany.

"Every two months big transports of people who were being punished left Sachsenhausen for Russia," she said in an interview.

"There were usually 2,000 people to each transport. They were not all Germans. A large number of them were Russians who had broken some rule.

Love A Crime

"It was enough for a Russian to fall in love with a German girl. He would be on the same transport with the Germans.

"The people were stripped naked. Each was branded on the buttocks with a special indelible tatooing.

"Certain people returned from these transports and told us if branded persons were caught away from the camp they had been assigned to they were shot."

The Admiral's wife is 61. Raeder is servinig a life term on a war-crimes charge in the four-power Spandau Prison here.

When the Russians captured Raeder in June, 1945, they took him and Mrs. Raeder to Moscow.

Treated Well At First

"We were treated very well there for about three months," she said, "We lived in a small cottage and were free to move around. However, we had no rubles and could not pay a taxi fare into the central part of the city.

"We were served caviar three times a day.

"One day the Russian officers told me roughly that my husband was a war criminal and would be tried at Nuernberg. From that minute on I was a prisoner and treated very badly.

"I demanded to go to Berlin and they told me to shut up. I insisted on seeing the American Ambassador. Oddly enough, they decided I could go to Berlin. The trip was made by plane, but we stopped in Minsk with some engine trouble."

Shuttled About

Back in Germany, she was shuttled from one secret police jail to another until she wound up in Sachsenhausen, an infamous camp established by Hitler's SS but continued in operation after the war by the Soveit military administration.

She never was struck or otherwise abused physically. To her knowledge the Russians never beat prisoners, she said.

Instead, they quizzed them on such odd subjects that the prisoners became frightened, thinking themselves in the hands of madmen, she said.

"For instance, they kept asking me how much I paid my maid. And what was the dog tax in Berlin?"

Early in her captivity, she declared, the Russians made overtures to Raeder to join forces with them. He was the builder of the Third Reich's war fleet.

Honor Not Understood

"They couldn't understand when he told them his code of honor prevented that. He was a German officer, not a Russian officer.

"They expressed their admiration for the Norwegian invasion as a beautiful job. And they asked my husband who was responsible for such a good job of tactics and strategy.

"He said he was. The Russians hid a smile, but it was written all over their faces: 'We trapped him.'"

Raeder was convicted of waging aggressive war for his part in planning the Nazi naval invasion of Norway in 1940.

He contended he had to do it to beat the British to the punch.

Stopgap Aid For Germans Gets U.S.-British Approval

Frankfurt, Germany, Aug. 5 (AP)—American and British authorities approved today a German law that will give stop-gap financial aid to millions of Germans who have been in dire need since the war.

The law will tax owners of property heavily to pay the losses of some Germans from Nazi persecutions, Allied bombings, and the German border changes.

Forerunner Of Broader Act

The law is a forerunner of a far broader act that plans to "equalize the burdens" in helping a total of 10,000,000 people.

Under the law, the authorities will tax millions of Germans who had real property worth more than $900 when the present currency was issued in June, 1948.

3 Per Cent Property Tax

A property tax of three per cent a year has been fixed. This is in addition to huge income and corporation taxes already shouldered by west Germans.

The law will give pensions to old people in the affected groups. They will get $21 monthly, as will widows with three or more children. Orphans will get $10.50.

Certain young people will get financial support for professional and technical education.

"Household Goods"

The fraudulently documented machinery was labeled as "household goods" of Jewish immigrants to Palestine, the announcement said. Army officials called the smuggling attempt "the biggest ever discovered" at the American occupation port.

Dozens of American and German customs officials suddenly appeared on the pier this morning while the ship was half-loaded. First cases that were opened, the announcement said, disclosed that boxes labeled as household goods contained concrete mixers, automobiles, tractors and other machinery.

From D.P. Camp

Officials said the goods came from a displaced persons camp for Jews at Bergen-Belsen, near Hanover. They said the goods had been certified by officials of the International Refugee Organization as household goods.

By declaring the shipment as household goods owned by immigrants to Israel, army officials said, the owners could export the German-made goods without payment of duty.

Israeli Freighter Seized By U.S. In Smuggling

Frankfurt, Germany, Aug. 5 (AP)—Army authorities at Bremerhaven today seized an Israeli freighter which they said was being loaded with $1,000,000 worth of illegally consigned machinery.

An army announcement identified the ship as the Drommit, flying the Israeli flag. Her owners were not immediately identified.

September 7 First Parliament Date

Frankfurt, Germany, Aug. 5 (AP)—German state presidents today picked September 7 as the date for the first meeting of West Germany's new Parliament.

Members of the legislative body will be chosen August 14.

Convening of the Parliament will mark the beginning of the new West German federal republic sponsored by the United States, Britain and France in their three occupation zones. With the Russian zone left outside, it will be the nearest thing to an all-German government the country has had since Hitler's defeat in 1945.

The western republic's president will be elected September 9, by a federal assembly composed of Parliament (Bundestag) plus 400 delegates from the state legislatures.

ITALIAN UNION SIGNS MAJOR WAGE AGREEMENT

ROME, Aug. 5 (AP)—Italy's big communist-led Labor Confederation (CGIL) signed a major wage agreement with Industry tonight promising peace on the factory front.

Millions of industrial workers are affected by the agreement signed also by the non-communist Free Labor Confederation (LCGIL) and the independent Italian Labor Federation (FIL).

Small wage increases were granted in all categories of factory workers. The accord also provides for creation of a national wage price index adjustable to the rise and fall of living costs.

Agreement ended more than a year of stormy negotiations marked by numerous strikes and disorders.

The pact carries these provisions:

Workers with families receive an added 20 lire (3 1-2 cents) daily for each dependent child.

Immediate wage increase of 56 lire (9 cents) daily for specialized workers, 24 lire (4 cents) daily for qualified workers and 12 lire (2 cents) daily for specialized manual workers.

First category employes, including factory foremen, will receive an increase of 3,000 lire ($5.17) monthly, and second category, including minor factory officials, 800 lire ($1.37) monthly.

ACTION ON PROBE OF SLAVE LABOR POSTPONED IN UN

LYNN HEINZERLING

GENEVA, Switzerland, Aug. 5 (AP) An American-supported move for investigation of forced labor in the world was postponed today by the UN Economic and Social Council.

The decision came at a stormy session during which Amazasp Arutiunian, Soviet delegate was called down sharply by James Thorn, New Zealand delegate and council chairman, for using such words as "slander and lie."

U. S. Asked Probe

The United States had offered a resolution calling for a joint UN-International Labor Organization (ILO) inquiry into slave labor conditions. But the council voted 10 to five for a Danish-Brazilian-Indian amendment which removed the operative clauses and turned the question back to the UN secretary-general.

The Secretary-General was instructed to "request governments which have not as yet stated they would be prepared to cooperate in such an impartial inquiry to consider whether they, before the next session of the council, can give a reply to that effect." This would postpone further council action for at least six months.

The Soviet Union, which has been accused of operating a massive forced labor program, is the most important state which has not agreed to an "on-the-spot" investigation.

Many delegates said that without Russian permission for an inquiry in the USSR, there is no point of making an investigation.

Reds Abstain

The postponing amendment was opposed by the U. S. and supported by Britain, Russia, Poland, and White Russia abstained.

Today's session was the stormiest since the UN moved some of its activities into the old League of Nations home here.

The argument between Arutiunian and Thorn came as the former started a speech lasting an hour and 45 minutes. In it the Russian defended the Soviet penal system and denounced "forced labor" in the U. S. and in the British colonies. Thorn broke in at the first mention of "slander and lies" by Arutiunian:

"The use of such words as slander and lie should not be permitted in this council," he said. "They convey insults. I don't believe there are any liars or slanderers here in this council."

The chairman stuck to his ruling, despite attempts by Arutiunian to shout him down. Thorn said "it is time I asserted my authority to see that this debate is conducted in an orderly manner."

Parliament Boss, Says Leopold

Brussels, Aug. 5 (AP)—Exiled King Leopold III tonight told Belgium's three leading political parties only Parliament can decide whether he should return to the throne.

While accepting in principle a popular referendum on his return, he said it "must be nothing else than an opinion expressed by the citizens to Parliament and the King."

The King's message was addressed to the Social Christian (pro-Leopold), Socialist and Liberal (anti-Leopold) parties. It was dated yesterday at Pregny, Switzerland, where the King has been living in exile, and was released tonight by the royal secretariat here.

Away Ever Since End Of War

Leopold has not lived in Belgium since the war. The King had surrendered the Belgian forces to the invading Nazis in May, 1940, and became a prisoner of war. After the country was liberated by the Allies in 1944, with the King then in Germany, Parliament elected as regent his brother, Prince Charles. In 1945, the Chamber of Deputies voted, 96 to 6, to continue the regency and to bar the King's return to his throne without Parliament's consent.

National elections June 28 of this year were interpreted as blasting Leopold's chances of returning to the throne any time soon. The Social Christians had campaigned on the issue of holding a referendum on the King's return. They held their position as Belgium's biggest party but failed to win a majority in the Chamber of Deputies.

Up To Parliament, He Says

"To get me to resume my constitutional duties," Leopold said, "Parliament must take the decision in that sense. My return to my constitutional duties must thus be directly decided by the representatives of the nation (Parliament)."

Commenting on a request by the Socialists that a percentage to bring him back be fixed in advance if a referendum is held, the King said:

"To establish a quantum (percentage) would give the consultation (referendum) an anti-constitutional character by transforming the consultation into a plebiscite, which would make Parliament's power to decide the end of the regency illusionary."

Leopold said that "to be constitutional, the consultation must be nothing else than an opinion expressed by the citizens to the Parliament and king."

Disclaims Blame For Crisis

He declined all responsibility for a 40-day Cabinet crisis still unsolved.

"If the parties cannot agree on a solution to the royal problem," he said, "Parliament should take the decision, and this decision should be loyally accepted."

In such an event, with a small but definite majority of pro-Leopoldists, Parliament could vote to end the regency and call the King back.

For such a vote a government must be formed which would get a majority in each house of Parliament.

To achieve this in the lower chamber, a coalition would be necessary. But the Socialists and Liberals are most likely to refuse collaboration with such a government.

Then He Would Abdicate

While agreeing in principle on holding a referendum, Leopold said a 66 per cent vote would not be necessary to bring him back, indicating a simple majority would be sufficient.

He continued:

"If I feel by resuming my duties I could not serve my country, I would abdicate in favor of my son, the heir prince (Baudouin).

"I do not intend to impose myself on my country. When I ascended the throne, I promised Belgium to reign and live for her. I have not for often this promise."

Return Is Parliament's Say, King Leopold Holds

Brussels, Aug. 5 (AP)—Self-exiled King Leopold told the three main Belgian political parties tonight that only Parliament could decide whether he should return to the throne.

He refused to agree to a referendum by the people on the question. If a referendum were held, he said, he alone would judge the meaning of the results.

CATHOLICS DEFY PRAGUE'S DECREE

Challenge Edict Aimed To Balk Excommunication Order

RICHARD KASLSCHKE

Prague, Czechoslovakia, Aug. 5 (AP)—The Government's order that priests must defy the Vatican decree on excommunication drew a defiant rejection tonight from Catholic authorities in western Bohemia.

The episcopal vicar (diocese administrator) at Litomerice replied to the order which threatened punishment if violated. His answer said in effect: "We cannot read your signature. And what are you doing in a Catholic consistory interfering in the internal affairs of the church."

30.24- 4833

Some two months ago the Communist Ministry of Education seized Catholic consistories (administrative offices). The Czech press claimed the action was necessary to halt the issuance of pastoral letters.

NIGHT

Warning To Priests Reported

Meanwhile, in Prague, a prominent churchman said priests had been warned to beware of Communists who might come to them pretending to be Catholics and seeking sacramental ministration.

This warning was put out, he said, after a supposedly Catholic-Communist woman denounced the Rev. Alois Fajstl in court and had him sentenced to eight years in jail for high treason.

Also in the Czech capital the Ministry of Education called a meeting of the teachers of religions. At this meeting, teachers, priests and laymen were offered a 100 per cent increase in pay under Government regulations.

Pledge Loyalty To Regime

The official version was that the teachers concluded the meeting with a "promise to be loyal sons and daughters of the people's democratic regime," and dispatched telegrams of greetings to top leaders in the Communist Government.

The order to the priests was issued as a decree of the Ministry of Education but under the stamp of the local Catholic bishop's consistory. It warned priests that the Covernment considered excommunication to be illegal punishment "as long as excommunications or other ecclesiastical punishments flected not for religious but for political reasons."

The Government order said:

"Steps will be taken against those church functionaries who do not obey this notice; and furthermore we call upon all parish priests to hold up any excommunication order which they may receive from whatsoever source . . . also, every priest affected by such excommunication is bound by duty to take no heed of the punishment."

Reply From Vicar

The answer from the Episcopal vicar said:

"It has not been announced officially that the bishop's consistory in Litomerice has been taken over by a Government commissar and that his name is Dr. Janota (the name signed to the Government order). . . . Therefore the letter of this commissar cannot be recognized, all the more so since the aforesaid signature is practically illegible and concealed by the stamp of the bishop's consistory. . . .

"Your letter can only be regarded as interference in the internal affairs of the church in which a commissar is acting in purely religious matters clearly outside his competence.

"Such incompetent procedure clearly cannot be recognized by the clergy. These orders can only be issued by the competent ordinaries and executors of papal decrees on such matters as excommunication of priests and laiety in their diocese." (AP)

Czechs Intensify Vatican Attack

Prague, Aug. 5 (AP)—The controlled Czechoslovak press, stepping up its campaign against the Vatican, claimed today that the Catholic excommunication of militant Communists was being beaten.

The press asserted that the imprisonment for high treason of Father Alois Fajstl for allegedly refusing to administer the last sacrament to a Communist woman was proof "that the church must submit to the laws of the state and admit their superiority over ecclesiastical laws."

"Political Order"

Communist-controlled newspapers condemned the excommunication decree as "a political order aimed at disrupting our republic."

The political-cultural weekly *Tvorba* decorated its front cover with a cartoon of the Pope, wearing a swastika and firing a medieval cannon at "Fort Democracy," decorated with the hammer and sickle. The shells crash, broken and harmless, off the walls. The cartoon is captioned "Excommunication" and bears this text: "The fort was hit by a shot from a medieval weapon, straight from the Vatican, and it did not even shake."

"Honest" Communists

The Communist party daily *Rude Pravo* and the Communist weekly *Halo Noviny* accused the Pope of supporting Fascists and "blessing" black-marketers while excommunicating "honest Communist citizens."

These attacks said: "The Pope never excommunicated a single war criminal, a general or Gestapo man but attacks honest people just because they happen to be Communists."

Tito's Army Alerted To Border Foes

ALEX SINGLETON

Belgrade, Yugoslavia, Aug. 5 (AP). Yugoslav troops were in a state of alert today to guard against what Premier Marshal Tito called provocations and intimidation by his Soviet-dominated neighbors.

Tanjug, the official news agency, last night quoted Marshal Tito as saying bloody clashes already had taken place in Macedonia. The Balkan region lies between Communist Bulgaria and Albania, with Greece on the southern border.

Tito said his troops were in a "state of alert in order to safeguard the peaceful construction of our socialist country."

DAY

Charges Rumors Spread

The Premier, who defied Soviet dictation a year ago in a row with the Cominform accused his eastern neighbors of trying to intimidate Yugoslavia by spreading rumors of a threatened Red Army invasion.

Tito called them "nothing but ordinary rumors," but added:

"Nevertheless, we are not unvigilant here either. . . . We are prepared to prevent all provocations, to defend our country against everyone."

In a slap at Moscow, Tito added Yugoslavia would defend the principles of Marxism-Leninism "even against the creators of these principles, should they go against them." (AP)

Russia Charged With Sell-Out In Austria Deal

Yugoslavia Sees Betrayal of Slovene Carinthians to Fatten Soviet Union

BELGRADE, Aug. 5 (AP).—Yugoslavia accused the Soviet Union today of selling out the Slovene Carinthians in Austria and trying to cover up the deal with slanders.

The Information Ministry here made public a note sent to Moscow two days ago. In it, Yugoslavia amplified previous statements denouncing the rejection by the recent Paris conference of Foreign Ministers of a Yugoslav demand for a part of Austria in the south.

The note denied and denounced a recent Soviet assertion that Yugoslavia carried on secret negotiations with Great Britain over the future boundaries of Austria. On the contrary, it declared, the Soviet tUnion itself suggested that Yugoslavia seek an independent solution with the Western powers on this point, and subsequently was kept informed of the progress made.

The note charged that Russian acquiescence in the Western stand against depriving Austria of territory was expressed with the Soviet Union itself suggested that mind." The big powers agreed at Paris to draft an Austrian independence treaty by September. As one of the terms, Russia is seeking a settlement which would give her much former German property in Austria.

Foes Of Tito May Operate Underground

Rome, Aug. 5 (AP)—The Italian news agency Astra said today that Moscow radio broadcasts monitored in Trieste had reported creation of an anti-Tito underground Communist party in Yugoslavia.

Astra said the radio broadcasts expressed pleasure at the growth of the movement opposing Yugoslavia's Premier Marshal Tito, who has broken with the Russian-led Cominform.

The agency said special instructions had been broadcast to the underground movement.

GREEKS CRACK DOWN ON RED TERRORISTS

ATHENS, Aug. 5 (AP)—Greece's minister of public order, Constantine Rentis, said tonight Athens Security police have arrested all members of a communist terrorist organization.

The organization planned to execute Dimitrios Svolopoulos, director of the Athens radio station, and other officials, Rentis said. The number of persons arrested was not announced.

'LIQUIDATE TITO,' RED RADIO DEMANDS

TRIESTE, Free Territory, Aug. 5 (AP) A Moscow radio broadcast heard here said today Yugoslav Premier Marshal Tito must be liquidated.

An appeal described as coming from Yugoslavs in Russia called for "all the world" to cooperatein "liquidating Tito in the name of human principles."

TAXES RAISED 100,000 TIMES FOR SHANGHAI

High Levies Protested; U.S. School May Have To Shut Down

FRED HAMPSON

Shanghai, Aug. 5 (AP)—A number of Shanghai property owners said today they were utterly unable to pay realty tax bills presented by Communist authorities.

The taxes are, in effect, 100,000 times greater than formerly.

To try to keep up with the wildly inflated Nationalist gold yuan, the Nationalists had assessed taxes on the 1948 basis multiplied by 100. The Communists have used this formula, but are billing in Communist dollars. Since they had redeemed the old gold yuan at 100,000 to one Communist dollar, the effect is a tax multiplied by 100,000.

The American school in the old French Concession, which under the Nationalists was tax-exempt as an educational institution, has been billed for current and back taxes aggregating $76,000, United States.

Appeal For Relief

A foreign church in downtown Shanghai has been taxed the equivalent of $60,000, United States.

The Shanghai Race Club property, which includes the track, stables and adjacent buildings, has been assessed present and back taxes aggregating $200,000, United States.

These three have appealed to Communist authorities for relief. The American school and many other nonprofit institutions have said they would close and try to liquidate if the taxes were not reduced.

No differentiation appears to have been made between income and nonincome property, but the levy appears not to have been uniform. Most business properties have been heavily assessed, but some escaped with relatively light appraisals.

Warn Unemployed

On another part of the economic front, the official *Liberation Daily* said, "To overcome difficulties imposed by the imperialist-directed blockade, the unemployed must be repatriated from Shanghai."

This warning appeared as increasing numbers of jobless were using various stratagems to try to get more severance pay from former employers or to be put back on the pay rolls.

Most say they have no place to go and no resources. This condition is becoming desperate. Many would like to leave town if they knew how to go about it.

Economy Drive Under Way

[The Communist radio also indicated Red China was having a growing economic headache. A broadcast heard in San Francisco by the Associated Press gave a lengthy account of a geeral economy drive. It called for reductions in use of electricity and water, discharge of unnecessary employés "to free personnel for the countryside," and a broad "promotion of simple living in the cities."

[It also expressed warm approval of the recently announced trade pact between Manchuria and Russia and expressed hope that "the exchange of goods would be extended to include North China, East China and the whole country."

[It quoted the chairman of the Shanghai Students Union as saying "the aid and support given to the Chinese people by the Soviet Union will help in more clearly distinguishing between friends and foes."]

GENERAL CHEN DESERTS TO CHINESE REDS

Changsha, Part Of Army Given To Communists By Turncoat

Canton, China, Aug. 5 (AP)—Nationalist China's deputy commander on the all-important front north of Canton changed over to the Communists and handed them the fortress of Changsha last night.

This desertion, with part of his army, is expected greatly to accelerate the Chinese Red advance on this provisional capital. The Communists now are only 215 miles from Canton at one point, and the turncoat general, Chen Min-Jen, knows the troop dispositions and plans of the defense.

Pro-Nationalist reports contended 80,000 of Chen's 90,000 troops were pulled south out of Changsha before he joined the enemy," but other reports said he was able to hand over 30,000 men to the Communist. NIGHT

Chief Named As Successor

Only six days ago the Nationalist Government fired Gen. Cheng Chien as governor of Hunan province—of which Changsha is the capital—on suspicion that he was making a deal with the Chinese Reds. It named Chen to succeed him. Changsha is 365 miles north of Canton.

[The Communist radio confirmed that both Cheng and Chen had changed sides and said that on the night of August 4 they "raised the flag of uprising" and welcomed the Chinese Red troops into Changsha.]

Gen. Huang Chieh, Vice Minister of Defense, was named to succeed Chen as deputy to Gen. Pai Chung-hsi, top commander of the Central China defense.

Reds Capture Changsha

SPENCER MOOSA

Canton, Aug. 5 (AP)—The fortress of Changsha fell to the Reds today and a credible report of a Nationalist Army revolt on that front may mean the road to Canton will soon be almost wide open.

Loss of Changsha, 365 miles to the north, was bad news enough for the Nationalists. But the Reds in another lunge southeast of Changsha were only 215 miles from this refugee capital.

Both these reversals were admitted officially.

Revolt Of Chen Reported

Unofficial but credible reports said Gen. Chen Ming-jen, new governor of Hunan province, had revolted.

Chen only recently replaced Gen. Cheng Chien. The Government charges Cheng fled from Changsha and went over to the Reds on Monday. The Government ordered Cheng's arrest, accusing him of trying to arrange a local peace with the Communists.

The unofficial accounts said Chen, close friend of his predecessor, also went over to the Reds, taking at least one of his three armies with him. His armies totaled 90,000 men.

Might Affect Gen. Pai

Defection of the Hunan general would create a serious situation. It conceivably could compel Gen. Pai Chung-hsi, commander in the south, to withdraw his troops southwestward into Kwangsi province. This would leave the road to Canton open for swift Communist advance.

CHIANG IS REPORTED EN ROUTE TO KOREA

CHINHAE, Korea (Saturday) Aug. 6(AP) Unofficial reports said Generalissimo Chiang Kai-Shek left Formosa today for South Korea and conversations with President Syngman Rhee on an anti-Communist pact in the Pacific.

Chiang's party, in two planes, is expected to fly to Pusan near this south coast port. Rhee and his party are awaiting Chiang at Chinhae.

Chiang's visit to Rhee twice has been delayed. He had been expected yesterday, and there was an official report he had left Formosa. This later was denied. The latest report that Chiang had started was strictly unofficial. Great secrecy surrounds his movements.

Koreans Report Communist Loss

Seoul, Korea, Aug. 5 (AP)—The South Korean army chief of staff reported today that an estimated 6,000 invaders from the Communist north had been repulsed.

Desultory exchanges of small-arms fire continued, however, at the scene on the Ongjin Peninsula about 90 miles northwest of Seoul.

The chief of staff, Maj. Gen. Choi Byung Duk, said his forces lost 100 killed and 90 wounded when the northerners attacked Thursday.

He said the northerners still held two points a maximum of 1,000 yards inside the southern border but had been driven back from two others. NIGHT

The northerners recovered two points north of the border that, Choi disclosed, had been occupied recently by the southern forces.

Observers expressed belief the situation had settled back to the customary frontier skirmishing, with no major move intended by either side.

India is a major bulwark against the spread of communism in Asia and as such figures in a big way in the newly stated American anti-Communist policy in the Far East.

That policy, shaped up in the American white paper issued today in Washington, wrote off any remaining hope of rallying any force to combat the triumphing Communists in China.

But in submitting the white paper to President Truman, Secretary of State Dean Acheson said the Chinese Communists may fall in with "aims of Soviet Russian imperialism" to start something against China's neighbor nations.

U. S. Would Act

In that event, Acheson told the President, the U. S. should try to block aggression through the United Nations—which had to keep hands off the Chinese situation on the ground it was an internal Chinese conflict.

Nehru told his news conference his recipe for stamping down Communist violence was in the hands of the people and they were succeeding.

ments since the nation gained independence August 15, 1947. (AP)

Nehru is going to the United States next month to confer on communism in Asia.

Cites Recent Activity

DAY

"There is no doubt the Communist policy in India has been completely aligned for violence and the creation of trouble and chaos," he said. "That is proving unsuccessful. They have met with substantial reverses. They are now engaged in some heart searching as to what they would do about it."

Nehru cited the situation in Calcutta, one of the major hotbeds of Indian communism, before and after his recent visit there. He said there were incidents of violence and terrorism almost daily before he made the trip, but there has been practically no trouble with the Communists since.

The reason, he said, was that he told the people they must not stand by in fright, but must deal with terrorism themselves. The police should interfere less, he said. (AP)

Indian Leader Says Reds Failed In Campaign to Spread Violence

MARC PURDUE

NEW DELHI, India., Aug. 5—(AP) Prime Minister Jawaharlal Nehru said today Communists tried but failed in a campaign to spread chaos and violence over India.

His statement at a news conference was taken as a reaffirmation that India would remain on guard against any symptoms of rising communism such as that which grew powerful enough to seize China. NIGHT

He told reporters there was no doubt the Communists in India aimed solely to stir up troubles but were unsuccessful and "they now are engaged in some heart-searching as to what to do about it."

The conference was called for a review of his government's accomplishments in the two years since India gained independence from Britain in mid-August, 1947.

To Visit U. S., Canada

It also shed some light on the implications of Nehru's forthcoming official visit to the United States for high-level talks in Washington. He said he expected to arrive in the U. S. Oct. 11 and remain until the end of October. He also plans to spend several days in Canada.

For illustration, he cited what happened in Calcutta, one of the hotbeds of Indian communism and second largest city in the British commonwealth, around the time of his recent visit there.

He said beforehand violence and terrorism occurred daily and since his trip to Calcutta there had been almost no trouble with the Communists.

Nehru attributed this to the fact he counseled the people not to stand by in fright but to deal with terrorism themselves. Police should interfere less, he said.

"Mischief-making elements are successful only when people lose discipline or become frightened," the Indian leader said.

Indian Communism Beaten, Nehru Says

New Delhi, Aug. 5 (AP)—Prime Minister Jawaharlal Nehru said today a Communist policy he reported aimed at creating chaos in India has failed.

The statement was made in a news conference reviewing the Indian Government's accomplish-

NEW SNAG DELAYS SENATE ACTION ON FOREIGN AID BILL

WASHINGTON, Aug. 5—(AP) The big foreign recovery bill was delayed again today—this time by a Senate fight over an amendment designed to halt socialism in Britain.

Leaders had thought the $5,647,724,000 measure, which includes funds to carry on the Marshall Plan of European recovery, was on the point of passage.

They had beaten, 46 to 34, an amendment to penalize France for alleged mistreatment of American business men in French Morocco. Previously other amendments had been knocked out.

NIGHT

Put Until Monday

But just as a final vote appeared imminent Senator Kem (R-Mo) introduced an amendment to deny aid to any nation which nationalizes in the future any of its basic industries. Debate on this was in progress when the Senate quit until Monday.

Kem's amendment would apply to any Marshall Plan nation—but it is aimed particularly at Britain's Socialization program.

Senator Lucas of Illinois, Democratic leader, challenged the Kem amendment as being out of order—and acting President Tydings (D-Md) upheld the challenge. Then Kem appealed the Tydings decision to the Senate.

At this point Kem launched into a speech in support of his amendment.

"I believe it is now the clear duty of Congress to protect the American taxpayer from the use of our money by socialist governments in a way that is slowing down recovery in Europe," Kem said.

The French Morocco amendment was defeated after Republican Senators Vandenberg (Mich) and Dulles (NY) had joined administration leaders in opposing it.

Claim Discrimination

The amendment was offered after 37 Americans trying to carry on businesses in French Morocco complained the French were discriminating against them. The amendment would have prevented France from using so-called "counterpart funds" in local currencies which under the Marshall Plan are put into a special account to match the dollar aid received from the Economic Cooperation Administration (ECA). The counterpart funds are controlled by ECA.

Vandenberg said the discrimination charges by the 37 Americans did not warrant a penalty of such magnitude, involving millions of dollars.

Vice President Barkley upheld a point of order against the amendment yesterday, but the Senate overruled him, 44 to 42. However, the administration succeeded in tightening its lines overnight and defeated it handily today.

Approve Greek Aid

The Senate moved rapidly through the remainder of the bill. It approved $900,000,000 for Army occupation costs in Germany, Austria, Japan and Ryukyu islands, and $45,000,000 in aid for Greece and Turkey. It restored authority for the Army to turn over its occupation duties in Germany to the State department. This authority had been technically knocked out when the Senate Appropriations committee deleted a House amendment.

The Senate rejected an amendment which would have required the Army to earmark $450,000,000 of its occupation money for buying surplus U. S. farm products.

At that point, several controversial amendments were ready to be offered from the floor. These had to be disposed of before the Senate could take its final vote and send the big bill to a conference with the House.

30.24- 4835

Morocco Policy May Cost U.S. Aid To France

Washington, Aug. 5 (AP)—The Senate beat down today a move to penalize France for alleged unfair treatment of 37 American business men in French Morocco.

The action—by a 46 to 34 vote—knocked out an amendment in the big foreign-aid bill which would have had the effect of limiting Marshall plan aid to France.

DOND SHI TEHEAD

Washington, Aug. 5 (AP)—The Senate threatened today to slap a multimillion-dollar penalty on France for alleged mistreatment of 37 Americans in French Morocco.

A quarrel over the rights of Americans doing business in Morocco pushed aside any quick vote on the $5,647,724,000 foreign-aid bill.

A majority of senators appeared in the mood late yesterday to penalize France for giving the Americans what was described as a rough deal in their efforts to do business. Democratic Leader Lucas, of Illinois, avoided an immediate test by asking for a recess.

Amendment Stressed

The aid measure carries an amendment which would deny the use of counterpart funds to any Marshall-plan nation violating an American treaty.

These funds, in the case of France, are francs put into a special account to match the dollar aid received from the Economic Co-operation Administration. The ECA has control over the funds. They total millions of dollars.

The amendment was designed especially to try to end alleged discrimination against ex-soldiers who went into business in French Morocco after the war.

Unfair Method Charged

They report the French authorities use unfair methods to block their efforts to do business, and refuse to give them the rights enjoyed by French businesses.

Senator George (D., Ga.) told the Senate he had investigated the Moroccan case and he sympathized with the Americans there. He notified the State Department, he added, but the department has failed "to exercise its authority to protect these Americans."

Senator Russell (D., Ga.) said the Senate had the right to take action to protect American citizens.

Cites Hoffman Statement

He said ECA Chief Paul Hoffman had conceded that the Americans were being discriminated against but that "there were only 37 involved."

"Something in that statement gagged me," Russell said. He added he didn't care if there was only one American involved, his rights should be protected by the Government.

Senator Hayden (D., Ariz.) suggested that the American group was merely a front for French and Moroccan interests, and that they were not legitimate independent business men.

Hayden's statement stirred a heated defense from other senators.

Raises Point Of Order

The dispute reached a climax when Lucas raised a point of order against the amendment on the grounds it violated Senate rules by writing policy-making law into an appropriation bill.

Vice President Barkley upheld Lucas's challenge but Russell appealed. The Senate then overruled Barkley by a 44-to-42 vote.

The State Department has conceded that Americans in Morocco "have specific legitimate grievances that should be remedied."

But Assistant Secretary of State Ernest A. Gross advised Senator Saltonstall (R., Mass.) yesterday that the treaty rights of Americans in Morocco still are not clearly defined.

NEW ARMS AID BILL SENT TO CONGRESS

Administration Holds Out Compromise in Move to End Dispute

WASHINGTON, Aug. 5 — (AP) The administration today held out a compromise to Congress in the foreign arms aid dispute—a new bill minus blank check powers for President Truman.

It makes these changes: (1) it no longer asks that President Truman be empowered to decide what nations may receive aid, (2) it names the countries getting it, and (3) it ties arms for Atlantic treaty nations in with defense plans to be worked out by the 12 pact nations.

But Mr. Truman refused to give in on one of the principal arguments. He stuck by the original $1,450 000,000 figure which a number of Republicans want to cut in half.

Drafted by Secretary of State Acheson and approved by Secretary of Defense Johnson, the rewritten bill apparently made some headway in reducing objections. Although others remained, the administration was in a better position to drive for quick passage.

In the Senate, Chairman Connally (D.-Tex.) of the Foreign Relations committee introduced the revised measure and said there was a "fine reaction" to it in his commitee. He said it was a "vast improvement."

Senator Vandenberg (R.-Mich.), ranking Republican on the committee, said the bill had "substantially narrowed the area of controversy." Some of the objections were removed, he said, but some questions "are still wide open."

Vandenberg complimented the State and Defense departments for responding "so sympathetically to the serious disagreement on the scope of the original bill and the delegation of powers."

Cut Still Urged

In the House, some Republicans stuck to their criticism of the cost of the program while welcoming other changes in the bill. Rep. Vorys (R.-Ohio) said again "the whole thing has got to be reduced."

The administration's offer to do away with its proposal for sweeping presidential authority followed quickly after Mr. Truman's news conference statement yesterday that he wasn't wedded to the idea.

The original bill would have permitted him to send arms aid wherever he decided it would best serve the national interest. It was argued that the changing international picture required flexibility in the program. The bill did not state which nations would be aided.

Truman's Arms Powers Shorn In New Bill

Washington, Aug. 5 (AP)—The Administration sent to Congress today a new arms-for-Europe bill shorn of provisions giving President Truman power to decide when and where aid should be given.

The new measure, submitted to the House and the Senate, named specifically the countries to be aided under the $1,450,000,000 program.

It made no change, however, in cost of the proposed program. The proposed outlay has been criticized sharply by both Republicans and Democrats in Congress.

The rewritten measure was submitted to the Senate by Chairman Connally (D., Texas) of the Foreign Relations Committee, and to the House by Chairman Kee (D., W.Va.) of the Foreign Affairs Committee.

DAY

Drafted By Acheson

Connally told reporters the new bill was drafted by Secretary of State Acheson and has the approval of Secretary of Defense Johnson. Connally disclosed the changes after members of his committee and the Senate Armed Services Committee had met with Acheson and Johnson.

Mr. Truman told a news conference yesterday that he did not care whether he gets authority which critics had claimed would have empowered him to give military aid to any country in the world under almost unlimited conditions.

He did make a fresh demand for the full amount of money asked, however.

AUG 6 1949

Eligible Nations Named

The revamped bill spells out that rearmament assistance should be given to the nations which have signed the North Atlantic pact, to Greece and Turkey, Iran, Korea and the Philippines.

There was no provision left, as in the original bill, to permit the President to extend aid to any other nation he believed required help in the interest of United States security.

In separate statements to the committee, the American Ambassadors to France, Italy and Norway joined in urging Congress to approve the bill.

Stress Weapons Need

They stressed that the French, Italian and Norwegian armed forces critically need modern American military equipment if they are to have a sense of security against Communist threats.

David K. Bruce, the American envoy to France, said that the French Army is "not now capable of even a delaying action of consequence against a well equipped and aggressive enemy intent on conquest."

Dunn's Plea

The American Ambassador to Italy, James Dunn, told of Italians' sense of insecurity b upon the ruthless character aggressive tactics of totalitar elements within Italy itself."

The United States envoy to N way, Charles Ulrich Bay, said No way is determined to arm, but that if she had to do it alone it would place "an intolerable burden on people who already are among the most heavily taxed of all democracies."

Connally said he is confident the new bill can be passed in this session in its present form. He pictured it as wiping out the main objection of critics to the earlier measure.

On the House side, however, some Republican members of the Foreign Affairs Committee, while welcoming the elimination of broad powers proposed for the President, repeated their criticism of the cost.

Senate Backs Move to Halt German Plant Dismantling

WASHINGTON, Aug. 5 — (AP) The Senate backed a move today toward halting the dismantling of 365 industrial plants in Germany.

An amendment was tacked onto the foreign aid appropriation bill authorizing government officials to seek a second review of plant dismantling and destruction.

By voice vote and without dissent the Senate approved a technical amendment extending the authority of Economic Cooperation Administrator Paul Hoffman to review the issue. This authority was given to him last year.

NIGA

159 Plants Saved

In the first review, a committee of industrialists named by Hoffman made recommendations which enabled the State department to save 159 plants from the scrap heap—or from being moved into other countries as war reparations. But a group of senators led by Senator Bridges (R-NH) and Senator McKellar (D-Tenn) wants a further review.

Bridges told the Senate: "Today, four years after V-E day, the dismantling of German factories is still going forward and the tearing down of some of the biggest and best, from the point of view of European production is just being started."

On the basis of allied decisions after the war, Bridges said, it was decided that 914 German plants in Western Germany should be dismantled and made available for reparations.

Then the Marshall Plan came into being and Congress wrote into the ECA a section instructing Hoffman to ask the secretary of state "to obtain the agreement of those countries concerned that such capital equipment as is scheduled for removal as reparations from the three western zones of Germany be retained in Germany if such retention will most effectively serve the purposes of the European recovery program."

Britain, France Agreed

On this authority, agreement was reached with Britain and France to save 159 of the plants.

Bridges said 365 plants remain which have not been allocated to any country. He added "these are to be torn down, regardless of when or where they may be re-erected."

There are some important plants still untouched, Bridges said, and in others the machinery still is intact even though dismantling is underway.

Since most of them are not yet scheduled for delivery to any country, Bridges argued, there would be no upset in the economies of allied nations if the machinery remained in Germany.

"It certainly would be my hope, desire and expectation," he said, that the administrator would immediately review this whole situation and would see whether at this particular time some of these plants which are scheduled for dismantling x x x might be salvaged."

Acheson In Dark On Stalin's 'Price'

NIGHT

Washington, Aug. 5 (AP)—Dean Acheson, Secretary of State, said today he had never heard of a purported conversation between a high Russian official and an American business man in which Premier Stalin's peace price is supposed to have been set forth.

Acheson further told his news conference he did not put much reliance in the story. It was related in a magazine, the *United Nations World*, a private publication.

Department officials said the terms described had never been transmitted officially.

The talk involved Andrei A. Gromyko, Soviet Deputy Foreign Minister, and an unnamed American last summer, the article said. Gromyko is reported to have said that Stalin was distrustful of the United States and specific United States actions would be necessary to change his views.

These included, according to the article, (1) formally stating in a treaty the two countries' commitments at Yalta and Potsdam, (2) four-power unanimity on Germany, (3) Western generosity toward reparations for Russia, (4) an end to United States and British support of "Fascist and Hitlerite elements," and (5) a $2,000,000,000 loan to stimulate normal trade relations, eliminating alleged discriminatory trade practices by the United States.

Officials Term Stalin's Plan 'Old Stuff'

Washington, Aug. 5 (AP)—State Department officials said today they never heard of a five-point "price for peace" by Generalissimo Stalin until they read reports of an article published in a private magazine in New York.

The current issue of the magazine, the *United Nations World*, carries a summary of a talk said to have been held last summer by Soviet Deputy Foreign Minister Andrei A. Gromyko with a "top-ranking American business man."

Switch From Friendly Attitude

Gromyko, the article said, told the business man that Stalin had switched from a friendly attitude toward the United States to one of distrust and that his view be changed now only by specific actions on the part of the United States.

At a news conference, Secretary of State Acheson was asked whether he would say anything about the article.

Acheson Knew Of Story

He replied that he knew of the story but he had never heard of any such conversation and was not inclined to place much reliance on it.

Stalin's "price of peace," according to the article, as set forth by Gromyko, included:

1. A treaty between the United States and the U.S.S.R. formalizing the commitments of both countries as set forth in the Yalta and Potsdam documents.

Wants German Agreement

2. Four-power unanimity on all questions concerning Germany.

3. Western generosity on reparations for the U.S.S.R.

4. Immediate cessation of the U.S.-U.K. (United Kingdom) support of "subversive Fascist and Hitlerite elements."

5. Elimination of all alleged discriminatory trade practices on the part of the United States and resumption of normal trade relations, stimulated by a $2,000,000,000 loan on terms similar to those of the United States loan to Britain in 1946.

State Department officials said that, aside from the $2,000,000,000 loan, these points are largely a restatement of known foreign policy.

Some diplomats said that in terms of the issues in the cold war what the "price" amounts to is simply a suggestion that the Western powers surrender to Russia, accepting a Russian zone of influence in eastern Europe and giving the Soviets once more a stranglehold on the affairs of all Germany.

Once Wanted 6 Billions

As for the loan, State Department informants recall that at the end of the war the Russians wanted a $6,000,000,000 loan for Soviet trade and reconstruction.

But the paper was "lost" for several months by the Foreign Economic Administration. When it finally came to light—amid charges that it had been supressed by anti-Russian officials—the feeling of good will between Russia and the United States had worn too thin to make serious consideration of a loan possible.

State Department officials added that if this is Stalin's "price of peace," it never has been put forward in this form through official channels.

PRESIDENT NAMES VOORHEES AIDE TO ARMY SECRETARY

WASHINGTON, Aug. 5 (AP)—Tracy S. Voorhees, now assistant secretary of the Army was nominated by President Truman today for promotion to undersecretary.

Archibald S. Alexander of New Jersey was nominated for assistant secretary of the Army. Alexander was the unsuccessful Democratic candidate for Senator from New Jersey in the 1948 election.

Voorhees, 58, is a native of New Jersey but now lives in Brooklyn, N. Y.

NIGHT

N. Y. Native

Alexander, 43, is a native of New York, but now lives in Bernardsville, N. J.

Voorhees has been assistant secretary of the Army since June 18, 1948. A lawyer, he served during World War II as a colonel. Later he was special assistant to Secretary of War Robert P. Patterson. Voorhees took over the Army's occupation problems when William H. Draper resigned as undersecretary of the Army last February.

Served in Europe

During the war Alexander was personnel and executive officer for the services of supply for Australia. Later he served with the military intelligence service in western Europe and Africa.

Alexander's last overseas assignment was as chief of civilian supply for United States forces in the European theater. He returned to the private practice of law in New York city in 1945. In 1947, he made a special investigation for the Atomic Energy Commission on personnel practices and security.

His wife is the former Jean S. Sears of Boston. They have five children.

ARMED FORCES MAY ASK DRAFT ACT EXTENSION

Request Of Congress Being Considered As 'Insurance Policy'

Washington, Aug. 5 (AP)—The National Military Establishment today considered whether to ask for extension of the draft act, in view of army sentiment for an "insurance policy" against sudden war.

NIGHT

The Senate Armed Services Committee has announced the act probably will be allowed to die next June unless defense leaders then anticipate an emergency.

But Lieut. Gen. E. H. Brooks, army personnel director, said today the ground forces want the law kept on the books to permit swift mobilization in case of attack.

No Stand By Navy, Air Force

The Navy and Air Force have not yet taken a stand. They have been able to maintain full strength by voluntary enlistments, but the Army is 20,000 to 30,000 under the 667,000-man strength allowed in the pending budget.

The National Military Establishment announced the joint chiefs of staff will explore the problem thoroughly before requesting an extension of Congress.

Brooks said the Army does not plan to issue a draft call in the immediate future and will not use the Selective Service Act if strength can be maintained by volunteers. A pickup in recruiting is expected.

Should Be Kept On Books

"But we still feel that it should be kept on the books, like money in the bank for use in case of emergency," Brooks said.

If a war crisis broke suddenly, he explained, Congress might be unable to pass a new law in time to cope with it. In any case, he estimated, 60 to 90 days would be required to get new draft machinery into operation.

"A month's delay might be tragic," he said.

AEC AIDES HIT FBI CHECK RULE

WASHINGTON, Aug. 5—(AP) Top rank advisers to the Atomic Energy Commission said today that to require FBI clearance of all who hold atomic fellowships would do more harm than an occasional communist sneaking into the study program.

The statement of the AEC General Advisory committee was aimed at a Senate proposal to insist on an FBI checkup of all recommended for such research scholarships.

A checkup on those handling secrets is necessary in these times, the advisers said, but it is unwise and unnecessary to extend "counter espionage methods" to holders of fellowships who will not have access to confidential information.

NIGHT

"We are horrified by the prospects of moving this whole semi-police apparatus into the realm of youth," the statement added.

"We believe that the reputation of many young people of the country might be adversely impaired by rumors growing out of such a system of investigation of prospective fellowship holders."

"An atmosphere of suspicion and uncertainty is likely to be generated" as the FBI questions the candidates' friends in schools and communities, they said. (AEC)

Refugee Problem Called Dangerous

Washington, Aug. 5 (AP)—Senators were told today that one phase of the European refugee problem "may well constitute the dynamite cap for a future explosion endangering the peace of the world."

The statement was made to a Senate Judiciary subcommittee by J. H. Meyer, representing the Steuben Society of America, with headquarters in New York.

The subcommittee, headed by Senator McCarran (D., Nev.), is studying bills to revise the displaced persons law enacted by the last Congress.

Wants Law Changed

Meyer urged that the law be changed to permit 50,000 so-called "expellees" of German extraction to enter the United States in each of the next five years. He said only 13,685 a year can be admitted under the present law.

Meyer estimated that 12,000,000 persons of German origin were forced back into Germany after the war.

Most of the expellees have been unable to find jobs, Meyer said, in Germany and are "beginning to get desperate."

Warns Of Danger

He added:

"Unless conditions are rectified, this expellee problem may well constitute the dynamite cap for a future explosion endangering the peace of the world.

"Where people who are poor, underfed and desperate live too close together they are liable to engage in revolutionary warlike talk—followed sooner or later by warlike acts."

Senators Pledge War-Contracts Fraud Probe

Washington, Aug. 5 (AP)—Aroused senators today pledged a broad investigation into charges of World War II contract scandals involving army officers, government personnel and civilian contractors.

Comptroller General Lindsay Warren's report that fraud and waste in wartime contracting had cost American taxpayers millions of dollars brought a promise of action from both Chairman McClellan (D., Ark.) and Senator Hoey (D., N.C.) of the Expenditures Committee.

DAY

Data Dug Up By Norton

[Editor's Note—The Government Accounting Office in Washington has revealed that much of the information concerning fraud and possible bribery of army officers which was included in the agency's report to Congress was unearthed by Howard Norton, of the Washington Bureau of *The Sun*.

[The material was turned over to the GAO by Mr. Norton more than a year ago.]

Hoey, who heads a special investigating subcommittee, left no doubt that the group would probe Warren's charges.

Only A Sample Of Losses

In his report to Congress yesterday, the Government official said his audits of about $1,165,000,000 in contract settlements to date showed irregularities amounting to more than $11,500,000.

30.24- 4837

And Warren noted that this was only a "small sampling" of the total contract settlements made by Government agencies.

Warren said that $2,340,000 was lost through "improper and excessive" payments in 388 settlements —one out of every 24 examined. He added that $474,717 had been refunded "voluntarily" by the contractors at the "invitation" of the general accounting office.

Many "Induced By Fraud"

Improper payments "induced by fraud," Warren said, amounted to more than $6,280,000, of which only $107,882 had been recovered. He gave Congress a closer view of some of the 472 settlements in which he said fraud was involved.

Among them was an account of the award of contracts in the New York city area for technical manuals based on "fraud, collusion and/or bribery on the part of certain Government personnel (military and civilian) and others."

These involved what Warren called a "feathering of nests" by army officers and employés of the Government, who later were hired by the contractors.

Warren reported that investigation turned up one scheme whereby twenty per cent of the contract price was to be "kicked back."

Errors "Never Favor U.S."

Warren said that in addition to the fraud cases already certified to the Justice Department, the general accounting office has under study 75 other settlements involving more than $700,000.

"No case has been called to my attention," he noted acidly, "in which the settlement resulted in an underpayment to the contractor. In other words, all errors or inaccuracies were in the contractor's favor—not the Government's."

The comptroller general divided the blame for the situation between the 1944 Contract Settlement Act and the agencies involved in making the settlements.

FIVE PCT. PROBERS HEAR TESTIMONY OF 3 BUSINESSMEN

WASHINGTON, Aug. 5 (AP)—The Senate's "five per cent" investigators today took private testimony from three Detroit businessmen on defense contract dealings with John Maragon.

Maragon is the former bootblack who hit Washington's big-time, and now figures in the special committee's inquiry on go-betweens who take fees for helping companies get federal contracts.

Identifying the Detroiters as officials of Austin Metal Products, inc., Chairman Hoey (D-NC) told reporters their 90-minute testimony indicates Maragon "was not paid anything."

Entitled to Contracts

The company, he added, was "clearly entitled" to the $280,000 contract it got from the Army after asking Maragon to help them get it.

Hoey announced that secretary of defense Johnson will be the first witness on Monday, when the probe emerges from behind closed doors and becomes a full-dress hearing.

Johnson is expected to pledge his aid in ridding Washington of "five percenters." He has denounced them before business groups, and has declared no business man needs a middleman in talking to the armed forces.

Right after Johnson will come Paul B. Grindle, whose published accusations inspired the inquiry. He charged that James V. Hunt, Washington management counselor, offered for $1,000 to help him get contracts through Hunt's "influence" with certain officials. Hunt denies trying to sell influence.

The day brought these other developments:

1. The committee got from the State department records on transactions involving Maragon. The files reportedly were from the office which handled liquidation of government surpluses abroad.

2. Chairman Hebert (D-La) of a House Armed Services subcommittee announced his committee has found nothing to link army officers with any irregularities in the procurement of uniforms.

Gray Testifies

Rep. Hebert so informed reporters after hearing Armq Sec. Gordon Gray in closed session. Testimony was taken also from Stanley J. Cummings, executive secretary of the National Association of Uniform Manufacturers, Inc., New York.

Earlier, Hebert had quoted Cummings as stating that Hunt had offered—for $25,000—to try to get Maj. Gen. Herman Feldman to withdraw a pending order which would have put the Army into the business of making officers' uniforms.

General Feldman, the Army quartermaster general, was suspended last month along with Maj. Gen. Alden Waitt, chief of the Chemical corps, after a military inquiry into "five per cent" practices.

When today's session broke up, Hebert told reporters Cummings testified emphatically he had no information indicating wrong-doing by any officer. A newsman asked: "The suspension of Feldman has nothing to do with this uniform case?"

Hebert replied, without elaboration: "You could make your own deduction. That question answers itself." He did not divulge Secretary Gray's testimony.

Close of Case Near

The subcommittee will take no more testimony on uniforms and next week will "close out the case, I hope," Hebert said. The committee's primary aim is to determine whether the Army should go ahead with plans to buy textiles, have uniforms made under contract with various companies, and then sell them to officers.

The Detroit trio was questioned this afternoon on "transactions in which John Maragon participated," Senator Hoey told newsmen.

The men are Nicholas K. P'Sachos, termed by Hoey the "most important member" of the auto parts manufacturing company; Edgar Roger Snyder, vice president and general manager, and Harold Freedman, treasurer.

The Senator said the company was low bidder on the Army contract last spring. A delay developed in getting the $280,000 award, though the sum was well below the bid of General Motors, the only other candidate. P'Sachos was quoted as saying he then went to Maragon, a friend of twenty years' standing, to see what he could do.

The senator did not comment on what, if anything, Maragon was able to do. "Apparently the whole thing was on a basis of friendship," Hoey added.

The matter will be investigated further, he said, but the Detroit group will not be recalled. They came in response to subpenas.

(AP)

MOTHER HALTS GI INSURANCE IN UTAH FIGHT

VA Cuts Off Checks For Woman Jailed For Defying Court

Washington, Aug. 5 (AP)—The Veterans Administration said today that on instructions from Mrs. Nettie W. Capps, of Bountiful, Utah, it has stopped life insurance benefit payments to her from a policy left by her son, who died in World War II.

A VA official said the agency holds that she alone is entitled to payments and it will wait for instructions from her before sending out any more checks.

Mrs. Capps entered the Salt Lake county jail this week to start serving a 30-day sentence rather than obey a court order she considered unjust. She has been involved in litigation over benefits of the $10,000 veteran's policy.

Son's Widow Sues For Money

The Australian widow of Mrs. Capps's son, who had been estranged from her service husband before his death, sued for the money for their children.

The court ruled that the serviceman's mother be designated the trustee of the funds for the benefit of the children, rather than continue as the beneficiary. Mrs. Capps refused to act as trustee. The First Security Trust Company in Utah then was designated trustee.

Ray Van Cott, Jr., Utah district judge, ordered Mrs. Capps to accept the $53 monthly checks from the Veterans Administration, indorse them and turn them over to the designated trustee. Mrs. Capps refused.

The VA in Utah agreed with her that she is the sole beneficiary and should be the only recipient of the checks.

Authorities here said Mrs. Capps already has had to mortgage her home to meet a court order to pay $1,500 in attorney fees and to cover the expense of an airplane trip to Washington in which she appealed to VA and Justice Department officials.

State Court Upheld

They said Mrs. Capps said she had been seeing to it that her son's children got money.

Government workers familiar with the matter here expressed the opinion the case should have been transferred from the State court to the Federal court at the outset.

However, the United States District Court now has decided that while the Veterans Administration has complete jurisdiction over payment of Federal funds to Mrs. Capps, the Utah court has jurisdiction over the woman herself and can require her to transfer the money at its order.

Concerning the court order that she indorse and deliver the checks each month to the trustee, Mrs. Capps was quoted as saying in Salt Lake City:

"My son died that we might be free, and I don't think I can be forced to pack those checks to a trust any more than I can be made to scrub the steps of the trust they set up. That would be slave labor . . . enforced labor, and in America that doesn't exist."

The Justice Department said, meanwhile, the appeal period in the case has passed and there was nothing further it could do.

It said the solicitor general also had determined there would be no appeal.

Red Denies U.S. 'Sabotage' Plan

New York, Aug. 5 (AP)—A defense witness in the Communist conspiracy trial today denied Government testimony that American Communists planned "to sabotage the war effort" in a conflict between the United States and Russia.

Robert Manewitz, of St. Louis, the witness, contradicted several statements made by Thomas A. Younglove, also of St. Louis, an FBI informant who took the stand for the prosecution.

Younglove said that Ralph Shaw, Missouri State Communist chairman, told a St. Louis party meeting that "a personal representative of Stalin" was present at a session of the party national committee in New York.

Underground Plan Told

The FBI undercover man also testified that Shaw quoted the representative as saying that "war is near and if it comes we must be prepared to go underground."

Shaw also stated, "if war comes, we will do all we can as party members to sabotage the war effort," Younglove said.

Manewitz, 32-year-old member of the party's State board and tSate committee in Missouri, declared Shaw "did not say any of these things."

Party Aim

"I said," Manewitz testified, "that the main aim of the party was to show the majority of the working class that capitalism, with its dog-eat-dog existence, could not serve the welfare of the people and that therefore there was a need for realizing that only socialism could bring about a true democracy and a secure world and America. I said that the majority of the American working class had to be convinced of this."

(AP)

MIGHT LEAD WEDEMEYER

BY JOHN SCALI

WASHINGTON,AUG.5-(AP)-LT.GEN.ALBERT C.WEDEMEYER TWO YEARS AGO URGED PRESIDENT TRUMAN TO SPONSOR A HUGE NEW AID PROGRAM FOR NATIONALIST CHINA PROVIDED THAT GENERALISSIMO CHIANG KAI CHEK FIRST AGREED TO SWEEPING REFORMS IN HIS REGIME.

WEDEMEYER PROPOSED THAT THE AID PROGRAM SHOULD LAST AT LEAST FIVE YEARS IN ORDER TO DEFEAT RUSSIA'S "AMBITIOUS AND DANGEROUS" PLANS FOR EXPANSION IN THE FAR EAST.

WEDEMEYER RECOMMENDED THAT THE PRESIDENT SET THE NEW CHINA POLICY IN MOTION BY ASKING CHINA TO APPEAL TO THE UNITED NATIONS TO SET UP A FIVE-NATION "GUARDIANSHIP" OR TRUSTEESHIP OVER MANCHURIA, THE RICH INDUSTRIAL PROVINCE THEN ALMOST ENTIRELY UNDER COMMUNIST CONTROL.

THE ARMY GENERAL'S CONFIDENTIAL REPORT, BRISTLING WITH CRITICISM OF RUSSIA, WAS GIVEN TO THE PRESIDENT SEPT.19, 1947 AFTER A TWO-MONTH SURVEY IN THE FAR EAST AS THE HEAD OF A SPECIAL INVESTIGATING MISSION.

IT WAS MADE PUBLIC TODAY AS PART OF THE 1,054 PAGE WHITE PAPER ON CHINA.

WEDEMEYER FRANKLY ACKNOWLEDGED THERE WAS SHOCKING EVIDENCE OF CORRUPTION AND INCOMPETENCE IN THE NATIONALIST GOVERNMENT AND ARMY BUT HE TOLD THE PRESIDENT:

"CONTINUED DETERIORATION OF THE SITUATION MAY RESULT IN ESTABLISHMENT OF A SOVIET SATELLITE GOVERNMENT IN MANCHURIA AND ULTIMATELY IN A COMMUNIST-DOMINATED CHINA WHICH WOULD BE INIMICABLE TO THE UNITED STATES' INTERESTS."

THE PRESIDENT AND THE STATE DEPARTMENT APPARENTLY DISREGARDED WEDEMEYER'S RECOMMENDATIONS. FORMER SECRETARY OF STATE MARSHALL SUPPRESSED THE REPORT, WITH THE PRESIDENT'S APPROVAL, ON THE GROUND THAT PUBLICATION WOULD BE "ACTUALLY HARMFUL" TO UNITED STATES RELATIONS WITH CHINA.

IN MAKING THE REPORT PUBLIC, SECRETARY OF STATE ACHESON GAVE THIS REASON FOR THE PAST SECRECY:

"IT WAS DECIDED THAT THE PUBLICATION AT THAT TIME OFVA SUGGESTION FOR THE ALIENATION OF A PART OF CHINA FROM THE CONTROL OF THE NATIONAL GOVERNMENT AND FOR PLACING THAT PART UNDER AN INTERNATIONAL ADMINISTRATION TO INCLUDE SOVIET RUSSIA, WOULD NOT BE HELPFUL."

WEDEMEYER HAD PROPOSED THAT RUSSIA SIT ON THE SUGGESTED FIVE-NATION GUARDIANSHIP COMMISSION ALONG WITH THE UNITED STATES, BRITAIN, FRANCE, AND CHINA.

A22WX

WEDEMEYER'S REPORT DID NOT ESTIMATE THE COST OF THE NEW PROGRAM HE PROPOSED FOR HELPING NATIONALIST CHINA. IT IS KNOWN, HOWEVER, THAT HE FAVORED SENDING AN ADDITIONAL $500,000,000 A YEAR IN MILITARY SUPPLIES.

WEDEMEYER LAID DOWN FIVE MAIN CONDITIONS FOR ADDED AMERICAN MILITARY AND ECONOMIC HELP FOR THE NATIONALISTS:

1. THAT CHINA INFORM THE UNITED NATIONS PROMPTLY OF HER REQUEST TO THE UNITED STATES FOR "INCREASED MATERIAL AND ADVISORY ASSISTANCE;"

2. THAT CHINA REQUEST THE UNITED NATIONS TO ARRANGE AN IMMEDIATE TRUCE IN MANCHURIA AS A PRELIMINARY TO SETTING UP A FIVE-POWER GUARDIANSHIP, OR A TRUSTEESHIP.

3. THAT CHINA MAKE EFFECTIVE USE OF HER OWN RESOURCES IN DEVELOPING A PROGRAM FOR ECONOMIC RECONSTRUCTION AND THAT SHE PURSUE "SOUND FISCAL POLICIES."

4. THAT CHINA GIVE "CONTINUING EVIDENCE THAT URGENTLY REQUIRED POLITICAL AND MILITARY REFORMS" ARE BEING CARRIED OUT.

5. THAT CHINA ACCEPT AMERICAN ADVISERS IN MILITARY AND ECONOMIC FIELDS.

THE GENERAL DREW THIS OMINOUS PICTURE OF WHAT A COMMUNIST-HELD CHINA WOULD MEAN FOR THE UNITED STATES IN THE EVENT OF WAR:

"OUR OWN AIR AND NAVAL BASES IN JAPAN, RYUKYUS (ISLANDS) AND THE PHILIPPINES WOULD BE SUBJECT TO RELATIVELY SHORT-RANGE NEUTRALIZING AIR ATTACKS.

"IT WOULD RESULT IN DENYING US IMPORTANT AIR BASES FOR USE AS STAGING AREAS FOR BOMBING ATTACKS AS WELL AS IMPORTANT NAVAL BASES ALONG THE CHINA COAST.

"ITS CONTROL BY THE SOVIET UNION OR A REGIME FRIENDLY TO THE SOVIET UNION WOULD MAKE AVAILABLE FOR HOSTILE USE A NUMBER OF WARM WATER PORTS AND AIR BASES."

WEDEMEYER MADE IT PLAIN THAT IT WAS MAINLY THESE LONG-RANGE MILITARY CONSIDERATIONS WHICH LED HIM TO THE CONCLUSION THAT THE UNITED STATES SHOULD EXPAND ITS AID--IF CHIANG ACCEPTED THE CONDITIONS--EVEN AT THE RISK OF A THIRD WORLD WAR.

HE SAID IT WAS POSSIBLE THAT RUSSIA WOULD RETALIATE BY INCREASING ITS AID TO THE CHINESE COMMUNISTS--PERHAPS EVEN OPENLY. BUT WEDEMEYER THOUGHT IT WAS MORE LIKELY THAT THE SOVIETS WOULD CONTINUE TO HELP THE COMMUNISTS SECRETLY.

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MIGHT LEAD CHINA REACTION

WASHINGTON,AUG.5-(AP)-A BIG CHUNK OF CONGRESSIONAL OPINION TODAY OPPOSED SECRETARY OF STATE ACHESON'S PROPOSAL TO ABANDON DIRECT AID TO CHINA IN THE FACE OF COMMUNIST CONQUEST.

CRITICISM OF THE WHITE PAPER SENT BY ACHESON TO PRESIDENT TRUMAN TODAY CROSSED PARTY LINES. ONE DEMOCRATIC CONGRESSMAN CALLED IT AN "ALIBI" FOR AMERICAN FAILURE.

A DEMOCRATIC SENATOR, PAT MCCARRAN OF NEVADA, FORECAST THAT ACHESON'S PROPOSED POLICY OF GIVING ONLY ARM'S-LENGTH ENCOURAGEMENT TO INTERNAL CHINESE RESISTANCE WOULD BRING ALL ASIA UNDER COMMUNIST CONTROL "IN A SHORT TIME."

REPUBLICANS WERE ALMOST UNANIMOUSLY CRITICAL, BUT THE STATE DEPARTMENT COURSE WAS DEFENDED BY SOME DEMOCRATS WHO SAW IT AS THE ONLY "REALISTIC" ONE TO FOLLOW. SAID SENATOR JOHNSON (D-COLO):

"TO INTERVENE IN THE CIVIL WAR IN CHINA WOULD BE RECKLESS BEYOND DESCRIPTION. THE STATE DEPARTMENT IN THIS INSTANCE IS BEING REALISTIC AND SENSIBLE."

SENATOR TYDINGS (D-MD), CHAIRMAN OF THE ARMED SERVICES COMMITTEE, THOUGHT THE DEPARTMENT IS "REALISTICALLY AIMED IN THE RIGHT DIRECTION."

THE REPUBLICAN REACTION RANGED FROM REGRET TO ANGRY DENUNCIATION. MINORITY LEADER MARTIN (R-MASS.) SAID THE REPUBLICAN PARTY IS STUDYING THE REPORT AND MAY ISSUE A STATEMENT LATER.

SENATOR JOHN FOSTER DULLES (R-NY), FOREIGN POLICY ADVISER TO GOVERNOR THOMAS DEWEY IN THE LATTER'S BID FOR THE PRESIDENCY, SAW IN THE PAPER AN ATTEMPT "TO EXPLAIN AND EXCUSE PAST FAILURES."

"FORTUNATELY THE STATE DEPARTMENT IS SEEKING A NEW POLICY AND I VERY MUCH HOPE IT SUCCEEDS," HE SAID.

MORE AFFIRMATIVE ACTION WAS DEMANDED BY SENATOR WHERRY (R-NEB), REPUBLICAN FLOOR LEADER. HIS STATEMENT DECLARED:

"I CAN'T AGREE TO WRITING OFF NATIONALIST CHINA. I CAN'T SEE WHY WE LOCK THE FRONT DOOR AGAINST COMMUNISM IN EUROPE AND LEAVE THE BACK DOOR OPEN IN CHINA."

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THERE WAS NO SIGN, MOREOVER, THAT THE PAPER'S STEP-BY-STEP RECITAL OF FAILURES OF NATIONALIST GOVERNMENT LEADERS WOULD DETER A NEW SENATE MOVE TO CUT CHINA IN FOR PART OF THE $1,450,000,000 FOREIGN MILITARY AID PROGRAM. CHINA WOULD GET $175,000,000 AND ADVICE FROM A U.S.MISSION ON HOW TO USE IT.

SENATOR KNOWLAND (R-CALIF), WHO LED 11 SENATORS IN MAKING THAT PROPOSAL YESTERDAY, SAID THE WHITE PAPER PROVED THAT THIS GOVERNMENT TRIED TO "ENCOURAGE, INDUCE OR COMPEL THE INCLUSION OF COMMUNISTS INTO THE GOVERNMENT OF CHINA."

"IT IS TO THE EVERLASTING CREDIT OF GENERALISSIMO CHIANG KAI-SHEK THAT HE STOOD THEN AS HE STANDS TODAY--UNCOMPROMISINGLY AGAINST THIS TIE-UP WITH INTERNATIONAL COMMUNISM."

REP.JOHN DAVIS LODGE (R-CONN) OBSERVED: "APPARENTLY THE ADMINISTRATION WOULD RATHER LOSE A CONTINENT THAN LOSE A LITTLE FACE."

THIS NOTE WAS STRUCK ALSO BY REP.COX (D-GA). HE CALLED THE WHITE PAPER A "FACE-SAVING DEVICE" AND AN "ALIBI."

FURTHER COMMENT INCLUDED:

SENATOR MAGNUSON (D-WASH): "I DISAGREE WITH SECRETARY ACHESON THAT WE SHOULD ABANDON ALL MILITARY AND ECONOMIC AID TO NATIONALIST CHINA. I THINK THAT IF SOME PERSONALITIES WERE ELIM

THAT WE SHOULD ABANDON ALL MILITARY AND ECONOMIC AID TO NATIONALIST CHINA. I THINK THAT IF SOME PERSONALITIES WERE ELIMINATED, THE NATIONALIST GOVERNMENT WOULD FURNISH A FRAMEWORK AROUND WHICH COULD BE RALLIED ANTI-COMMUNIST SUPPORT."

REP.JUDD (R-MINN): "MY FIRST IMPRESSION X X X IS THAT ON BALANCE CHINA'S RECORD IS NOT AS BAD AS EXPECTED WHILE THAT OF THE AMERICAN GOVERNMENT IS WORSE. X X X CHINESE LEADERS UNDERSTOOD THE NATURE, THE OBJECTIVES, THE METHODS AND THE INSIDIOUS THREAT OF THE WORLD-WIDE COMMUNIST CONSPIRACY. THE WHITE PAPER IS A CONFESSION THAT THE LEADERS OF OUR GOVERNMENT POSSESSED NO SUCH UNDERSTANDING."

REP.CANNON (D-MO): "I HAVE THE GREATEST CONFIDENCE AND RESPECT FOR SECRETARY ACHESON. I WOULD SAY THAT APPARENTLY OUR ARMS HAVE BEEN WASTED."

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CHINA-FORMOSA

(ADVANCE) WASHINGTON, AUG.5-(AP)-THE UNITED STATES "WHITE PAPER" ON CHINA, OUT TODAY, EXPRESSES CONCERN ABOUT FORMOSA, HUGE ISLAND OFF THE CHINA COAST.

THE ISLAND WAS RESTORED TO CHINESE AUTHORITY FROM THE JAPANESE IN SEPTEMBER 1945. SINCE THEN THE ECONOMY HAS GONE DOWNHILL AND THE GOODWILL OF THE PEOPLE TOWARD CHINA HAS BEEN ALIENATED BY HARSH CHINESE MILITARY GOVERNMENT, THE DEPARTMENT SAID.

"IN SUMMARY," THE WHITE PAPER CONCLUDED, "THE VIEWS OF AMERICAN OFFICIALS HAVE BEEN THAT THE ISLAND IS BADLY AND INEFFICIENTLY RUN AT A TIME WHEN THE BEST POSSIBLE EFFORTS ARE NEEDED UNLESS DEVELOPMENTS ON THE MAIN LAND ARE SIMPLY TO BE TRANSFERRED TO FORMOSA."

THE UNITED STATES IS UNDERSTOOD TO CONSIDER FORMOSA AN ISLAND OF GREAT STRATEGIC IMPORTANCE IN THE WESTERN PACIFIC OCEAN.

(END ADVANCE FOR USE AT 10 A.M. EASTERN STANDARD TIME TODAY FRIDAY AUG.5)

CHINA-FIVE PRINCIPLES (220)

WASHINGTON, AUG.5-(AP)-SECRETARY OF STATE ACHESON TODAY ENUNCIATED THESE FIVE "BASIC PRINCIPLES" WHICH HE SAID SHOULD GOVERN U.S. POLICY TOWARD CHINA:

"1. THE UNITED STATES DESIRES TO ENCOURAGE IN EVERY FEASIBLE WAY THE DEVELOPMENT OF CHINA AS AN INDEPENDENT AND STABLE NATION ABLE TO PLAY A ROLE IN WORLD AFFAIRS SUITABLE FOR A GREAT AND FREE PEOPLE.

"2. THE UNITED STATES DESIRES TO SUPPORT THE CREATION IN CHINA OF ECONOMIC AND POLITICAL CONDITIONS WHICH WILL SAFEGUARD BASIC RIGHTS AND LIBERTIES AND PROGRESSIVELY DEVELOP THE ECONOMIC AND SOCIAL WELL-BEING OF ITS PEOPLE.

"3. THE UNITED STATES IS OPPOSED TO THE SUBJECTION OF CHINA TO ANY FOREIGN POWER, TO ANY REGIME ACTING IN THE INTEREST OF A FOREIGN POWER, AND TO THE DISMEMBERMENT OF CHINA BY ANY FOREIGN POWER, WHETHER BY OPEN OR CLANDESTINE MEANS.

"4. THE UNITED STATES WILL CONTINUE TO CONSULT WITH OTHER INTERESTED POWERS, IN THE LIGHT OF CONDITIONS IN THE COUNTRIES CONCERNED AND IN THE FAR EAST AS A WHOLE, ON MEASURES WHICH WILL CONTRIBUTED TO THE CONTINUING SECURITY AND WELFARE OF THE PEOPLES OF THAT AREA.

"5. THE UNITED STATES WILL ENCOURAGE AND SUPPORT EFFORTS OF THE UNITED NATIONS TO ACHIEVE THESE OBJECTIVES AND PARTICULARLY TO MAINTAIN PEACE AND SECURITY IN THE FAR EAST."

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(250) CHINA AID

WASHINGTON, AUG.5-(AP)-THE UNITED STATES HAS AUTHORIZED MORE THAN $3,523,000,000 WORTH OF AID FOR CHINA IN 12 YEARS--THE GREATEST PART SINCE V-J DAY, THE STATE DEPARTMENT SAID TODAY.

FORTY PER CENT OF IT WENT TO HELP CHINA FIGHT JAPAN BEGINNING IN 1937 WHEN HOSTILITIES BROKE OUT.

THE REST OF IT, AMOUNTING TO $2,007,700,000, HAS BEEN SET UP SINCE THE PACIFIC WAR ENDED. THIS INCLUDED HELP FOR REOCCUPYING LIBERATED AREAS, REPATRIATING JAPANESE, MEETING RELIEF NEEDS, SLOWING UP THE ECONOMIC COLLAPSE AND MILITARY AID, THE DEPARTMENT SAID IN ITS WHITE PAPER ON CHINA POLICY.

THE FIGURES COVERED $2,422,000,000 AUTHORIZED IN GRANTS AND $1,101,000,000 IN CREDITS. THEY DO NOT INCLUDE SOME OF THE SALES TO CHINA OF POSTWAR SURPLUS. NEITHER DO THEY TAKE IN THE U.S.SHARE OF AID GRANTED THROUGH SOME UNITED NATIONS RELIEF ORGANIZATIONS. THEY DO, HOWEVER, RECORD THE U.S.$474,000,000 SHARE OF UNRRA ASSISTANCE TO CHINA, $275,000,000 IN RECOVERY AID ADMINISTERED BY THE ECONOMIC COOPERATION ADMINISTRATION AND $46,400,000 IN DIRECT RELIEF.

THE SUMMARY DOES NOT INCLUDE THE COST OF 6,500 TONS OF AMMUNITION ABANDONED BY THE MARINES IN 1947 AND GIVEN TO CHINA. THE ESTIMATED COST WAS NOT AVAILABLE, THE DEPARTMENT SAID.

SURPLUS PROPERTY WHICH COST $1,078,100,000 WAS SOLD TO CHINA FOR $232,000,000--ABOUT HALF ON CREDIT, THE DEPARTMENT RELATED, IT ADDED: "THERE ARE NO AVAILABLE ESTIMATES OF THE FAIR VALUE OF THIS SURPLUS PROPERTY."

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(ADVANCE) WASHINGTON, AUG.5-(AP)-PRESIDENT TRUMAN DECIDED ON DECEMBER 30 LAST YEAR TO SHUT DOWN AMERICAN AID TO CHINA TO ANY AREA UNDER COMMUNIST CONTROL--EVEN CONTROL WHICH MIGHT BE EXERTED THROUGH A COALITION GOVERNMENT.

THIS IS DISCLOSED IN THE STATE DEPARTMENT'S CHINA "WHITE PAPER" WITH THE TEXT OF A MEMORANDUM BASED ON ORAL DIRECTIONS FROM THE PRESIDENT TO ACTING SECRETARY OF STATE ROBERT LOVETT. THE POLICY WAS REAFFIRMED AT A CABINET MEETING LAST JANUARY 14.

THE DOCUMENT ALSO SHOWS THAT LAST NOVEMBER 12 MR.TRUMAN TURNED DOWN A DIRECT APPEAL FROM GENERALISIMO CHIANG KAI-SHEK FOR INCREASED AMERICAN MILITARY ASSISTANCE.

THE MEMORANDUM OF THE PRESIDENT'S DECEMBER 30 DECISION SAYS:

"1. THAT THIS GOVERNMENT WOULD CONTINUE TO SUPPORT THROUGH THE IMPLEMENTATION OF THE CHINA AID ACT THE PRESENT CHINESE GOVERNMENT OR A LEGAL SUCCESSOR GOVERNMENT. HOWEVER, SHOULD A GOVERNMENT COME INTO POWER WHICH COMES TO TERMS WITH THE CHINESE COMMUNISTS, ALL AID SHOULD CEASE IRRESPECTIVE OF WHETHER THE COMMUNISTS ARE IN NUMERICAL ASCENDENCY OR NOT.

"2. WHEN THE CHINESE COMMUNISTS EITHER DIRECTLY OR INDIRECTLY THROUGH A COALITION GOVERNMENT TAKE CONTROL OVER ANY AREA, ALL ECA SUPPLIES ASHORE OR IN THE PROCESS OF BEING UNLOADED CAN BE DISTRIBUTED UNDER CONDITIONS SIMILAR TO THOSE NOW PREVAILING. HOWEVER, ECA SUPPLIES WHICH HAVE NOT YET REACHED SUCH PORTS SHOULD BE DIVERTED ELSEWHERE.

"3. THAT THE MILITARY SUPPLIES UNDER THE CHINA AID ACT SHOULD BE DELIVERED IN SO FAR AS POSSIBLE IN ACCORDANCE WITH THE ADVICE OF OUR MILITARY AUTHORITIES IN CHINA."

(END ADVANCE FOR USE AT 1[illegible] . EASTERN STANDARD TIME TODAY FRIDAY AUG.5)

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"WHITE PAPER"
BY ARTHUR EDSON (180)

WASHINGTON, AUG 5-(AP)-THE STATE DEPARTMENT TODAY PUT OUT A WHITE PAPER ON CHINA. BUT NOBODY SEEMS TO KNOW PRECISELY WHEN A WHITE PAPER BECOMES WHITE.

FURTHERMORE, IT USED TO BE BLUE.

A WHITE PAPER, THE STATE DEPARTMENT SAYS, IS A HANDY THOUGH UNOFFICIAL WAY OF REFERRING TO AN IMPORTANT STATEMENT ON FOREIGN AFFAIRS. USUALLY IT'S DOCUMENTED, AND USUALLY IT'S LONG.

BUT EXACTLY WHEN AN IMPORTANT PAPER BECOMES IMPORTANT ENOUGH TO BE CALLED A WHITE PAPER NO ONE CAN SAY.

THE LAST U.S. PAPER TO BE GIVEN THE NAME WAS A REPORT ON THE BERLIN REPORT, ISSUED A YEAR AGO. THIS WAS PUT OUT AFTER THE MOSCOW TALKS ON THE BERLIN SITUATION HAD BROKEN DOWN.

THE TERM WAS BORROWED FROM THE BRITISH.

THE BRITISH INFORMATION BUREAU SAYS THE BRITISH USED TO PUT OUT A BLUE BOOK WHEN THEY HAD IMPORTANT INFORMATION TO RELEASE. THE BUREAU LIBRARIAN SAID IT WAS SO CALLED BECAUSE THE REPORT HAD BLUE BACKS.

BUT BLUE PAPER BECAME SHORE, THE BRITISH CHANGED TO WHITE PAPER, AND THE NAME CHANGED, TOOM

NOW THE TERM, WHITE PAPER, SEEMS FIRMLY ESTABLISHED ON BOTH SIDES OF THE ATLANTIC.

THE LATEST WHITE PAPER PUT OUT BY THE BRITISH, THE LIBRARIAN SAID, WAS THE ROYAL COMMISSION REPORT ON THE BRITISH PRESS.

"IT HAD BLUE COVERS," THE LIBRARIAN SAID.

THE WHITE PAPER ISSUED BY THE STATE DEPARTMENT TODAY HAS PALE GRAY COVERS WITH BLUE TRIMMINGS. ITS TITLE, PRINTED IN BLUE INK, IS "UNITED STATES RELATIONS WITH CHINA."

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(CHINA ABSTRACT ADVANCE FOR USE AT 10 A.M., EASTERN STANDARD TIME, FRIDAY, AUG. 5--EDS: NOTE DATE)

BY JOHN M.HIGHTOWER

(ADVANCE)...WASHING.ON, AUG 5-(AP)-SECRETARY OF STATE ACHESON WROTE OFF CHINA'S NATIONALIST GOVERNMENT AS A TOTAL FAILURE BEFORE THE ONSLAUGHT OF COMMUNISM. HE CHARTED A NEW COURSE FOR AMERICA'S ANTI-COMMUNIST POLICY IN THE FAR EAST.

IN A BITINGLY CRITICAL "WHITE PAPER," INCLUDING THE LONG-SUPPRESSED WEDEMEYER REPORT, ACHESON TOLD PRESIDENT TRUMAN IN A LETTER THAT U.S. POLICY NOW MUST BE SHAPED TO "ENCOURAGE ALL DEVELOPMENTS" IN CHINA WHICH ARE AIMED AT THROWING OFF THE "FOREIGN YOKE" OF MOSCOW-DIRECTED COMMUNISM.

ACHESON SAID THE COMMUNIST REGIME SERVES THE INTERESTS "OF SOVIET RUSSIA." HE ADVISED THE PRESIDENT IT MAY "LEND ITSELF TO THE AIMS OF SOVIET RUSSIAN IMPERIALISM" TO START AN AGGRESSION AGAINST CHINA'S NEIGHBOR NATIONS.

IF THAT AGGRESSION COMES, ACHESON INDICATED THE UNITED STATES WOULD TRY TO BLOCK IT THROUGH THE UNITED NATIONS.

WHILE NOT ALL CHINA IS PRESENTLY UNDER THE RED BANNER, ACHESON SAID IN ANOTHER DOCUMENT OF THE WHITE PAPER, THE COMMUNISTS CAN TAKE OVER THE REST ANY TIME THEY WANT AND NATIONALIST ARMIES WILL BE POWERLESS TO RESIST. HE THUS ADVISED CHAIRMAN CONNALLY (D-TEXAS) OF THE SENATE FOREIGN RELATIONS COMMITTEE MARCH 15.

FOR THE "OMINOUS RESULT OF THE CHINESE CIVIL WAR," ACHESON PLACED FULL BLAME ON GENERALISSIMO CHIANG KAI SHE AND OTHER LEADERS OF THE CRUMBLING NATIONAL GOVERNMENT. HE SAID THEY "LOST NO BATTLES" IN THE LAST CRUCIAL YEAR FOR LACK OF AMERICAN WEAPONS.

THEIR FAILURES, HE SAID, WERE DUE TO LOSS OF POPULAR SUPPORT AND LOSS BY THE ARMIES OF THE WILL TO FIGHT. THE COMMUNISTS BATTLED WITH "FANATICAL ZEAL," ACHESON ADDED, BUT:" THE NATIONALIST ARMIES DID NOT HAVE TO BE DEFEATED; THEY DISINTEGRATED."

TO SUPPORT THE POSITION THAT CHINESE--NOT AMERICAN--LEADERS WERE TO BLAME FOR THE DIASTER, THE STATE DEPARTMENT INCLUDED AMONG THE UNVEILED STATE DOCUMENTS A SENSATIONAL LETTER FROM CHINA'S CURRENT ACTING PRESIDENT, GENERAL LI TSUNG-JEN.

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LI, WHO SUCCEEDED CHIANG KAI SHEK AS CHIEF OF STATE, WROTE PRESIDENT TRUMAN MAY 5,1949, THAT CHINA WAS BROUGHT TO ITS PRESENT PLIGHT BY THE FAILURE OF ITS PREVIOUS GOVERNMENT (CHIANG'S) TO MAKE "JUDICIOUS USE" OF AMERICAN AID AND TO PUT THROUGH "POLITICAL, ECONOMIC AND MILITARY REFORMS."

THE TWO-INCH THICK WHITE PAPER (OFFICIAL DIPLOMATIC RECORD) SPANNING MORE THAN A CENTURY, CONTAINS PROBABLY THE MOST SLASHING CRITICISM EVER ISSUED BY THE UNITED STATES AGAINST ANOTHER

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FRIENDLY GOVERNMENT, EVEN A DYING ONE. IT POURS OUT ALL THE KNOWN AND SECRET REASONS AND ARGUMENTS WHY THE TRUMAN ADMINISTRATION FOR MORE THAN A YEAR NOW HAS FOUGHT ALL DEMANDS IN CONGRESS FOR ANY MAJOR NEW CHINA AID PROGRAM.

EVEN THE TWO-YEAR-OLD REPORT OF LT. GENERAL ALBERT C.WEDEMEYER, MADE TO PRESIDENT TRUMAN IN 1947, IS DISCLOSED TO HAVE TEMPERED ITS PROPOSAL FOR CHINA AID WITH A BIG "IF." WEDEMEYER ADVOCATED A FIVE-YEAR AID PROGRAM BUT SAID CHIANG SHOULD UNDERTAKE DRASTIC REFORMS AND SHOULD PLACE MANCHURIA UNDER UNITED NATION'S TRUSTEESHIP TP KEEP THE COMUNISTS FROM TAKING OVER.

IT WAS THIS RECOMMENDATION REGARDING MANCHURIA, ACHESON SAID, WHICH CAUSED THE REPOR TO BE SUPPRESSED SO LONG. HE SAID THE SUGGESTION FOR ALIENATION OF CHINESE TERRITORY WOULD HAVE CAUSED TROUBLE WITH TV

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SUGGESTION FOR ALIENATION OF CHINESE TERRITORY WOULD HAVE CAUSED TROUBLE WITH THE NATIONALIST GOVERNMENT IF PUBLISHED AT THAT TIME.

ACHESON'S LETTER TO MR. TRUMAN FORMALLY PRESENTED HIM WITH THE "FRANK RECORD" OF AMERICAN-CHINESE RELATIONS FROM THEIR BEGINNING IN 1944 TO THE PRESENT. THE LETTER ITSELF CONSTITUTED A SUMMARY REVIEW OF THAT POLICY TOGETHER WITH A BRIEF HOPEFUL LOOK AT THE FUTURE. ACHESON ASSURED THE PRESIDENT THAT NO DOCUMENTS HAD BEEN LEFT OUT OF THE WHITE PAPER FOR THE PURPOSE OF AVOIDING CRITICISM.

THE FULL RECORD'S 1054 PAGES INCLUDE 409 PAGES OF A RUNNING ACCOUNT OF AMERICAN-CHINESE RELATIONS AND A TOTAL OF 186 "ANNEXES." WHICH ARE IN THE MAIN THE TEXTS OF PREVIOUSLY SECRET PAPERS. ROVING AMBASSADOR PHILIP C.JESSUP EDITED THE BOOK. NOW HE IS WORKING ON DETAILED DEVELOPMENT OF ACHESON'S NEW CHINA POLICY.

AMONG THE ANNEXES PERHAPS THE MOST IINTERESTING, BECAUSE IT HAS BEEN THE MOST PUBLICLY SUPPRESSED, IS THE MUCH-DEBATED WEDEMEYER REPORT.

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THE MOST PUBLICLY SUPPRESSED, IS THE MUCH-DEBATED WEDEMEYER REPORT.

THE FACT THAT THE DEPARTMENT FEELS IT NOW CAN BE RELEASED AFFORDS A CLUE TO THE PUBLICATION OF THE ENTIRE WHITE PAPER. MR.TRUMAN AND ACHESON EVIDENTLY HAVE DECIDED THAT CHINA'S NATIONALIST GOVERNMENT IS BEYOND THE POINT WHERE IT CAN BE HURT EVEN BY BITTER CRITICISM.

IN ADDITION THEY APPEAR TO BELIEVE THAT THE RECORD JUSTIFIES THEIR DECISION NOT TO UNDERTAKE ANY GREAT NEW AID PROGRAM TO THE CHINESE NATIONALISTS AND THEIR DETERMINATION TO BREAK WITH THE PAST, RELEASE THE FACTS AS THEY SEE THEM, AND LAY OUT NEW LINES OF ANTI-COMMUNIST DIPLOMACY IN THE FAR EAST.

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ABOUT WHAT CAN BE DONE, ACHESON SPOKE ONLY IN GENERAL TERMS. HE EXPRESSED THE BELIEF THAT "ULTIMATELY" THE CHINESE PEOPLE "WILL REASSERT THEMSELVES" AND CHINA "WILL THROW OFF THE FOREIGN YOKE." THE UNITED STATES, HE SAID, "SHOULD ENCOURAGE ALL DEVELOPMENTS IN CHINA WHICH NOW AND IN THE FUTURE WORK TOWARD THIS END."

ACHESON ADDED THAT WHAT THE U.S.CAN DO WILL DEPEND ON "THE DEGREE TO WHICH THE CHINESE PEOPLE COME TO RECOGNIZE THAT THE COMMUNIST REGIME SERVES NOT THEIR INTERESTS BUT THOSE OF SOVIET RUSSIA AND THE MANNER IN WHICH XXX THEY REACT TO THIS FOREIGN DOMINATION."

THE WHITE PAPER PRESENTS AMERICAN POLICIES AS STEMMING FROM A CONSISTENT EFFORT BY THIS GOVERNMENT TO MAKE CHINA A POLITICALLY STABLE POWER, PEACEFUL AND FREE OF FOREIGN DOMINATION. ACHESON DECLARED THAT THESE REMAIN AMERICAN OBJECTIVES.

THE REVIEW BRINGS OUT THAT VARIOUS MEANS WERE TRIED TO ACHIEVE THOSE OBJECTIVES IN THE PAST.

DURING THE WAR WITH JAPAN, WHEN PRESIDENT ROOSEVELT WAS CONCERNED TO KEEP ALL CHINA IN THE FIGHT, HE TRIED TO GET GENERALISSIMO CHIANG TO NAME THE LATE GENERAL JOSEPH W.STILWELL AS COMMANDER IN CHIEF OF CHINESE AND AMERICAN FORCES. THE IDEA WAS TO UNIFY CHINESE ARMED FORCES UNDER A "NEUTRAL." CHIANG AGREED IN PRINCIPLE BUT NEVER DID ANYTHING ABOUT IT.

CHIANG AND STILWELL FELL OUT AND STILWELL WAS CALLED HOME. IN A REPORT TO THE WAR DEPARTMENT, PUBLISHED IN THE WHITE PAPER, HE BLASTED BOTH CHIANG AND U.S. GOVERNMENT DIPLOMACY.

CHIANG, HE SAID, SOUGHT TO "DOMINATE RATHER THAN UNIFY AND LEAD" CHINA IN THE FACE OF THE JAPANESE OFFENSIVE. THE UNITED STATES, HE SAID, FAILED BY ITS "GENIAL PARENTAL ADMONISHMENTS" TO FORCE CHIANG INTO UNITY.

AMBASSADOR PATRICK J.HURLEY NEXT TOOK UP THE TASK. HIS MISSION SPANNED THE TRANSITION PERIOD AT THE WAR'S END (1944-45). AMERICAN POLICY STILL EMPHASIZED UNITY OF THE COMMUNISTS WITHIN A CHINA LED BY CHIANG.

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HURLEY WENT TO MOSCOW AND CONFERRED WITH FOREIGN MINISTER MOLOTOV WHO ASSURED HIM THE RUSSIANS HAD FRIENDLY FEELING TOWARD NATIONALIST CHINA AND FAVORED AMERICAN HELP TO CHINESE UNITY.

HURLEY THEN WENT TO WORK ON CHIANG AND SOON REPORTED TO WASHINGTON. CHIANG FINALLY WAS PERSUADED, HE SAID, THAT THE RUSSIANS WERE NOT SUPPORTING THE CHINESE COMMUNISTS AND WAS CONVINCED THAT HE COULD "UNITE THE MILITARY FORCES OF CHINA AGAINST JAPAN."

LONG MONTHS OF NEGOTIATIN FOLLOWED. UNITY DID NOT PROGRESS. HURLEY FELL OUT WITH THE AMERICAN CAREER DIPLOMATS WORKING WITH HIM AND FINALLY RESIGNED WITH A VIOLENT DENUNCIATION OF AMERICAN DIPLOMACY.

THE UNITED STATES MEANWHILE MADE THE YALTA DEAL WITH RUSSIA FOR RESTORATION OF OLD CZARIST PORT, BASE AND RAIL RIGHTS IN MANCHURIA.

THIS AGREEMENT BY PRESIDENT ROOSEVELT IS DEFENDED BY ACHESON AS NECESSARY TO ASSURE RUSSIA'S ENTRANCE INTO THE WAR AGAINST JAPAN.

FINALLY GENERAL GEORGE C.MARSHALL, WITH ORDERS FROM PRESIDENT TRUMAN TO PACIFY AND UNIFY CHINA, FOLLOWED THE TRAIL OF FAILURES TO CHINA IN DECEMBER 1945. MARSHALL PUT HEAVY PRESSURES ON BOTH CHIANG AND THE COMMUNIST LEADERS TO MAKE CONCESSIONS BUT HIS EFFORTS COLLAPSED IN A FULL-SCALE RENEWAL OF THE CIVIL WAR IN 1946.

ACHESON, LIKE MARSHALL EARLIER, BLAMED THE FINAL FAILURE MAINLY ON THE "DEEP-SEATED MUTUAL SUSPICION BETWEEN THE JUOMINTANG AND THE CHINESE COMMUNIST PARTY." STILWELL HAD SAID YEARS BEFORE THAT THE KEY TO THE CHINESE SITUATION WAS THE STRUGGLE FOR POWER BETWEEN THE TWO GROUPS.

THE UNITED STATES CONTINUED TO GIVE EXTENSIVE HELP TO CHIANG IN ARMS, MONEY AND ADVICE. IN A SENSE IT THUS FOLLOWED A TWO-LANE POLICY. ON ONE SIDE IT URGED COMMUNIST-NATIONALIST PEACE AND UNITY; ON THE OTHER IT ARMED THE NATIONALISTS TO SMASH THE COMMUNISTS. THE JUSTIFICATION GIVEN FOR THIS DUALITY IS THAT CHIANG'S GOVERNMENT WAS THE RECOGNIZED GOVERNMENT AND FULLY ENTITLED TO AMERICAN HELP.

IT WAS AFTER THE MARSHALL MISSION THAT WEDEMEYER WENT TO CHINA (1947). DESPITE HIS RECOMMENDATIONS FOR A FIVE-YEAR AID PROGRAM, SUBJECT TO REFORMS BY CHIANG, NO LARGE-SCALE AMERICAN GOVERNMENT ACTION DEVELOPED.

B99WX

THE WHITE PAPER BRINGS OUT THAT GENERAL MARSHALL, THEN SECRETARY OF STATE, BELIEVED CHINA'S ONLY SALVATION LAY IN POLITICAL REFORMS THAT WOULD GIVE THE LIBERALS REAL POWER. CHIANG PROMISED REFORMS BUT ACCORDING TO THE RECORD NEVER REALLY TRANSFERRED POWER WHEN IN MARSHALL'S VIEW, IT WOULD HAVE DONE SOME GOOD.

FROM 1943 ON, ONE AMERICAN DIPLOMAT AFTER ANOTHER WARNED THE STATE DEPARTMENT THAT UNLESS THE NATIONALISTS REFORMED AND RECAPTURED POPULAR SUPPORT THE COMMUNISTS MIGHT SOME DAY TAKE OVER CHINA.

ACHESON TOLD MR.TRUMAN THAT IN 1943-44 "AMERICAN OFFICIALS REPEATEDLY BROUGHT THEIR CONCERN WITH THIS SITUATION TO THE ATTENTION OF THE GENERALISSIMO AND HE REPEATEDLY ASSURED THEM THAT IT WOULD BE CORRECTED." ACHESON CONTINUED:

"HE MADE, HOWEVER, LITTLE OR NO EFFORT TO CORRECT IT AND TENDED TO SHUT HIMSELF OFF FROM CHINESE OFFICIALS WHO GAVE UNPALATABLE ADVICE."

ANOTHER INSTANCE OF CHING'S IGNORING AMERICAN ADVICE WAS CITED BY ACHESON IN 1946. THE NATIONALISTS THEN EMBARKED ON AN "OVER-AMBITIOUS MILITARY CAMPAIGN (AGAINST THE COMMUNISTS) IN THE FACE OF WARNINGS BY GENERAL MARSHALL THAT IT WOULD NOT ONLY FAIL BUT WOULD PLUNGE CHINA INTO ECONOMIC CHAOS AND EVENTUALLY DESTROY THE NATIONALIST GOVERNMENT."

"NO ESTIMATE OF A MILITARY SITUATION," ACHESON SAID, "HAS EVER BEEN MORE COMPLETELY CONFIRMED BY THE RESULTING FACTS."

THE CRITICAL YEAR IN THE CHINESE CIVIL WAR WAS 1948, ACHESON SAID, AND HE QUOTED AMERICAN MILITARY OBSERVERS AS REPORTING THAT "THE NATIONALIST ARMIES DID NOT LOSE A SINGLE BATTLE" IN THAT YEAR "THROUGH LACK OF ARMS OR AMMUNITION."

WHAT HAPPENED, ACHESON SAID, WAS THAT THE "DECAY" WHICH AMERICAN DIPLOMATS AND MILITARY MEN HAD NOTED IN 1943-44 "HAD FATALLY SAPPED THE POWERS OF RESISTANCE OF THE KUOMINTANG." HE ADDED:

"ITS LEADERS HAD PROVED INCAPABLE OF MEETING THE CRISIS CONFRONTING THEM, ITS TROOPS HAD LOST THE WILL TO FIGHT, AND ITS GOVERNMENT HAD LOST POPULAR SUPPORT.

N100WX

"THE COMMUNISTS, ON THE OTHER HAND, THROUGH A RUTHLESS DISCIPLINE AND FANATICAL ZEAL, ATTEMPTED TO SELL THEMSELVES AS GUARDIANS AND LIBERATORS OF THE PEOPLE. THE NATIONALIST ARMIES DID NOT HAVE TO BE DEFEATED; THEY DISINTEGRATED."

ACHESON REVIEWED THE EXTENT OF AMERICAN AID TO CHINA, SAYING THAT GRANTS AND CREDITS TOTALED ABOUT $2,000,000,000 SINCE THE WAR, PLUS ABOUT $1,000,000,000 WORTH OF WAR SURPLUS (ORIGINAL COST) MARKED DOWN FOR THE CHINESE TO $232,000,000.

BUT A "LARGE PROPORTION OF THE MILITARY SUPPLIES," ACHESON SAID, HAS FALLEN INTO COMMUNIST HANDS "THROUGH THE MILITARY INEPTITUDE OF THE NATIONALIST LEADERS, THEIR DEFECTIONS AND SURRENDERS, AND THE ABSENCE AMONG THEIR FORCES OF THE WILL TO FIGHT."

CAPTURES OF U.S.EQUIPMENT, ACCORDING TO THE WHITE PAPER, CONSTITUTED A SUBSTANTIAL SOURCE OF ARMS FOR THE COMMUNISTS. THE PAPER SAID THE MAJOR SOURCE WAS EQUIPMENT OF THE DEFEATED JAPANESE WHICH THE RUSSIANS CAPTURED AND "ABANDONED IN MANCHURIA IN SUCH A WAY AS TO ENABLE THE COMMUNISTS TO GAIN POSSESSION OF THEM."

BUT ON THE QUESTION OF WHETHER THE RUSSIANS THEMSELVES DIRECTLY FURNISHED RUSSIAN ARMS TO THE CHINESE COMMUNISTS, THE WHITE PAPER IS INDEFINITE. IT SAYS SIMPLY "THERE IS SOME QUESTION AS TO WHETHER THE RUSSIANS SUPPLIED THE COMMUNISTS WITH RUSSIAN EQUIPMENT."

THE AMERICAN GOVERNMENT'S ESTIMATE OF THE MILITARY SITUATION IN CHINA TODAY COMES OUT IN THE WHITE PAPER IN THE MEMORANDUM ACHESON SENT CHAIRMAN CONNALLY OF THE SENATE FOREIGN RELATIONS COMMITTEE ON MARCH 15, 1949. HE TOLD CONNALLY THE ADMINISTRATION OPPOSED A $1,500,000,000 CHINA AID BILL SPONSORED BY SENATOR MCCARRAN (D-NEV).

THE COMMUNISTS, ACHESON WROTE, "HOLD ALL IMPORTANT MILITARY AREAS OF CHINA FROM MANCHURIA TO THE YANGTZE RIVER AND HAVE THE MILITARY CAPABILITY OF EXPANDING THEIR CONTROL TO THE POPULOUS AREAS OF THE YANGTZE VALLEY AND OF EVENTUALLY DOMINATING SOUTH CHINA."

DESPITE ALL THE AID WHICH HAD BEEN FURNISHED BY THE UNITED STATES, ACHESON SAID, "THE NATIONAL GOVERNMENT DOES NOT HAVE THE MILITARY CAPABILITY OF MAINTAINING A FOOTHOLD IN SOUTH CHINA AGAINST A DETERMINED COMMUNIST ADVANCE."

(END CHINA ABSTRACT ADVANCE FOR USE AT 10 A.M., EASTERN STANDARD TIME, FRIDAY, AUGUST 5).

SU/FR/AB/ES311PED

AUG 6 1949

B97WX (QUE) (TEXT)

WASHINGTON, AUG 5-(AP)-FOLLOWING IS THE TEXT OF A STATEMENT ISSUED BY SECRETARY OF STATE ACHESON AT HIS NEWS CONFERENCE TODAY ON THE CHINA WHITE PAPER (ABOUT 1200):

AS YOU ARE ALL AWARE, THE UNITED STATES IS CONFRONTED BY A SITUATION IN CHINA WHICH WILL TEST TO THE FULL OUR UNITY OF PURPOSE, OUR INGENUITY AND OUR ADHERENCE TO THE BASIC PRINCIPLES WHICH HAVE FOR HALF A CENTURY GOVERNED OUR POLICY TOWARD CHINA. THE BACKGROUND OF THAT SITUATION AND THE EXTENSIVE AND PERSISTENT EFFORTS OF THE UNITED STATES DURING THE PAST FIVE YEARS TO ASSIST THE CHINESE PEOPLE ARE FULLY DESCRIBED IN THE DOCUMENT WHICH THE DEPARTMENT IS ISSUING TODAY. THEY ARE SUMMARIZED IN MY LETTER OF TRANSMITTAL TO THE PRESIDENT. SECRETARY MARSHALL IN FEBRUARY 1948 CONFIDENTIALLY TOLD THE SENATE FOREIGN RELATIONS COMMITTEE AND THE HOUSE FOREIGN AFFAIRS COMMITTEE IN EXECUTIVE SESSION MANY OF THE FACTS WHICH ARE NOW BEING PUBLISHED AS WELL AS THE CONCLUSIONS DRAWN FROM THOSE FACTS. HE MADE IT CLEAR WHY PUBLIC DISCLOSURE AT THAT TIME SEEMED INADVISABLE AND I HAVE POINTED OUT IN MY LETTER TO THE PRESIDENT WHY WE FEEL THE INFORMATION SHOULD BE MADE PUBLIC NOW. AS I ALSO SAID IN THAT LETTER, THE STRENGTH OF OUR SYSTEM OF GOVERNMENT IS BASED ON AN INFORMED AND CRITICAL PUBLIC OPINION AND IT IS IN ORDER THAT OUR PEOPLE MAY BE FULLY INFORMED IN REGARD TO THE BACKGROUND OF OUR FAR EASTERN POLICY THAT THIS RECORD IS NOW BEING PUBLISHED.

THE SITUATION IN CHINA SERVES TO EMPHASIZE A VITAL FACTOR IN CONNECTION WITH THE QUESTION OF UNITED STATES AID TO FOREIGN NATIONS--THAT IS, THAT, WHILE THE UNITED STATES CAN WITH THE BEST OF INTENTIONS CONTRIBUTE SUBSTANTIAL AID TO A FOREIGN GOVERNMENT, IT CANNOT GUARANTEE THAT THAT AID WILL ACHIEVE ITS PURPOSE. THE ACHIEVEMENT OF THAT PURPOSE MUST IN THE FINAL ANALYSIS DEPEND UPON THE DEGREE TO WHICH THE RECIPIENT GOVERNMENT AND PEOPLE MAKE WISE USE OF OUR ASSISTANCE AND TAKE EFFECTIVE MEASURES FOR SELF-HELP. WITHOUT SUCH ACTION BY THE RECIPIENT NO AMOUNT OF AMERICAN AID CAN AVAIL. THIS IS NO LESS TRUE IN CHINA THAN IN OTHER PARTS OF THE WORLD.

B98WX

OUR TRADITIONAL POLICY OF ASSISTING THE CHINESE PEOPLE TO RESIST DOMINATION BY A FOREIGN POWER OR POWERS IS NOW FACED BY THE GRAVEST DIFFICULTIES. ON THE ONE HAND, THERE IS IN CHINA A COMMUNIST REGIME WHICH, WHILE IN FACT SERVING THE IMPERIALIST INTERESTS OF A FOREIGN POWER, HAS FOR THE PRESENT BEEN ABLE TO PERSUADE LARGE NUMBERS OF CHINESE THAT IT IS SERVING THEIR INTERESTS, AND HAS BEEN ABLE TO EXTEND ITS SWAY IN CONSTANTLY WIDENING CIRCLES. ON THE OTHER HAND, THERE IS THE NATIONAL GOVERNMENT OF CHINA WHICH HAS BEEN UNABLE TO RALLY ITS PEOPLE AND HAS BEEN DRIVEN OUT OF EXTENSIVE AND IMPORTANT PORTIONS OF THE COUNTRY, DESPITE VERY EXTENSIVE ASSISTANCE FROM THE UNITED STATES AND ADVICE FROM EMINENT AMERICAN REPRESENTATIVES WHICH SUBSEQUENT EVENTS PROVED TO BE SOUND.

THIS MEANS THAT UNITED STATES POLICY TOWARD CHINA IS CONFRONTED BY A SITUATION IN WHICH ALTERNATIVES ARE VERY SHARPLY LIMITED. WE MUST NOT BASE OUR POLICY ON ILLUSIONS OR WISHFUL THINKING. I AM CONVINCED HOWEVER THAT THE BASIC ELEMENTS OF OUR TRADITIONAL POLICY TOWARD THE FAR EAST REMAIN VALID NOW AS IN THE PAST AND I SHOULD LIKE TO STATE CERTAIN BASIC PRINCIPLES BY WHICH WE SHOULD CONTINUE TO BE GUIDED. THESE ARE:

1. THE UNITED STATES DESIRES TO ENCOURAGE IN EVERY FEASIBLE WAY THE DEVELOPMENT OF CHINA AS AN INDEPENDENT AND STABLE NATION ABLE TO PLAY A ROLE IN WORLD AFFAIRS SUITABLE FOR A GREAT AND FREE PEOPLE.
2. THE UNITED STATES DESIRES TO SUPPORT THE CREATION IN CHINA OF ECONOMIC AND POLITICAL CONDITIONS WHICH WILL SAFEGUARD BASIC RIGHTS AND LIBERTIES AND PROGRESSIVELY DEVELOP THE ECONOMIC AND SOCIAL WELL-BEING OF ITS PEOPLE.
3. THE UNITED STATES IS OPPOSED TO THE SUBJECTION OF CHINA TO ANY FOREIGN POWER, TO ANY REGIME ACTING IN THE INTEREST OF A FOREIGN POWER, AND TO THE DISMEMBERMENT OF CHINA BY ANY FOREIGN POWER, WHETHER BY OPEN OR CLANDESTINE MEANS.
4. THE UNITED STATES WILL CONTINUE TO CONSULT WITH OTHER INTERESTED POWERS, IN THE LIGHT OF CONDITIONS IN THE COUNTRIES CONCERNED AND IN THE FAR EAST AS A WHOLE, ON MEASURES WHICH WILL CONTRIBUTE TO THE CONTINUING SECURITY AND WELFARE OF THE PEOPLES OF THAT AREA.

B99WX

5. THE UNITED STATES WILL ENCOURAGE AND SUPPORT EFFORTS OF THE UNITED NATIONS TO ACHIEVE THESE OBJECTIVES AND PARTICULARLY TO MAINTAIN PEACE AND SECURITY IN THE FAR EAST.

IT IS OBVIOUS THAT THESE BASIC PRINCIPLES REQUIRE SPECIFICATION AND ELABORATION IN THE LIGHT OF THE EXISTING SITUATION IN ORDER TO BE EFFECTIVELY CARRIED OUT. AT THE DIRECTION OF THE PRESIDENT, WE ARE TAKING SEVERAL CONCRETE STEPS TO THIS END. THE OFFICERS OF THE DEPARTMENT CHARGED WITH FAR EASTERN MATTERS ARE ENGAGED IN A COMPREHENSIVE SURVEY OF THE IMPACT OF DEVELOPING CONDITIONS ON OUR BASIC POLICY. IN ADDITION, I HAVE ENLISTED THE SERVICES IN A CONSULTATIVE CAPACITY OF MR. RAYMOND FOSDICK, FORMER PRESIDENT OF THE ROCKEFELLER FOUNDATION, AND MR. EVERETT CASE, PRESIDENT OF COLGATE UNIVERSITY, WHO IN COLLABORATION WITH AMBASSADOR AT LARGE PHILIP C. JESSUP, WILL ADVISE ME AND MY STAFF IN THE DEPARTMENT OF STATE. MR.FOSDICK WILL BE HERE ON MONDAY AND MR. CASE WILL ARRIVE IN THE DEPARTMENT LATER THIS MONTH. WE SHALL BE PREPARED TO DRAW ON OTHER ASSISTANCE AS WE GO ALONG. WE SHALL OF COURSE CONTINUE TO MAINTAIN THE CLOSEST LIAISON WITH THE NATIONAL SECURITY COUNCIL AND THE NATIONAL MILITARY ESTABLISHMENT IN WORKING ON THESE PROBLEMS. ON ECONOMIC AND FINANCIAL MATTERS WE SHALL HAVE THE BENEFIT OF THE EXPERIENCE AND KNOWLEDGE OF THE TREASURY DEPARTMENT AND OF THE ECONOMIC COOPERATION ADMINISTRATION. THROUGHOUT ALL OF OUR STUDY OF THIS PROBLEM, WE SHALL MAINTAIN CONTACT AND CLOSE CONSULTATION WITH THE MEMBERS OF THE SENATE COMMITTEE ON FOREIGN RELATIONS AND THE HOUSE COMMITTEE ON FOREIGN AFFAIRS. ALL OF THESE STEPS ARE DESIGNED TO BRING TO BEAR THE UNITED WISDOM AND RESOURCEFULNESS OF OUR GOVERNMENT IN MEETING THE PRESENT SITUATION AND ANY FUTURE DEVELOPMENTS IN ASIA AND THE FAR EAST.

B100WX

UNTIL THE THOROUGH REVIEW OF OUR FAR EASTERN POLICY WHICH I HAVE JUST OUTLINED HAS MAD SUBSTANTIAL PROGRESS, I SHALL WISH TO RESTRICT

MY COMMENT ON PARTICULAR ASPECTS OF THAT POLICY, SINCE ANY DETAILED COMMENTS NOW MIGHT PREJUDGE THE CONCLUSIONS OF OUR REVIEW. I CAN ASSURE YOU, HOWEVER, THAT THE WORK IS BEING AND WILL BE PRESSED WITH THE GREATEST POSSIBLE SPEED. IN THE MEANTIME, WE WILL TAKE EVERY OPPORTUNITY IN THE DAY-TO-DAY CONDUCT OF OUR FOREIGN POLICY TO SUPPORT THE FIVE PRINCIPLES I HAVE STATED TO YOU. ALTHOUGH I HAVE INDICATED THE SERIOUSNESS OF THE SITUATION, I DO NOT IN ANY DEGREE SHARE THE DEFEATIST ATTITUDE WHICH SOME CURRENT COMMENTS REFLECT. THE CHINESE COMMUNISTS, IN ATTEMPTING TO ESTABLISH A TOTALITARIAN DOMINATION OVER THE CHINESE PEOPLE IN THE INTERESTS OF A FOREIGN POWER AND IN BASING THIS ATTEMPT ON A WILLFULLY DISTORTED CONCEPT OF WORLD REALITIES, ARE COMMITTING THEMSELVES DEEPLY ON THE BASIS OF UNPROVED ASSUMPTIONS AS TO THE EXTENT OF THEIR OWN STRENGTH AND THE NATURE OF THE REACTIONS WHICH THEY ARE BOUND TO PROVOKE IN CHINA AND ELSEWHERE. THE UNITED STATES, FOR ITS PART, WILL BE PREPARED TO WORK WITH THE PEOPLE OF CHINA AND OF EVERY OTHER COUNTRY IN ASIA TO PRESERVE AND TO PROMOTE THEIR TRUE INTEREST, DEVELOPED AS THEY CHOOSE AND NOT AS DICTATED BY ANY FOREIGN IMPERIALISM.

(END TEXT)

SU/ES138PED

A195WX ADD WASHN (NL CHINA WHITE PAPER) X X X IMPERIALISM (HIGHTOWER)

IT WAS ON THIS THEME THAT ACHESON CONSTRUCTED HIS FIVE PRINCIPLES BY WHICH HE SAID "WE SHOULD CONTINUE TO BE GUIDED" IN RELATION TO CHINA AND THE FAR EAST. HE STATED THEM THIS WAY:

"1. THE UNITED STATES DESIRES TO ENCOURAGE IN EVERY FEASIBLE WAY THE DEVELOPMENT OF CHINA AS AN INDEPENDENT AND STABLE NATION ABLE TO PLAY A ROLE IN WORLD AFFAIRS SUITABLE FOR A GREAT AND FREE PEOPLE.

"2. THE UNITED STATES DESIRES TO SUPPORT THE CREATION IN CHINA OF ECONOMIC AND POLITICAL CONDITIONS WHICH WILL SAFEGUARD BASIC RIGHTS AND LIBERTIES AND PROGRESSIVELY DEVELOP THE ECONOMIC AND SOCIAL WELL BEING OF ITS PEOPLE.

"3. THE UNITED STATES IS OPPOSED TO THE SUBJECTION OF CHINA TO ANY FOREIGN POWER, TO ANY REGIME ACTING IN THE INTEREST OF A FOREIGN POWER, AND TO THE DISMEMBERMENT OF CHINA BY ANY FOREIGN POWER, WHETHER BY OPEN OR CLANDESTINE MEANS.

"4. THE UNITED STATES WILL CONTINUE TO CONSULT WITH OTHER INTERESTED POWERS IN THE LIGHT OF CONDITIONS IN THE COUNTRIES CONCERNED AND IN THE FAR EAST AS A WHOLE, ON MEASURES WHICH WILL CONTRIBUTE TO THE CONTINUING SECURITY AND WELFARE OF THE PEOPLES OF THAT AREA.

"5. THE UNITED STATES WILL ENCOURAGE AND SUPPORT EFFORTS OF THE UNITED NATIONS TO ACHIEVE THESE OBJECTIVES AND PARTICULARLY TO MAINTAIN PEACE AND SECURITY IN THE FAR EAST."

ACHESON TOLD HIS NEWS CONFERENCE THAT THE BIG PROBLEM NOW IS TO DETERMINE HOW THESE PRINCIPLES CAN BE EFFECTIVELY TRANSLATED INTO ACTION. AS A METHOD OF ATTACK ON THAT PROBLEM, HE SAID THE STATE DEPARTMENT HAS BROUGHT IN OUTSIDE CONSULTANTS TO ADVISE HIM ON WHAT MAY BE DONE. IN ADDITION, HE SAID, RESPONSIBLE OFFICIALS ARE ENGAGED IN A COMPREHENSIVE SURVEY OF THE FAR EASTERN SITUATION.

QUESTIONED ABOUT AMERICAN RELATIONS WITH THE CHINESE COMMUNISTS, ACHESON SAID THAT IF AND WHEN THEY CREATE A GOVERNMENT AND THE QUESTION ARISES OF RECOGNITION, HE WILL CONSULT FULLY WITH THE FOREIGN AFFAIRS COMMITTEES OF CONGRESS. ON THE ISSUE OF AMERICAN AID, HE CITED A DIRECTIVE BY PRESIDENT TRUMAN LAST DECEMBER WHICH BARS AID TO ANY AREA OF CHINA UNDER COMMUNIST CONTROL.

EVIDENCE THAT THE CHINESE NATIONALIST GOVERNMENT GREW WEAKER RATHER THAN STRONGER AFTER THE RESIGNATION OF GENERALISSIMO CHIANG LAST JANUARY AND HIS REPLACEMENT BY GENERAL LI TSUNG-JEN WAS PRESENTED IN REPORTS BY AMBASSADOR JOHN LEIGHTON STUART.

STUART HAMMERED THE POINT THAT THERE WAS A "BASIC CONFLICT OF AUTHORITY BETWEEN LI AND THE GENERALISSIMO." HE PICTURED CHIANG AS OPERATING AS AN INDEPENDENT POLITICAL POWER. ON MAY 1 A MESSAGE FROM STUART'S EMBASSY SUMMED UP THE SITUATION THIS WAY:

"THE GENERALISSIMO CAME OUT WITH A PUBLIC STATEMENT EXPRESSING CONFIDENCE IN FINAL VICTORY, THOUGH THE WAR MAY CONTINUE FOR THREE YEARS AND PLEDGING SUPPORT TO LI. HOWEVER, THERE IS NO INDICATION HE REALLY INTENDS TO RELINQUISH POWER AND LI AN

YEARS AND PLEDGING SUPPORT TO LI. HOWEVER, THERE IS NO INDICATION HE REALLY INTENDS TO RELINQUISH POWER AND LI AND PAI (ONE OF LI'S TOP ASSOCIATES) ARE INCREASINGLY BITTER. THIS STRUGGLE PROBABLY WILL CONTINUE TO HAMSTRING GOVERNMENT RESISTANCE (AGAINST THE COMMUNISTS)."

A196WX

THROUGHOUT THE OFFICIAL RECORD RUN TWO MAJOR THREADS OF U.S. FOREIGN POLICY. ONE WHICK WAS REPEATEDLY EMPHASIZED BY ACHESON AS WELL AS BY AMERICAN OBSERVERS ON THE SCENE WAS THAT THE UNITED STATES WAS SEEKING TO HELP BUILD CHINA INTO A PEACEFUL, DEMOCRATIC POWER. SIDE-BY-SIDE WITH THIS THEME RUNS THE OTHER THREAD OF WILLINGNESS TO TRY VARIOUS MEANS TO ACHIEVE THE END RESULT.

WHILE THE WAR WITH JAPAN WAS AT ITS HEIGHT AND CHINA WAS GETTING LEND-LEASE AID AND EXPERT HELP FROM THE UNITED STATES, THIS COUNTRY FAVORED UNIFYING ALL CHINESE ARMED FORCES TO FIGHT THE JAPANESE.

THE RECORD SHOWS THAT THE LATE PRESIDENT ROOSEVELT PROMOTED THE LATE GENERAL JOSEPH W.STILWELL TO FULL GENERAL SO THAT CHIANG MIGHT NAME HIM COMMANDER-IN-CHIEF TO UNIFY THE FORCES. CHIANG AGREED TO THIS IDEA BUT NEVER PUT IT INTO EFFECT.

AROUND THIS ISSUE OF A SINGLE COMMANDER DEVELOPED THE STILWELL DISPUTE WITH CHIANG WHICH ULTIMATELY REACHED THE POINT WHERE STILWELL WAS CALLED HOME.

IN A REPORT TO THE WAR DEPARTMENT, CONTAINED IN THE WHITE PAPER, STILWELL BITTERLY ASSAILED BOTH CHIANG AND AMERICAN DIPLOMACY.

HE CHARGED THAT THE GENERALISSIMO WAS PRIMARILY CONCERNED WITH DOMESTIC CHINESE POLITICS, RATHER THAN WITH FIGHTING THE WAR AGAINST JAPAN. AND HE SAID THE AMERICAN GOVERNMENT GAVE CHIANG ONLY "GENERAL PARANTAL ADMONISHMENTS" INSTEAD OF FORCING HIM TO "UNIFY AND LEAD" HIS COUNTRY AGAINST THE JAPANESE.

AMBASSADOR PATRICK J.HURLEY SUCCEEDED STILWELL AS THE CENTRAL AMERICAN FIGURE IN CHINA. HURLEY'S EARLY REPORTS DISCLOSED THAT HE BELIEVED HE HAD PERSUADED CHIANG TO THE VIEW THAT THE CHINESE COMMUNISTS WERE MORE OR LESS INDEPENDENT OF MOSCOW AND THAT RUSSIA WOULD SUPPORT THE CHIANG GOVERNMENT.

HURLEY HAD VISITED MOSCOW AND HAD RECEIVED ASSURANCES FROM FOREIGN MINISTER MOLOTOV THAT THE RUSSIANS WERE INCLINED TO BE FRIENDLY TOWARD NATIONALIST CHINA AND FAVORED AMERICAN EFFORTS TO OBTAIN CHINESE UNITY.

IN ONE REPORT, HURLEY SAIX CHIANG WAS PERSUADED THE RUSSIANS WERE NOT BACKING THE CHINESE REDS AND BELIEVED HE COULD "UNITE THE MILITARY FORCES OF CHINA AGAINST JAPAN."

BUT EVENTUALLY HURLEY'S MISSION ALSO ENDED IN FRUSTRATION AS FAR AS CHINESE UNITY WAS CONCERNED AND HE RETURNED TO WASHINGTON WITH A BITTER DENUNCIATION OF AMERICAN DIPLOMACY AND MANY AMERICAN DIPLOMATS IN CHINA. HE ACCUSED THEM OF WORKING EITHER FOR "COMMUNIST IMPERIALISM" OR "COLONIAL IMPERIALISM."

MEANWHILE, IN WHAT ACHESON DEFENDED AS A STEP NECESSARY TO GET RUSSIA INTO THE JAPANESE WAR, PRESIDENT ROOSEVELT MADE THE YALTA DEAL WITH GENERALISSIMO STALIN. THE SOVIET UNION WAS PROMISED RESTORATION OF RIGHTS TO PORT, BASE AND RAILROAD FACILITIES WHICH THE RUSSIAN TSARS HAD ONCE HELD IN MANCHURIA.

THIS YALTA AGREEMENT EVENTUALLY LED TO THE SINO-SOVIET TREATY IN WHICH CHINA GUARANTEED RUSSIA THESE RIGHTS. THIS TREATY ESTABLISHED AT LEAST THE OUTWARD APPEARANCE OF A FRIENDLY MOSCOW ATTITUDE TOWARD THE CHINESE NATIONALIST REGIME.

A197WX

WITH THE END OF THE WAR, THE UNITED STATES EMBARKED ON ITS POST-WAR POLICY OF SUPPLYING MILITARY AND ECONOMIC ASSISTANCE TO CHIAN ON A LARGE SCALE. THE THEORY DEVELOPED IN THE DOCUMENTS OF THE WHITE PAPER IS THAT CHIANG HAD A FULL RIGHT TO SUCH AID IN HIS EFFORTS TO ESTABLISH ORDER AND STABILITY, WHICH MEANT BRINGING THE COMMUNISTS UNDER CONTROL BY FORCE OF ARMS IF NOT BY NEGOTIATION.

THE EFFORTS AT NEGOTIATION CONTINUED, HOWEVER, AND EVEN REACHED THEIR PEAK IN 1946 WITH GENERAL GEORGE C.MARSHALL'S MISSION TO CHINA. AT ONE TIME EARLY IN THAT YEAR, IT 003-43$ 5@-5 .-4'@-))'S

CHINA. AT ONE TIME EARLY IN THAT YEAR, IT APPEARED THAT MARSHALL'S EFFORTS TO UNIFY CHINA AND GET THE COMMUNISTS TO TAKE THE ROLE OF AN UNARMED, NORMAL POLITICAL PARTY WOULD BE SUCCESSFUL. BUT THE EFFORTS BROKE DOWN UNDER THE PRESSURE OF THE STRUGGLE BETWEEN THE NATIONALISTS AND COMMUNISTS FOR CONTROL OF MANCHURIA.

AN EVENT WHICH MAY HAVE BEEN DECISIVE IN FIXING THE MORE RECENT MILITARY FATE OF THE NATIONALISTS OCCURRED AT THAT TIME. THE CHINESE GOVERNMENT PLANNED A LARGE-SCALE MILITARY CAMPAIGN AGAINST THE COMMUNISTS AND GENERAL MARSHALL ADVISED THEM THAT, IN ACHESON'S WORDS, "IT NOT ONLY WOULD FAIL BUT WOULD PLUNGE CHINA INTO ECONOMIC CHAOS AND EVENTUALLY DESTROY THE NATIONAL GOVERNMENT."

THE GOVERNMENT WENT THROUGH WITH THE CAMPAIGN, HOWEVER. ACHESON, SPEAKING OF MARSHALL'S ADVICE, SAID "NO ESTIMATE OF A MILITARY SITUATION HAS EVER BEEN MORE COMPLETELY CONFIRMED BY THE RESULTING FACTS."

GG441PED

A49WX ADD WASHN (LI TSUNG-JEN) X X X WAR

THE STATE DEPARTMENT ACCOUNT IN THE "WHITE PAPER" ASSERTS THAT IN HIS EFFORTS HE HAS BEEN HAMPERED BY A SPLIT WITH CHIANG DUE TO THE GENERALISSIMO'S INSISTANCE ON CONTINUING TO EXERCISE CONSIDERABLE POWER.

AMBASSADOR J. LEIGHTON STUART REPORTED TO THE STATE DEPARTMENT AS RECENTLY AS APRIL 6 THAT LI HAD ONLY "LIMITED POWER TO ENFORCE HIS ORDERS" AND TO HOLD IN CHECK FORCES WORKING FOR THE BREAKUP OF THE NATIONALIST GOVERNMENT.

"THE GENERALISSIMO, THOUGH OUTWARDLY COOPERATING," STUART WROTE, "IS MAINTAINING IN EFFECT INDEPENDENT POLITICAL AND MILITARY AUTHORITY.

THE KUOMINTANG (GOVERNING PARTY) LEADERS IN CANTON ARE PLAYING THEIR OWN GAME AS ARE OTHER PROVINCIAL LEADERS.

"THOUGH LI HAS ACCOMPLISHED MIRACLES IN ASSERTING HIS AUTHORITY OVER WIDENING SECTORS, HE STILL DOES NOT HAVE UNIFIED AUTHORITY OVER NATIONALIST CHINA."

(END ADVANCE FOR USE AT 10 A.M. EASTERN STANDARD TIME, TODAY, FRIDAY, AUG.5)

VH641AED

BUT A "LARGE PROPORTION OF THE MILITARY SUPPLIES," ACHESON SAID, HAS FALLEN INTO COMMUNIST HANDS "THROUGH THE MILITARY INEPTITUDE OF THE NATIONALIST LEADERS, THEIR DEFECTIONS AND SURRENDERS, AND THE ABSENCE AMONG THEIR FORCES OF THE WILL TO FIGHT."

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A38WX ADD WASHN (DAY CHINA WHITE PAPER) X X X $232,000,000 (HIGHTOWER)

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(END CHINA ABSTRACT ADVANCE FOR USE AT 10 A.M., EASTERN STANDARD TIME, TODAY FRIDAY, AUGUST 5)

SU/FR/AB/ES/VH541AED

LONDON, SATURDAY, AUG.6-(AP)-TWO LONDON NEWSPAPERS TODAY SAW A WARNING OF ARMED FORCE IN U.S. SECRETARY OF STATE ACHESON'S STATEMENT ON CHINA.

IN THE STATEMENT, THE CHINESE PEOPLE WERE ENCOURAGED TO THROW OFF THE "FOREIGN YOKE" OF A COMMUNIST REGIME, WHICH ACHESON SAID SERVES RUSSIAN IMPERIALISM.

THE CONSERVATIVE DAILY GRAPHIC SAID THE STATEMENT SHOULD STRENGTHEN THE HAND OF ANY CHINESE LEADERS UNWILLING TO TAKE DOMINATION BY MOSCOW.

"DEPENDENCE ON RUSSIAN AID WILL BE LESSENED--UNLESS THERE IS AGG-

RESSION AGAINST CHINA'S NEIGHBORS," THE GRAPHIC SAID. "MR. ACHESON'S STATEMENT DOES NOT COMMIT THE UNITED STATES TO ARMED INTERVENTION IN THAT EVENT. BUT IT WILL BE READ AS A WARNING THAT THIS IS PROBABLE.

"THAT WARNING IS TIMED DRAMATICALLY. TODAY IS THE FOURTH ANNIVERSARY OF ATOMIC BOMBING."

THE COMMUNIST DAILY WORKER SAID "THIS IS A NEW DECLARATION OF WAR, FULL OF BITTER MENACE AND PRESAGING NEW INTRIGUES AND INTERVENTION." THE PAPER URGED BRITAIN TO RECOGNIZE THE CHINESE COMMUNIST REGIME.

THE INFLUENTIAL INDEPENDENT TIMES APPLAUDED ACHESON'S WARNING TO CHINESE COMMUNISTS THAT AGGRESSION ON CHINA'S NEIGHBORS WOULD BE DEEMED A BREACH OF THE UNITED NATIONS CHARTER.

"THE WESTERN WORLD COULD ADOPT NO OTHER POLICY," THE TIMES SAID.

IT ADDED THAT BY SHOWING HOW HARD IT HAD TRIED TO HELP THE CHINESE, THE U.S. "HAS EFFECTIVELY EXPOSED MUCH OF THE INDISCRIMINATE MISREPRESENTATION OF THE MOTIVES AND INTENTIONS OF AMERICA AS WELL AS OF BRITAIN, BY WHICH THE NEW MASTERS OF CHINA ARE TRYING TO BUILD A 'BAMBOO CURTAIN' BETWEEN THEIR COUNTRY AND THE ENTIRE WESTERN WORLD."

THE CONSERVATIVE DAILY TELEGRAPH SAID IT WAS "ONLY COMMON SENSE" TO TAKE ACHESON'S ATTITUDE THAT THE CHINESE COMMUNISTS' RELATIONS WITH THE U.S. MUST DEPEND ON HOW THEY USE THEIR POWER AND HOW FAR THEY STEER CLEAR OF GETTING INVOLVED IN RUSSIAN POLICY.

WB1201AED

LONDON, AUG.5-(AP)-THE FOREIGN OFFICE SAID TODAY THE POSITION OF BRITISH FIRMS IN CHINA HAS BECOME "EXTREMELY DIFFICULT."

A SPOKESMAN PINNED THE BLAME FOR THAT DEVELOPMENT AND FOR CHINA'S OWN WORSENING ECONOMIC SITUATION ON BOTH THE COMMUNISTS AND THE NATIONALIST GOVERNMENT.

THE SPOKESMAN TOLD A NEWS CONFERENCE REPORTS FROM BRITISH DIPLOMATS IN CHINA SHOW THAT AUTHORITIES IN COMMUNIST-HELD AREAS ARE MAKING TOUGH TAXATION ASSESSMENTS AND EQUALLY STIFF WAGE DEMANDS FOR LOCAL CHINESE LABOR.

HE ADDEDTHAT THE NATIONALIST GOVERNMENT'S SEA BLOCKADE OF COMMUNIST-HELD PORTS, ESPECIALLY THE GREAT INTERNATIONAL TRADING CITY OF SHANGHAI, IS STRANGLING TRADE AND HARMING THE COUNTRY'S ECONOMY.

BRITISH INVESTMENTS AND INTERESTS IN CHINA HAVE BEEN PLACED AT NEARLY $2,000,000,000 (B).

THE SPOKESMAN COMMENTED THAT THE COMMUNISTS' TAX AND WAGE DEMANDS HAVE COME AT A TIME "WHEN WE WOULD HAVE THOUGHT INCREASED TRADING WOULD BE TO THE ADVANTAGE OF THE CHINESE PEOPLE." THE EFFECT OF THOSE DEMANDS, HE SAID, IT TO RESTRICT SUCH TRADING.

THE SPOKESMAN SAID HE IS NOT YET IN A POSITION TO COMMENT ON THE UNITED STATES WHITE PAPER ON CHINESE-AMERICAN RELATIONS, OF WHICH THE FOREIGN OFFICE HAS NOT RECEIVED A COPY.

BB757PED

LONDON, AUG 5-(AP)-AN ATTRACTIVE BRITISH ARMY GIRL, ACCUSED OF STABBING HER SOLDIER BRIDEGROOM TO DEATH IN AUSTRIA, NEVER CONSUMMATED HER MARRIAGE BECAUSE SHE WAS SEXUALLY ABNORMAL, THE CROWN PROSECUTOR SAID AT HER TRIAL TODAY.

THE DEFENDANT IS 21-YEAR-OLD MARGARET WILLIAMS, SKI CHAMPION OF THE WOMEN'S ROYAL ARMY CORPS. SHE WAS SENT BACK TO LONDON BY BRITISH OCCUPATION AUTHORITIES IN AUSTRIA TO FACE TRIAL FOR KILLING SGT.MAJ. MONTAGUE WILLIAMS, 34, HER BRIDEGROOM OF 12 WEEKS.

MRS.WILLIAMS, SAID PROSECUTOR F.D.BARRY, HAD "LEANINGS TOWARD LESBIANISM."

A STATEMENT ATTRIBUTED TO HER BY THE PROSECUTION SAID:

"MY MARRIED LIFE HAD NOT BEEN A NORMAL ONE BECAUSE WHEN I AGREED TO MARRY MY HUSBAND I TOLD HIM I DID NOT LOVE HIM AND THAT I DID NOT WANT TO SLEEP WITH HIM UNTIL I HAD REALLY FALLEN IN LOVE WITH HIM, AND HE AGREED TO THIS."

THE STATEMENT SAID MRS.WILLIAMS STABBED HER HUSBAND TO DEATH JULY 4 IN A Y.M.C.A. HOSTEL IN KLAGENFURT, BECAUSE HE HAD SLAPPED HER FACE AFTER SHE WAS CARRIED HOME FROM A DRINKING BOUT.

THE STATEMENT SAID THE WILLIAMSES HAD BEEN DRINKING HEAVILY THE DAY BEFORE THE FATAL QUARREL. SHE THEN WENT TO A DRINKING PLACE ALONE AND WILLIAMS WENT AFTER HER AND TRIED TO GET HER TO GO HOME, THE STATEMENT CONTINUED. HE CAME BACK WITH OTHER SOLDIERS, IT SAID, TOOK HER HOME BY FORCE AND "PROCEEDED TO BEAT ME UP."

"I SAW THE KNIFE ON THE TABLE," THE STATEMENT WENT ON. X X X HE CAME TOWARDS ME AND SLAPPED MY FACE ONCE OR TWICE. I HIT HIM WITH THE KNIFE. I THINK THE FIRST TIME WAS ON HIS LEFT ARM NEAR HIS SHOULDER AND THE SECOND WAS FURTHER DOWN ON HIS BODY. X X X

"HE SAID 'THAT'S DONE IT' OR SOMETHING TO THAT EFFECT.

"I DIDN'T INTEND TO KILL HIM. THE THOUGHT WAS FARTHEST FROM MY MIND. I JUST MEANT TO STOP HIM FROM HITTING ME SO THAT WE COULD CARRY ON THE SAME AS BEFORE."

BOTH WILLIAMS AND HIS WIFE HAD BEEN MEMBERS OF THE BRITISH OCCUPATION FORCES. BARRY SAID THE COUPLE MET SOON AFTER MRS.WILLIAMS ARRIVED IN AUSTRIA IN JUNE, 1948, AND "WILLIAMS FELL PASSIONATELY IN LOVE WITH THE DEFENDANT."

"BUT UNFORTUNATELY," THE PROSECUTOR SAID, "HIS LOVE DOES NOT APPEAR TO HAVE BEEN RETURNED BY THE DEFENDANT, OWING PERHAPS TO THE FACT THAT SHE IS ABNORMAL TO THE EXTENT OF HEAVING LEANINGS TOWARD LESBIANISM AND WAS UNABLE TO HAVE STRONG FEELINGS FOR ANYBODY.

"WILLIAMS HAD ON MANY OCCASIONS ASKED THE DEFENDANT TO MARRY HIM BUT SHE ALWAYS REFUSED. SHE FINALLY CONSENTED IN A MOMENT OF WEAKNESS WHEN SHE WAS SLIGHTLY UNDER THE INFLUENCE OF DRINK."

MT1054AED

SCHUMACHER HAS BEEN PARTICULARLY CRITICAL OF THE PROGRAM OF DISMANTLEMENT OF GERMAN INDUSTRIES IN THE WEST. HIS PARTY IS ABOUT EQUAL IN STRENGTH TO THE OTHER BIG WEST GERMAN PARTY, THE CONSERVATIVE CHRISTIAN DEMOCRATIC UNION. ADD LON (W. GERMAN TALKS) X X X GOVERNMENT

DIPLOMATIC SOURCES HERE SAID BRITAIN'S FOREIGN OFFICE HAS CALLED FOR A FULL REPORT ON SCHUMACHER'S PUBLIC REMARKS FROM THE BRITISH ZONE OFFICIALS IN GERMANY.

"BRITAIN IS ANXIOUS THAT WEST GERMANY'S ELECTIONS SHOULD BE COMPLETELY FREE," THE BRITISH OFFICIAL TOLD A REPORTER. "WE WANT THEIR POLITICAL LEADERS TO BE ABLE TO EXPRESS THEMSELVES FREELY, TOO. BUT THIS TYPE OF LIE IS NOT LIKELY TO CREATE AN ATMOSPHERE AMONG THE PEOPLES OF EUROPE AS A WHOLE CONDUCIVE TO THE REENTRY OF GERMANY INTO THE COMITY OF NATIONS."

MT922AED

30.24- 4847

FOLO LONDON (A87) (130)

~~FRANKFURT, GERMANY, AUG.~~ 5-(AP)-DR.KURT SCHUMACHER, WEST GERMAN SOCIAL DEMOCRATIC LEADER, SAID TODAY HE WAS MISQUOTED BY A BRITISH OFFICIAL WHO ACCUSED HIM OF INFLAMMATORY TALKS AGAINST BRITAIN.

THOSE QUOTATIONS ARE ALL MIXED UP, HE TOLD A REPORTER BY TELEPHONE FROM MUNICH WHERE HE IS CAMPAIGNING FOR THE AUG. 14 PARLIAMENTARY ELECTION IN WESTERN GERMANY.

THE BRITISH OFFICIAL QUOTED SCHUMACHER AS SAYING: "THE BRITISH FOUGHT THE WAR MERELY AS A TRADE WAR TO BENEFIT THE INTERESTS OF THEIR PROFITEERS, WHO WANTED TO RID THEMSELVES OF GERMAN COMPETITION."

SCHUMACHER CLAIMED HE ACTUALLY SAID: "TODAY WE ARE FACING THE QUESTI WHETHER GREAT BRITAIN OR SOME OF ITS BUSINESS FIRMS WON THE WAR."

SCHUMACHER SAID HE REGARDED THE BRITISH OFFICIAL'S STATEMENT "NOT AS A WARNING BUT AS ANOTHER SIGN THAT MANY PEOPLE ABROAD DO NOT UNDERSTAND WEST GERMANY'S SITUATION AND WHAT IS GOING ON HERE."

RQ1129AED

PARIS, AUG.5-(AP)-MARSHALL PLAN SPENDING DROPPED TO $334,900,000 IN JUNE--$169,300,000 BELOW THE MAY FIGURES.

OFFICIAL DATA SHOWS THE GRANTS AUTHORIZED IN THE 15TH MONTH OF MARSHAL AID BROUGHT THE TOTAL SPENT SO FAR TO $5,909,000,000.

AS USUAL, THE BIGGEST SHARE WENT TO BRITAIN--$94,500,000. THE ANGLO-AMERICAN BIZONE OF GERMANY DISPLACED FRANCE FROM SECOND PLACE, FOR THE MONTH AT LEAST. IT GOT $54,900,000 AND FRANCE $54,300,000. THE FRENCH ZONE OF GERMANY RECEIVED AN ADDITIONAL $10,000,000.

BUYING OF INDUSTRIAL PRODUCTS WORTH $191,100,000 WAS AUTHORIZED DURING THE MONTH, AND FOOD AND FARM PRODUCTS WORTH $117,100,000.

THE SUMS ALLOTTED TO THE OTHER MARSHALL AID AREAS, ACCORDING TO HEADQUARTERS OF THE EUROPEAN COOPERATION ADMINISTRATION HERE WERE:

NETHERLANDS	$46,500,000
ITALY	21,700,000
AUSTRIA	16,100,000
BELGIUM-LUXEMBOURG	14,200,000
GREECE	9,700,000
NORWAY	4,300,000
SWEDEN	3,700,000
TRIESTE	3,300,000
TURKEY	1,300,000
DENMARK	1,300,000
ICELAND	800,000
IRELAND	1,700,000

WW238PED

AUG 6 1949

EDITORS:
PARIS--MIGHT LEAD CHIEFS INSERT AFTER SECOND PGH BEGINNING "THE SEMI-OFFICIAL" AND ENDING "WAS LIGHT."
LATER ALL THOSE ARRESTED WERE RELEASED.
THE COMMUNIST X X X THIRD PGH
THE AP
DY802PED

AUG 6 1949

HERE IS HOW OFFICIALS OUTLINED IT:

ACCEPTANCE OF THE IDEA BY BRITAIN AND CANADA HAS BEEN RECORDED AND FRENCH APPROVAL WAS TO HAVE COME IN THE CURRENT PARIS TALKS. THE WHOLE PROPOSAL OF A FOUR-POWER HIGH COMMAND IS SUBJECT TO CONFIRMATION BY ALL THE FOREIGN MINISTERS OF THE 12 NATIONS SCHEDULED TO MEET IN WASHINGTON IN A MONTH OR TWO. ADD PARIS (DAY CHIEFS OF STAFF) X X X CHIEFS

SUCH A DEFENSE COUNCIL WOULD FUNCTION ALONG LINES OF THE WASHINGTON-BASED ANGLO-AMERICAN JOINT STAFF BOARD CREATED DURING THE WAR AND STILL IN EXISTENCE. THE COUNCIL PROBABLY WOULD HAVE POWER TO MAKE (EUNSON) RECOMMENDATIONS ON POLITICAL AND DIPLOMATIC MATTERS WHEN MILITARY AND STRATEGIC NEEDS WARRANTED THIS. A GENERAL 12-NATION DEFENSE COMMITTEE WOULD FUNCTION UNDER THE FOUR-POWER COUNCIL, WITH ADVISORY POWERS.

THE UNITED STATES, CANADA, BRITAIN AND FRANCE ARE FARTHEST AHEAD OF THE 12 NATIONS IN ATOMIC DEVELOPMENT, AND THIS MIGHT GET BY DIFFICULTIES FORESEEN BY SOME OVER THE QUESTION OF EXCHANGING ATOMIC INFORMATION.

THIS AFTERNOON ABOUT 400 ARMED MOBILE GUARDSMEN GATHERED IN THE PLACE DE LA CONCORDE IN PREPARATION FOR A COMMUNIST MARCH IN PROTEST AGAINST THE PRESENCE OF THE AMERICAN MILITARY LEADERS IN PARIS.

THE GUARDSMEN DROVE UP IN 15 TRUCKS AND DISPERSED QUIETLY ABOUT THE HUGE SQUARE, WHERE THE U.S.EMBASSY IS LOCATED. A UNIFORMED FRENCH ARMY COLONEL SET UP AN OPEN AIR HEADQUARTERS IN FRONT OF THE EMBASSY.

COMMUNISTS HAD SAID THEY INTENDED TO MARCH TO THE EMBASSY TO PROTEST AND THE INTERIOR MINISTRY SAID IT WOULD NOT PERMIT SUCH A MARCH. THE DEMONSTRATION WAS SCHEDULED BY THE COMMUNISTS FOR 5 P.M. (11 A.M.., EST). THE CHIEFS OF STAFF WERE TO BE IN CONFERENCE AT THE TIME AT FONTAINEBLEU, 40 MILES OUTSIDE PARIS, WITH WESTERN MILITARY DEFENSE CHIEFS.

THE THREE U.S. JOINT CHIEFS OF STAFF ARRIVED HERE YESTERDAY FROM LONDON. THEY TOLD NEWSMEN THERE THEY EXPECTED THE 12-NATION DEFENSE ORGANIZATION WOULD BE FUNCTIONING BY THE END OF THE YEAR.

THE AMERICAN STAFF CHIEFS ARE NEARING THE END OF A 10-DAY FACT FINDING TOUR OF WESTERN EUROPE. THEY WILL TALK OVER DEFENSE PROBLEMS WITH CHIEFS OF STAFF FROM BELGIUM, HOLLAND AND PORTUGAL TOMORROW.

THE U.S. CHIEFS--NAVY ADM. LOUIS E. DENFELD, ARMY GEN. OMAR N. BRADLEY AND AIR FORCES GEN. HOYT S. VANDENBERG--WILL BE GUESTS AT A LUNCHEON GIVEN BY DEFENSE MINISTER PAUL RAMADIER.

THE FRENCH ARE CHIEFLY INTERESTED, INFORMED SOURCES SAID, IN GETTING ASSURANCES THAT FRANCE WILL BE GIVEN AT LEAST AN EQUAL VOICE WITH BRITAIN IN TOP LEVEL STRATEGY PLANNING.

IN THE AFTERNOON THE AMERICANS ARE TO VISIT THE FOUNTAINEBLEAU HEADQUARTERS OF FIELD MARSHAL VISCOUNT MONTGOMERY, CHIEF OF THE FIVE-NATION WESTERN EUROPEAN UNION DEFENSE COMMITTEE. BRITAIN, FRANCE, BELGIUM, HOLLAND AND LUXEMBOURG HAVE BEEN WORKING TOGETHER SINCE LAST YEAR IN DRAFTING JOINT DEFENSE PLANS.

ONE OF THE MAIN POINTS TO BE DECIDED IS WHERE MONTGOMERY'S STRATEGY STAFF WILL FIT INTO THE OVERALL ATLANTIC PACT DEFENSE SET UP.

THE FRENCH COMMUNIST PARTY ANNOUNCED PLANS FOR A BIG ANTI-PACT PROTEST MEETING OUTSIDE THE AMERICAN EMBASSY IN THE CENTRAL PLACE DE LA CONCORDE THIS AFTERNOON. POLICE HAVE BANNED ON THE DEMONSTRATION AND SAID GENDARMES WOULD BE ON HAND TO PREVENT UNTOWARD INCIDENTS.

M614AED

AUG 6 1949

Madrid, Aug. 5--(ap)--Bennett Harvie Branscomb, chancellor of Vanderbilt University, Nashville, Tenn., and Eleanor Reams, executive secretary of education of the United Nations Educational Scientific and Cultural Organizatio arrived today from Paris.

They are inspecting United States information and education centers in Europe. Branscomb is a member of the congressional advisory commission on education. [redacted]

apr/01830/tho/315p

AUG 6 1949

PRECEDE FRANKFURT DAY (260)

BY GEORGE BOULTWOOD

BREMEN, GERMANY, AUG.5-(AP)-THE WHOLE CARGO OF THE 3,800-TON JEWISH FREIGHTER DROMIT WAS IMPOUNDED TODAY BY AMERICAN CUSTOMS AGENTS TO PREVENT AN ALLEGED ILLEGAL SHIPMENT OF GERMAN GOODS TO ISRAEL.

U.S. CUSTOMS OFFICIALS CLAIMED INDUSTRIAL EQUIPMENT, MACHINE TOOLS, A MOTOR CAR AND OTHER VALUABLE ITEMS WERE BEING SHIPPED TO ISRAEL FALSELY DESCRIBED AS PERSONAL AND HOUSEHOLD GOODS OF JEWISH EMIGRANTS.

TOTAL VALUE OF THE CARGO WAS NOT ESTIMATED AS ALL THE 668 LARGE PACKING CRATES HAVE NOT YET BEEN OPENED FOR INSPECTION. ON THE BASIS OF WHAT HAS BEEN FOUND, HOWEVER, INVESTIGATORS BELIEVE TENS OF THOUSANDS OF DOLLARS WORTH OF MATERIAL IS INVOLVED.

AN AMERICAN ARMY SPOKESMAN DESCRIBED THE CASE AS THE BIGGEST ATTEMPT AT CUSTOMS EVASION SINCE THE OCCUPATION.

CORNELIS GOINGA, REGIONAL INSPECTOR OF THE U.S. CUSTOMS GROUP IN BREMEN, SAID THE CARGO WAS CONSIGNED BY A COMMITTEE FOR LIBERATED JEWS IN THE BRITISH ZONE OF GERMANY TO HAIFA, ISRAEL, FOR DISPLACED PERSONS WHO ARE EMIGRATING FROM GERMANY TO ISRAEL.

"INVESTIGATIONS HAVE SHOWN THAT THE CHARACTER OF THE GOODS HAS BEEN MISREPRESENTED IN THE CUSTOMS PAPERS," GOINGA SAID. "THIS, IN FACT, IS AN ILLEGAL SHIPMENT OF INDUSTRIAL MATERIAL."

GOINGA SAID WHEN PROHIBITED GOODS WERE DISCOVERED, LT.EDGAR M. JONES OF THE MILITARY POLICE CUSTOMS UNIT, ORDERED THE CARGO SEIZED. HE ORDERED ALL CRATES STILL SITTING ON THE DOCK AND 390 OTHERS ALREADY ABOARD THE DROMIT TO BE OPENED FOR INSPECTION.

ONE CRATE DISCLOSED AN AUTOMOBILE IN GOOD CONDITION. ANOTHER CONTAINED AGRICULTURAL EQUIPMENT. COMPLETE EQUIPMENT FOR A SHOE FACTORY ALSO WAS FOUND, PLUS VARIOUS TYPES OF MACHINE TOOLS AND CEMENT MIXERS. GOINGA SAID SOME OF THE ITEMS WERE BRAND NEW AND STILL IN PACKING CRATES FROM FACTORIES.

WW333PED

Frankfurt, Germany, Aug. 5-(ap)-Two [redacted] airmen were killed in a jeep wreck near paris last saturday. The [redacted] u.s. air force headquarters announced today. The two were cpl. edw rd j. kowalski, whose mother, mrs. anna kowalski, lives at 6435 buschy st., baltimore, md., and cpl. joseph l. coriatti, jr., whose mother, mrs. mary coriatti, lives at 4 falkill place, poughkeepsie, n.y. both men were based at wiesbaden air force headquarters.

AUG 6 1949

wr 01840pl doane-138p

FRANKFURT, GERMANY, AUG. 5-(AP)-THE FAMED FIRST INFANTRY DIVISION, ~~BACKBONE OF THE UNITED STATES ARMY FORCES IN EUROPE~~, IS GETTING A NEW COMMANDER.

THE ARMY ANNOUNCED TODAY MAJ.GEN.FRANK W.MILBURN, THE PRESENT COMMANDER, WILL LEAVE SOON FOR THE UNITED STATES. HE WILL BE REPLACED BY MAJ.GEN.JOHN E.DAHLQUIST, WHO WILL ARRIVE FROM WASHINGTON SUNDAY.

RQ1114AED

FRANKFURT -- FIRST ADD FREIGHTER (A71) X X PAYMENT OF DUTY.

CORNELIUS GOINGA OF 1408 KENMORE AVE., BUFFALO,N.Y., THE U.S. CUSTOMS OFFICIL IN CHARGE OF THE INVESTIGATION, SAID THE SHIP HAD BEEN SHIFTED TO ANOTHER BERTH FOR UNLOADING AND EXAMINATION OF HER CARGO. HE SAID 390 OF THE TOTAL OF 450 TO 500 BOXES SCHEDULED FOR SHIPMENT HAD BEEN PUT ABOARD WHEN THE CUSTOMS INSPECTION BEGAN.

ML1238.93$

THE ELECTION CAMPAIGN WARMED UP TONIGHT, WITH FISTFIGHTS REQUIRING POLICE INTERVENTION IN AT LEAST TWO PARTY RALLIES. THE FIRST DISTURBANCE OCCURRED AT A MEETING OF THE CHRISTIAN DEMOCRATIC UNION (CDU), THE STRONG CONSERVATIVE PARTY, IN NUERNBERG. HECKLERS WHOM CDU MEMBERS DESCRIBED AS COMMUNISTS WERE THROWN OUT BY POLICE AFTER THEY HAD PROVOKED FISTFIGHTS IN THE AUDIENCE.

KONRAD ADENAUER, CDU LEADER, TOLD THE RALLY THE PARTY WILL FIGHT IN THE NEW PARLIAMENT "ABOVE ALL" AGAINST FURTHER ALLIED DISMANTLING OF GERMAN FACTORIES AND FOR REDUCTION OF OCCUPATION COSTS ASSESSED AGAINST GERMANS. ADD FRANKFRUT (PARLIAMENT) X X X LEGISLATURES

MAX REIMANN, WEST GERMAN COMMUNIST LEADER, HAD A ROUGH ELECTIONEERING NIGHT. HE WAS SHOUTED DOWN AT TWO MEETINGS AND FINALLY HAD TO HAVE POLICE PROTECTION TO GET AWAY. AT LEBENSSTEDT, NEAR THE BRITISH ZONE INDUSTRIAL TOWN OF SALZGITTER, REIMANM WAS ABLE TO STAY ON THE PLATFORM FOR ONLY SIX MINUTES BEFORE BEING BOOED INTO SILENCE. AT BRUNSWICK HE LASTED ONLY 10 MINUTES.

HJ1008PED

Rotterdam, the netherlands, Aug. 5 -(ap)- Thomas Mann and his wife left for new york today aboard the liner nieuw amsterdam. The writer ~~and his first visit to germany, his homeland, in 16 years~~ is returning to the united states after attending Goethe bicentennial celebrations in germany. It was his first visit to Germany, his homeland, in 16 years.

BY LYNN HEINZERLING

GENEVA, SWITZERLAND, AUG.5-(AP)-JAMES THORN, CHAIRMAN OF THE UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL, ORDERED THE SOVIET DELEGATE TODAY TO STOP USING WORDS SUCH AS "SLANDER AND LIE" IN COUNCIL DEBATE.

AMAZASP ARUTIUNIAN, REPRESENTING RUSSIA IN THE 18-NATION COUNCIL, ACCUSED BRITISH DELEGATE CORLEY SMITH OF UTTERING "LIES AND SLANDERS" IN A HEATED DEBATE WEDNESDAY. SMITH HAD CHARGED THE SOVIET UNION CONDUCTS HUGE SLAVE LABOR CAMPS.

ARUTIUNIAN WAS ABOUT TO SPEAK AGAIN ON THE SUBJECT TODAY WHEN THORN, NEW ZEALAND'S HIGH COMMISSIONER IN CANADA, STOPPED HIM.

"THE USE OF SUCH WORDS AS SLANDER AND LIE SHOULD NOT BE PERMITTED IN THIS COUNCIL," THORN SAID. "THEY CONVEY INSULTS. I DON'T BELIEVE THERE ARE ANY LIARS OR SLANDERERS HERE IN THIS COUNCIL."

ARUTIUNIAN ATTEMPTED TO SHOUT THE CHAIRMAN DOWN, BUT THORN CONTINUED HIS RULING: "IT IS TIME I ASSERTED MY AUTHORITY TO SEE THAT THIS DEBATE IS CONDUCTED IN AN ORDERLY MANNER."

ARUTIUNIAN FINALLY BROKE IN TO SAY:

"I HAVE A RIGHT TO SPEAK WITHOUT YOUR PERMISSION. I REPRESENT A SOVEREIGN STATE. I AM NOT FROM SOME PRIMITIVE TRIBE SOMEWHERE IN NEW ZEALAND. I REQUEST THAT I NOT BE INTERRUPTED."

"YOU HAVE THE RIGHT TO SPEAK WHEN I CALL ON YOU," THORN ANSWERED. "AND AS TO A PRIMITIVE TRIBE IN NEW ZEALAND, IT HAS THE SAME RIGHTS AS WHITE MEN THERE. AND FURTHERMORE, THAT IS NOT QUITE FAIR."

THORN CONTINUED: "A DELEGATE CAN USE FORCEFUL LANGUAGE, BUT WORDS SUCH AS LIE AND SLANDER ARE NOT PERMISSIBLE."

"MR.PRESIDENT," ARUTIUNIAN SHOUTED, "I DON'T KNOW WHAT YOU ARE THINKING OF, BUT YOU ARE NOT SHOWING OBJECTIVE BEHAVIOR. WHAT I SPEAK HERE IS THE TRUTH. THE ARGUMENTS BROUGHT OUT BY OTHERS ARE PRACTICALLY POLITICAL BLACKMAIL."

AS ARUTIUNIAN CONTINUED HIS SPEECH, BRITISH DELEGATE SMITH ROSE ON A POINT OF ORDER. HE DISPUTED THE ASSERTION OF THE SOVIET DELEGATE THAT HE (SMITH) HAD DESCRIBED SLAVERY AS A "NATURAL THING" IN SOME BRITISH COLONIES.

THORN SAID HE AGREED SMITH HAD NOT MADE SUCH A STATEMENT.

ARUTIUNIAN SHOUTED: "YOU HAVE TO RESPECT OUR PROCEDURE HERE, NOT ONLY FOR YOUR FRIENDS, BUT FOR THE MINORITY." HE ADDED: "I KNOW YOU ADVOCATE FOR HIM, BUT I ASK YOU AGAIN, PLEASE, DO NOT INTERRUPT MY SPEECH."

THE SOVIET DELEGATE THEN CONTINUED WITH A STATEMENT ON BARIOUS PROPOSALS SUBMITTED FOR AN INVESTIGATION OF FORCED LABOR CHARGES.

WW251PED

THE CONTROLLED PRESS, STEPPING UP ITS CONFLICT WITH THE VATICAN, CLAIMED TODAY THE PAPAL EXCOMMUNICATION ORDER IS BEING DEFEATED. NEWSPAPERS DECLARED THE IMPRISONMENT OF FATHER FAJSTL WAS PROOF "THAT THE CHURCH MUST SUBMIT TO THE LAWS OF THE STATE AND ADMIT THEIR SUPERIORITY OVER ECCLESIASTICAL LAWS."

BY-TA734PED ADD PRAGUE (NL CHURCH-STATE) X X X DIOCESE (KASICKNE)

BELGRADE, AUG 5-(AP)-PREMIER-MARSHAL TITO PROMISED YUGOSLAVIA ALL CAPITALISM WILL BE LIQUIDATED IN THIS COUNTRY.

HIS PROMISE WAS MADE IN A SPEECH AT SKOPLJE, CAPITAL OF MACEDONIA, TWO DAYS AGO. IT WAS RELEASED BY THE MINISTRY OF INFORMATION TONIGHT

HE SAID ALL BASIC INDUSTRIES NOW ARE IN THE HANDS OF SOCIALISTS.

"WE STILL HAVE DIFFICULTIES," HE SAID, "BUT IT (THE CONDITION OF THE COUNTRY) IS BETTER THIS YEAR THAN TWO YEARS AGO AND IT WILL BE EVE BETTER NEXT YEAR."

HE SPOKE BEFORE A GROUP OF REPRESENTATIVES OF STATE COOPERATIVES. AT ONE POINT HE ACKNOWLEDGED "CLASS ENEMIES" STILL EXIST IN YUGOSLAVIA AND ADDED "THAT IS WHY THE FIGHT AGAINST THE ENEMIES OF COOPERATIVES W STILL BE TOUGH."

DY813PED

TANJUG REPORTED THE STATEMENTS WERE MADE WEDNESDAY IN A SPEECH TO ARMY AND POLITICAL LEADERS IN SKOPLJE, MACEDONIA. TITO REPEATED PREVIOUS STATEMENTS THAT YUGOSLAVIA WOULD NOT SACRIFICE ITS MARXIST COMMUNISM FOR WESTERN FRIENDSHIP, THEN LAUNCHED INTO HIS TOUGHEST TALK TO DATE AGAINST HIS COMINFORM NEIGHBORS.

"YOU ARE ON A SECTOR OF DEFENSE OF OUR COUNTRY," HE TOLD THE MACEDONIAN LEADERS, "WHICH IS OF GREAT IMPORTANCE AND ON WHICH PROVOCATIONS TOOK PLACE, WHERE THEY ARE STILL OCRURRING TODAY AND WILL PROBABLY TAKE PLACE IN THE FUTURE.

"YOU ARE IN A STATE OF ALERT IN ORDER TO SAFEGUARD THE PEACEFUL RECONSTRUCTION OF OUR SOCIALIST COUNTRY...

"THERE ARE CASES ALREADY WHERE THEY (YUGOSLAV SOLDIERS) HAD TO CONFRONT THE ENEMY FACE TO FACE. BLOOD HAS ALREADY BEEN SHED HERE IN DEFENSE OF OUR SOCIALIST HOMELAND."

ADD BELGRADE (TITO ARMY) X X X THEM (SINGLETON)

A40

TITO SAID THE COMINFORM COUNTRIES WANTED TO CRUSH YUGOSLAVIA BUT SO FAR HAD FAILED. HE DECLARED THAT THE MAJORITY OF THE PEOPLES OF THE EASTERN COUNTRIES SIDED WITH YUGOSLAVIA DESPITE THE OPPOSITION OF THEIR COMINFORM GOVERNMENTS.

HE SAID RUMORS OF A THREATENED SOVIET ARMY ATTACK ON YUGOSLAVIA WERE FIRST SPREAD BY PEOPLE IN WESTERN COUNTRIES WHO THOUGHT "WE WOULD HELTER-SKELTER FALL ON THIS BOSOMS TO SAVE OURSELVES." HE ADDED:

"WE KNEW THAT THE RED ARMY CANNOT ATTACK A SOCIALIST COUNTRY BECAUSE THAT WOULD MEAN THE END OF SOCIALISM IN THE WORLD."

"BUT TODAY," HE CONTINUED, "THOSE IN THE EAST ARE ALSO TRYING TO INTIMIDATE US, DISSEMINATING VARIOUS RUMORS OVER THE SOCALLED BLACK MARKET ON SO MANY AND SO MANY SOVIET DIVISIONS ON THIS OR THAT PLACE, ON SO MANY ARTILLERY TROOPS HERE OR THERE."

DECLARING YUGOSLAVIA WOULD REMAIN VIGILANT, TITO WARNED THE EASTERN COUNTRIES: "WE SHALL NOT ALLOW THEM TO HAMPER THE CONSTRUCTION OF OUR COUNTRY."

M550AED

AUG 6 1949

(Advance) Oslo, Aug. 5--(ap)--The year-long dispute between Britain and Norway over fishing rights off the Norwegian coast will be placed before the International Court of Justice in The Hague, a foreign office said today.

Norway agreed to do so after a sharply-worded British memorandum of July 19 had foreseen possible clashes between Norwegian and British fishing inspection ships if current regulations were to be maintained.

During the past few years several British trawlers have been seized by Norwegian authorities and fined for fishing in Norwegian territorial waters.

The Norwegian foreign office sought a solution to the question by mutual agreement. The British, however, preferred

(end advance for use at 7 p.m. EST., Friday, Aug. 5).

bergrens 1430s gp 1258p

MOSCOW, AUG.5-(AP)-MOSCOW NEWSPAPERS TODAY PUBLISHED THEIR FIRST STORIES OF THE BRITISH SLOOP AMETHYST'S ESCAPE DOWN THE YANGTZE RIVER LAST SATURDAY.

THE ACCOUNT QUOTED CHINESE COMMUNIST GEN.YUAN CHUNG-HSIEN AS SAYING THE BRITISH VESSEL TOOK A CHINESE SHIP WITH IT AS A HOSTAGE AND LATER SANK THE CHINESE SHIP, WITH THE LOSS OF SEVERAL HUNDRED LIVES.

THE AMETHYST FIRED ON JUNKS TRYING TO PICK UP SURVIVORS, THE GENERAL'S STATEMENT SAID, ADDING: "HOWEVER, NOW THE CHINESE PEOPLE AND ALL THE WORLD SEES HOW IMPERIALISTS RETURN EVIL FOR GOOD." THE GENERAL SAID THE CHINESE HAD ALLOWED BRITISH SEAMEN EARLIER TO GO ASHORE AND EVEN RETURNED TWO WOUNDED SAILORS.

--DASH--

A SIMILAR CLAIM THAT THE AMETHYST HAD SUNK A CHINESE SHIP WAS MADE TUESDAY IN A CHINESE COMMUNIST BROADCAST FROM NANKING. ANSWERING THAT CLAIM, A BRITISH ADMIRALTY SPOKESMAN IN LONDON SAID: "CATEGORICALLY DENIED." THE ADMIRALTY SAID COMMUNIST ARTILLERY FIRE HIT A COMMUNIST SHIP IN THE CONFUSION OF THE INCIDENT.

CHINESE COMMUNIST SHORE BATTERIES HAD HELD THE 1,400-TON BRITISH WARSHIP ON THE YANGTZE BETWEEN NANKING AND SHANGHAI AFTER A BATTLE IN MID-APRIL THAT RESULTED IN THE DEATH OF THE SHIP'S CAPTAIN AND 17 CREWMEN. THE SHIP GOT OUT OF THE TRAP BY MAKING A DRAMATIC DASH DOWN THE RIVER.

WW318PED

BY SEYMOUR TOPPING

NANKING, AUG.5-(AP)-THIS ONCE-THRIVING CAPITAL OF NATIONALIST CHINA IS WITHERING UNDER COMMUNIST RULE TO LITTLE MORE THAN A GHOST CITY.

THE UNITED STATES EMBASSY THIS WEEK TRANSFERRED TO CANTON, WHERE IT PREVIOUSLY HAD MAINTAINED AN OFFICE. IT RETAINS ONLY AN OFFICE IN NANKING. (AMBASSADOR J.LEIGHTON STUART IS EN ROUTE TO WASHINGTON TO REPORT.)

MOST OTHER DIPLOMATIC MISSIONS ARE GETTING DOWN TO SKELETON STAFFS. DIPLOMATS STILL HERE ARE ANXIOUS TO LEAVE FOR PERSONAL REASONS AND WILL THIN OUT RAPIDLY AS TRANSPORTATION BECOMES AVAILABLE. THEY ARE NOT ACCORDED THE USUAL PRIVILEGES AND IMMUNITIES BECAUSE THERE ARE NO FORMAL RELATIONS BETWEEN THE COMMUNISTS AND FOREIGN POWERS.

THE RED OCCUPATION HAS STRIPPED NANKING OF ITS MAIN FUNCTION AS THE LEADING CHINESE ADMINISTRATIVE CENTER, AND THE ALWAYS-LIMITED COMMERCIAL LIFE ALSO IS GRINDING SLOWLY TOWARDS A HALT.

FOR EXAMPLE, THE AVERAGE OF CHECKS PASSING THROUGH THE BANK CLEARING CENTER IS NOW 200 DAILY, COMPARED WITH 20,000 BEFORE THE COMMUNIST TAKE-OVER IN APRIL.

HUNDREDS OF RESIDENCES AND OFFICE BUILDINGS STAND EMPTY, AS CHINESE WHO ARE ABLE TO DO SO LEAVE THE CITY. PRICES HAVE TRIPLED IN THREE MONTHS WHILE INCOME LEVELS HAVE DECLINED SHARPLY. THE COMMUNISTS NEVERTHELESS HAVE INCREASED TAXES TO LEVELS THAT SOME SMALL BUSINESS MEN CALL "UNBEARABLE."

MORALE OF THE PEOPLE ALSO HAS SAGGED UNDER THE SMALL BUT DAILY NATIONALIST AIR RAIDS. UTILITIES, THE WATERFRONT AND RAILWAYS ARE THE USUAL TARGETS.

NANKING TODAY IS WITHOUT ELECTRICITY OR RUNNING WATER WHILE THE POWER PLANT UNDERGOES EXTENSIVE REPAIRS.

PRIVATE AUTOMOBILES ARE INFREQUENT SIGHTS ON THE NEARLY EMPTY STREETS. GASOLINE COSTS ABOUT $3 A GALLON AND THE CITY LICENSE TAX IS $33 A MONTH.

FOREIGNERS ARE NOT PERMITTED TO STRAY OUTSIDE THE CITY WALLS, BUT MAY TRAVEL TO SHANGHAI AFTER OBTAINING VISAS.

AMERICAN BROADCASTS CONSTITUTE THE MAIN SOURCE OF NEWS FOR THE FOREIGN COMMUNITY. THE CONTROLLED PRESS CONTAINS ALMOST NOTHING BUT OFFICIAL HANDOUTS AND REGULAR QUOTATIONS FROM TASS, THE OFFICIAL SOVIET NEWS AGENCY.

CITIZENS HAVE ABOUT GIVEN UP HOPE THAT THE REDS WILL ESTABLISH THEIR CAPITAL HERE. THERE IS SOME VAGUE TALK OF MAKING NANKING A PRODUCTION AND EDUCATIONAL CENTER, BUT OTHERWISE THE FUTURE IS BLANK.

JM126PCS NM

HONG KONG, AUG. 5-(AP)-BRITAIN'S HEROIC SLOOP AMETHYST WILL RETURN TO THE UNITED KINGDOM IN A MONTH.

THE ADMIRALTY SAID THE CREW HAD BEEN GIVEN THE OPTION OF FLYING HOME OR MANNING THE SHIP. THEY HAD ELECTED TO SAIL.

THE AMETHYST WAS A HOSTAGE ON THE YANGTZE FROM MID APRIL UNTIL LAST WEEK END WHEN IT ESCAPED FROM COMMUNIST SHORE GUNS. IT LOST 18 CREW MEMBERS IN THE APRIL FIGHTING ON THE RIVER.

LW628APS

THE REVOLT OF THE TWO GENERALS WOULD EXPLAIN WHY THE REDS HAVE BEEN SHADOW BOXING ON THE CHANGSHA FRONT LATELY. THEY WERE WAITING FOR AN EASIER WAY INTO CHANGSHA, WHOSE NATURAL DEFENSES STOOD UP AGAINST REPEATED JAPANESE ASSAULT DURING THE WAR.

A22FX AUD CANTON (DAY CHANGSHA) X X X ADVANCE (MOOSA)

GENERAL CHENG FORMERLY WAS CHIEF OF CHINA'S GENERAL STAFF. HE WAS A CLOSE FRIEND AND ASSOCIATE OF CHIANG KAI-SHEK.

A NATIONALIST ANNOUNCEMENT SAID THE DEFENDERS OF CHANGSHA WITHDREW IN GOOD ORDER LAST NIGHT BEFORE THE REDS ENTERED THE CITY.

THE CLOSEST RED APPROACH TO CANTON, HOWEVER, CAME ON THE NORTHEAST. THE COMMUNISTS MADE A 25-MILE ADVANCE SOUTH OF NEWLY CAPTURED SUICHWAN, WHICH IS 240 MILES NORTHEAST OF CANTON.

THE OFFICIAL CENTRAL NEWS AGENCY SAID NATIONALIST BOMBERS WERE ACTIVELY SUPPORTING GROUND FORCES AND THAT FIRST LINE NATIONALIST TROOPS FROM FORMOSA WERE POURING INTO FUKIEN PROVINCE, ON CHINA'S SOUTHEAST COAST. THEY WILL BE THROWN INTO THE DEFENSE OF CANTON.

FT1213APS

Singapore, Aug. 5 -(ap)- Maj. Gen. Sir Neil Ritchie today handed over command of Britain's far east land forces to Lieut.Gen. Sir John Harding.

The British war office ~~xxx~~ last September named Sir ~~xxxx~~ Neil British commander of the joint services mission in Washington. He, ~~xxx~~ his wife and their two children will sail for Britain on Sept. 8.

His successor was formerly commander-in-chief of the southern england command.

KOREAN (180)

~~SEOUL, AUG. 5-(AP)-AN ESTIMATED 6,000 INVADERS FROM THE COMMUNIST NORTH HAVE BEEN DRIVEN FROM SOUTH KOREAN SOIL,~~ THE ARMY CHIEF OF STAFF OF THE SOUTHERN REPUBLIC SAID TODAY.

MAJ.GEN.CHOI BYUNG DUK ESTIMATED THE REPUBLIC'S YOUNG ARMY LOST 100 KILLED AND 90 WOUNDED IN YESTERDAY'S ATTACK ON ONGJIN PENINSULA BY THE COMMUNIST NORTH.

THE GENERAL DISCLOSED THE SOUTHERNERS RECENTLY HAD OCCUPIED TWO STRONG POINTS JUST OVER THE BORDER IN NORTH KOREA. HE SAID THESE WERE LOST TO THE NORTHERNERS IN THE RENEWED FIGHTING.

MEANWHILE, GENERALISSIMO CHIANG KAI-SHEK LEFT A LARGE PARTY OF OFFICIALS WAITING AT NEARBY KIMPO AIRFIELD.

HE WAS DUE TO ARRIVE TODAY TO DISCUSS A PACIFIC PACT AGAINST THE COMMUNISTS WITH PRESIDENT SYNGMAN RHEE. AFTER MORE THAN AN HOUR OF WAITING, CHINESE AMBASSADOR SHAO YU-LIN RECEIVED A RADIO MESSAGE FROM FORMOSA THAT CHIANG'S PARTY HAD NOT DEPARTED.

SHAO, WHILE INFORMING THE ASSOCIATED PRESS HE HAD RECEIVED THE MESSAGE, MADE NO ATTEMPT TO EXPLAIN PREVIOUS REPORTS THAT CHIANG LEFT FORMOSA YESTERDAY. MUCH SECRECY SURROUNDS CHIANG'S MOVEMENTS.

FT1211APS

SEOUL,SATURDAY,AUG.6-(AP)-DR.HOMER B.HULBERT, 87, LONG A TEACHER IN KOREA WHO RETURNED ONLY LAST WEEK "TO SPEND THE REST OF MY LIFE IN KOREA," DIED YESTERDAY.

IN 1904, DR.HULBERT TRIED TO REPRESENT KOREA AT THE HAGUE AT THE TIME JAPAN WAS GRADUALLY TAKING OVER THE KOREAN KINGDOM. HE LATER WROTE A BOOK ON "THE PASSING OF KOREA," WHICH TOLD OF JAPAN'S CONQUEST.

HE WAS A FORMER ADVISOR TO THE EX-EMPEROR OF KOREA AND AN AUTHORITY ON THE FAR EAST.

DR. HULBERT, WHOSE HOME WAS IN (44 FAIRFIELD STREET) SPRINGFIELD, MASS., LIVED AND TAUGHT IN KOREA FOR MORE THAN 20 YEARS.

HE WAS THERE AT THE TIME OF HIS DEATH FOR A VISIT AT THE PERSONAL INVITATION OF PRESIDENT RHEE.

AT THE START OF THE CENTURY DR. HULBERT WAS A FOREMOST CHAMPION OF KOREA IN THAT COUNTRY'S OPPOSITION TO THE PROTECTORATE IMPOSED UPON IT BY JAPAN AND IN 1905 HE WAS COMMISSIONED TO COME TO THE UNITED STATES AS A SPECIAL REPRESENTATIVE OF THE EMPEROR.

HE AGAIN PLEADED THE CAUSE OF KOREANS 14 YEARS LATER IN AN APPEARANCE BEFORE THE SENATE COMMITTEE ON FOREIGN RELATIONS AT WHICH TIME HE CHARGED THAT THE JAPANESE WERE RULING THE COUNTRY AGAINST THE WILL OF ITS PEOPLE AND COMMITTING ATROCITIES AGAINST THEM.

HULBERT FIRST WENT TO KOREA IN 1886 AS A REPRESENTATIVE OF THE U.S. STATE DEPARTMENT. HE BECAME AN INSTRUCTOR IN THE ROYAL SCHOOL AT SEOUL AND FOR MANY YEARS WAS IN CHARGE OF THE IMPERIAL NORMAL SCHOOL THERE.

HE WAS A CONTRIBUTOR TO AMERICAN AND BRITISH MAGAZINES AND LECTURED IN THE UNITED STATES ON JAPANESE-KOREAN RELATIONS.

WB1145PED

EDITORS:

~~NEW~~ DELHI--INSERT AFTER SECOND GRAF NEHRU (A159) XXX

1947.

NEHRU ANNOUNCED HE EXPECTS TO ARRIVE IN THE UNITED STATES OCT.11 ON AN OFFICIAL VISIT AND WILL REMAIN THERE UNTIL THE END OF OCTOBER. HE ALSO PLANS TO SPEND SEVERAL DAYS IN CANADA. A TOPIC OF HIS VISIT WILL BE COMMUNISM IN ASIA.

"THERE IS NO ~~XXX FOURTH GRAF.~~

WW319PED

"MISCHIEF MAKING ELEMENTS ARE SUCCESSFUL ONLY WHEN PEOPLE LOSE DISCIPLINE OR BECOME FRIGHTENED," HE DECLARED.

COMMUNIST ACTIVITIES BRING A CONFLICT BETWEEN A STATE'S DUTY TO MAINTAIN SECURITY AND ITS DUTY TO MAINTAIN LIBERTY, THE PRIME MINISTER CONTINUED. NEHRU SAID HIS GOVERNMENT BELIEVES THAT, IN TIMES OF CRISIS, LIBERTY CAN BE INSURED ONLY AFTER COLLECTIVE SECURITY HAS BEEN ESTABLISHED.

ADD NEW DELHI (NEHRU) X X X SAID

FZ144PED

~~NITE LEAD (110)~~

~~MANILA,SATURDAY,AUG.6-(AP)-~~PRESIDENT ELPIDIO QUIRINO LEFT BY PLANE TODAY FOR WASHINGTON WHERE HE WILL PAY AN OFFICIAL VISIT TO PRESIDENT TRUMAN.

SOME TIME DURING THE VISIT HE IS EXPECTED TO ASK FOR INCREASED MILITARY AND ECONOMIC ASSISTANCE FOR THE PHILIPPINES.

APPROXIMATELY 50,000 FILIPINOS, MANY OF THEM WAR VETERANS, PACKED MANILA'S INTERNATIONAL AIRPORT AND GAVE QUIRINO A THUNDEROUS SENDOFF.

ON THE LONG FLIGHT ACROSS THE PACIFIC, THE U.S. NAVY WILL EXTEND FACILITIES TO PROVIDE FOR HIS SECURITY AND AID IF NECESSARY.

COL.OTIS BRYAN, WHO PILOTED THE PLANE THAT TOOK THE LATE PRESIDENT ROOSEVELT TO TEHERAN AND YALTA, WAS AT THE CONTROLS OF QUIRINO'S PLANE, THE "MANILA." BRYAN IS VICE-PRESIDENT OF THE PHILIPPINE AIRLINES.

HH1036PCSNM

~~HONOLULU,AUG.5-(AP)-~~DR.J.LEIGHTON STUART, AMBASSADOR TO CHINA, ARRIVED IN HONOLULU TODAY VIA U.S. MILITARY AIR TRANSPORT, EN ROUTE TO WASHINGTON.

HE WAS ACCOMPANIED BY JOHN CABOT, CONSUL GENERAL FROM SHANGHAI; HARRY A.HINDERER, EMBASSY ADMINISTRATIVE OFFICER; COL.JOHN H.DUNNING, MILITARY ATTACHE, AND PHILIP FUGH, SECRETARY.

THE PARTY PLANNED A FEW DAYS' STOPOVER IN HAWAII. STUART DECLINED ANY COMMENT BUT IS SCHEDULED TO ADDRESS THE CHINESE-AMERICAN CLUB TONIGHT.

SHORTLY AFTER STUART'S ARRIVAL, WILLIAM M.OLIVE, VICE CONSUL FROM SHANGHAI, ARRIVED WITH MRS.OLIVE ABOARD A PANAMERICAN AIRWAYS PLANE.

BEATEN BY SHANGHAI POLICE DURING A 3-DAY STAY IN JAIL JULY 6-9 FOR A MINOR TRAFFIC VIOLATION, OLIVE WAS DESCRIBED AS "VERY ILL." HE WAS TRANSFERRED IMMEDIATELY TO A BERTH ABOARD A PANAMERICAN STRATOCRUISER THAT TOOK OFF FOR SAN FRANCISCO.

THE OLIVES LEFT CHINA WITH STUART ABOARD AN EMBASSY PLANE, BUT THE PARTY SEPARATED AT OKINAWA.

HN518PCS

PRECEDE HONOLULU (160)

SAN FRANCISCO,AUG.5-(AP)-WILLIAM M.OLIVE, THE UNITED STATES VICE CONSUL WHO WAS BEATEN SEVERELY BY COMMUNIST POLICE IN SHANGHAI JULY 7, ARRIVED ALL SMILES AT SAN FRANCISCO AIRPORT TONIGHT.

BUT HE STILL STEADFASTLY REFUSED TO COMMENT ON THE INCIDENT WHICH CAUSED THE STATE DEPARTMENT TO MAKE A VIGOROUS PROTEST TO "APPROPRIATE HIGH COMMUNIST AUTHORITIES."

"I'M UNDER ORDERS TO MAKE NO COMMENT ON THE CHINA SITUATION UNTIL I MAKE MY PERSONAL REPORT TO WASHINGTON," HE EXPLAINED AS HE POSED FOR PICTURES WITH HIS WIFE, MARIE.

"IT'S WONDERFUL, WONDERFUL, WONDERFUL TO BE BACK HOME," BOTH MR. AND MRS.OLIVER SAID REPEATEDLY.

OLIVE WAS FLAT ON HIS BACK WHEN HE LEFT OKINAWA AND WORD WENT AHEAD THAT HE WAS TOO ILL TO BE PHOTOGRAPHED.

"BUT I HADN'T SLEPT FOR FIVE DAYS," HE TOLD NEWSMEN. "THEN, MY FIRST NIGHT IN THE AIR, I SLEPT TEN HOURS ON END AND FELT MUCH BETTER."

THE OLIVES WILL REMAIN IN SAN FRANCISCO, RESTING A DAY OR TWO BEFORE GOING ON TO WASHINGTON. THEY LEFT AMBASSADOR J.LEIGHTON STUART AT HONOLULU. HE PLANNED TO STAY THERE SEVERAL DAYS.

HH1127PCSNM

WASHINGTON,AUG. 5-(AP)-JOHN W.MYERS OF NORTHUMBERLAND, PA., A CLERK IN THE U.S. CONSULATE IN SHANGHAI, IS SAFE AND WELL, THE STATE DEPARTMENT SAID TODAY.

THE DEPARTMENT'S SPOKESMAN SAID THAT FROM COMMUNICATIONS RECEIVED FROM THE FAR EAST SINCE THE COMMUNISTS MOVED INTO SHANGHAI THERE IS NO INDICATION THAT MYERS HAS HAD ANY BRUSHES WITH THE REDS.

"WE ARE KEEPING A CLOSE WATCH ON THE SITUATION OUT THERE AND WE KNOW THAT OUR PEOPLE ARE ALL RIGHT," THE SPOKESMAN SAID.

AS FOR FUTURE PLANS CONCERNING MYERS AND OTHER MEMBERS OF THE STAFF, THAT'S SOMETHING WHICH CAN'T BE DETERMINED NOW, THE SPOKESMAN ADDED.

IT LOOKS, HE SAID, AS THOUGH MYERS AND THE OTHERS WILL BE THERE FOR SOMETIME BECAUSE PRESENT PLANS OF THE STATE DEPARTMENT ARE TO KEEP THE SHANGHAI CONSULATE OPEN.

SOME CONCERN FOR MYERS HAD BEEN EXPRESSED BY HIS FAMILY, WHO SAID THEY HAD NOT RECEIVED ANY DIRECT WORD FROM HIM FOR SEVERAL MONTHS.

VX627AED

(300) WAR SURPLUS

WASHINGTON,AUG. 5-(AP)-A HOUSE-APPROVED PLAN TO KILL OFF THE WAR ASSETS ADMINISTRATION--WAS REJECTED TODAY BY THE SENATE APPROPRIATIONS COMMITTEE.

INSTEAD, THE COMMITTEE ASKED THE SENATE TO GIVE THE NEW GENERAL SERVICES ADMINISTRATION SOME $26,500,000 (M) TO TAKE OVER WAA ACTIVITIES FOR THE CURRENT FISCAL YEAR.

IN SETTING UP THE GENERAL SERVICE ADMINISTRATION, CONGRESS DIRECTED IT TAKE OVER WAA FUNCTIONS AND THE LATTER BE ABOLISHED, SO THE SAME RESULT WILL BE OBTAINED.

JESS LARSON, HEAD OF THE NEW AGENCY AND FORMER BOSS OF WAA WHICH TECHNICALLY EXPIRED JUNE 30, TOLD SENATORS THAT BY SPENDING THE ADDITIONAL MILLIONS THE GOVERNMENT WILL COLLECT $96,500,000 (M) MORE THAN THE ADDED COSTS.

THE HOUSE HAD ALLOWED $7,500,000 (M) TO LIQUIDATE THE BIG WAR SURPLUS DISPOSAL AGENCY AND TURN OVER ITS WORK TO OTHER GOVERNMENT DEPARTMENTS.

THIS WAS THE BIGGEST CHANGE MADE BY THE SENATE COMMITTEE IN A CATCH-ALL DEFICIENCY MONEY BILL FOR THE FISCAL YEAR THAT ENDED JUNE 31. THE HOUSE HAD ALLOWED $127,000,000 (M).

BUT THE SENATE COMMITTEE RAISED THE TOTAL TO $162,818,469 (M) IF THE SENATE APPROVES THE $26,500,000 FUND FOR THE RECENTLY CREATED GENERAL SERVICES ADMINISTRATION. IT WILL BE OFFERED AS A SEPARATE AMENDMENT TO AVOID RECENT SENATE REJECTIONS OF NEW LEGISLATION IN MONEY BILLS.

OTHER SENATE INCREASES INCLUDED:

$10,000,000 (M) TO THE HOUSING AND HOME FINANCE AGENCY TO PURCHASE OBLIGATIONS OF THE ALASKA HOUSING AUTHORITY. THE AUTHORITY WAS SET UP BY CONGRESS EARLIER THIS YEAR WITH A REVOLVING FUND TO AID FINANCING OF HOUSING IN ALASKA.

$3,000,000 TO FINANCE AN ACTIVE COAST GUARD RESERVE.

B59WX

ALL OF THESE ITEMS MUST GO BACK TO THE HOUSE FOR CONSIDERATION IF APPROVED BY THE SENATE.

BIGGEST ITEMS IN THE BILL AS IT PASSED THE HOUSE, INCLUDED: $33,000,000 (M) FOR GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION AND EMPLOYMENT SERVICE COSTS; $34,000,000 (M) FOR EXPENSES OF THE AGRICULTURE DEPARTMENT IN ERADICATION OF THE "FOOT-AND-MOUTH" DISEASE CHIEFLY SPENT FOR SLAUGHTER OF CATTLE IN MEXICO; $20,301,000 (M) FOR POST OFFICE DEFICITS, CHIEFLY FOR AIR MAIL SUBSIDIES; $8,550,000 (M) ADDITIONAL FOR THE NATIONAL LABOR RELATIONS BOARD; AND VARIOUS CLAIMS AMOUNTING TO MILLIONS.

VX925PED

(ADVANCE) WASHINGTON, AUG. 5-(AP)-HERBERT HOOVER AND 18 OTHER PROMINENT CITIZENS WERE APPOINTED TODAY TO HELP RUN A UNITED NATIONS SCIENTIFIC CONFERENCE AT LAKE SUCCESS THIS MONTH.

SECRETARY OF THE INTERIOR KRUG SAID CLARENCE FRANCIS, NEW YORK CITY, CHAIRMAN OF THE BOARD OF GENERAL FOODS CORP., WILL HEAD THE 19-MAN COMMITTEE.

KRUG IS CHAIRMAN OF THE U.S. GROUP FOR THE UNITED NATIONS CONFERENCE ON CONSERVATION AND UTILIZATION OF RESOURCES. THE MEETING WILL START AUG. 17.

TWO HUNDRED DELEGATES FROM OTHER UN NATIONS WILL JOIN 200 U.S. EXPERTS IN THE DISCUSSIONS.

KRUG SAID TALKS WILL CENTER ON SOCALLED POINT FOUR AID TO FRIENDLY FOREIGN NATIONS. ACTUAL PROJECTS FOR INDUSTRIALIZATION AND DEVELOPMENT OF BACKWARD AREAS WILL BE CONSIDERED, HE SAID.

TWO OF THE COMMITTEE MEMBERS WILL PLAN FIELD TRIPS FOR THE DELEGATES TO LEADING INDUSTRIAL AND CONSERVATION CENTERS.

THEY ARE EDWARD R.WEIDLEIN, PRESIDENT OF THE MELLON INSTITUTE, FOR VISITS TO THE PITTSBURGH STEEL AND ALUMINUM MILLS, AND DR.CLYDE WILLIAMS, DIRECTOR OF BATTELLE MEMORIAL INSTITUTE, FOR A TOUR OF THE COLUMBUS, OHIO, AREA.

OTHER FIELD TOURS WILL DEAL WITH FORESTRY OPERATIONS OF NEW YORK STATE AND WITH THE WOODS HOLE, MASS., OCEANOGRAPHIC INSTITUTION.

A POST-CONFERENCE TOUR OF TVA AND OTHER SOUTHERN AREAS WILL BE DIRECTED BY W.S.MOEHLMAN, PRESIDENT OF THE KNOXVILLE, TENN., CHAMBER OF COMMERCE.

SUBCOMMITTEE CHAIRMEN ON THE GROUP, KRUG SAID, INCLUDE:

FORESTRY--RANDOLPH PACK, PRESIDENT, PACK INSTITUTE, NEW YORK CITY.

B3OWX (SEGQ)

LAND--KENT LEAVITT, PRESIDENT, ASSOCIATION OF SOIL CONSERVATION DISTRICTS, MILLBROOK, N.Y.

MARINE AND WILDLIFE--COLUMBUS ISELIN, DIRECTOR OF OCEANOGRAPHIC INSTITUTION, WOODS HOLE, MASS.

FUEL--JOHN SUMAN, VICE PRESIDENT, STANDARD OIL COMPANY (N.J.), NEW YORK CITY.

MINERALS--JAMES DOUGLAS, SECRETARY, PHELPS-DODGE CORP., NEW YORK CITY.

ENERGY--PHILIP SPORN, PRESIDENT, AMERICAN GAS AND ELECTRIC CO., NEW YORK CITY.

WATER--THORNDIKE SAVILLE, DEAN, SCHOOL OF ENGINEERING, NEW YORK UNIVERSITY.

OTHER COMMITTEE MEMBERS ARE WHEELER MCMILLEN, PHILADELPHIA MAGAZINE PUBLISHER, AND THE FOLLOWING FROM NEW YORK CITY: H.E.BABCOCK, CHAIRMAN, CORNELL UNIVERSITY BOARD OF TRUSTEES; CLARK M.EICHELBERGER, EXECUTIVE DIRECTOR, AMERICAN ASSOCIATION FOR UNITED NATIONS; FAIRFIELD OSBORNE, PRESIDENT, NEW YORK ZOOLOGICAL SOCIETY; FENTON TURCK, ENGINEERS JOINT COUNCIL, AND THOMAS J.WATSON, PRESIDENT, AND EDWARD DOUGLAS, VICE PRESIDENT, INTERNATIONAL BUSINESS MACHINES CORP.

(END ADVANCE FOR USE AT 6 AM EASTERN STANDARD TIME FRI. AUG. 5)

VX519AED

WASHINGTON,AUG. 5-(AP)-S.H.WILLISTON, WESTERN MINING OFFICIAL, TOLD A SENATE COMMITTEE TODAY A "EUROPEAN CARTEL" BRAGGED IN LONDON RECENTLY THAT IT THROTTLED AMERICAN PRODUCTION OF MERCURY, A MATERIAL OF STRATEGIC WARTIME VALUE.

WILLISTON PROMISED TO PRODUCE TO THE COMMITTEE LATER A COPY OF AN ADVERTISEMENT HE SAID WAS PUBLISHED IN LONDON BY A CARTEL CONTROLLED BY "FRANCO OF SPAIN, AND BY ITALY" WITH HELP FROM YUGOSLAVIA.

WILLISTON IS VICE PRESIDENT OF THE CORDERO MINING CO., OF NEVADA, AND CHAIRMAN OF THE STRATEGIC METALS PRODUCTION COMMITTEE OF THE AMERICAN MINING CONGRESS.

HE WAS TESTIFYING IN SUPPORT OF A BILL PROPOSING FEDERAL AID FOR MERCURY, MANGANESE, ANTIMONY AND TUNGSTEN MINING INDUSTRIES.

THE BILL, BY SENATOR MCCARRAN (D-NEV), PROPOSES THAT AMERICAN PRODUCERS OF THOSE METALS BE PAID AMOUNTS EQUAL TO DUTIES COLLECTED ON IMPORTS OF THE FOUR METALS.

WITHOUT THOSE METALS, WILLISTON SAID, AMERICA "COULD NOT FIGHT A WAR," AND THE INDUSTRIES CAN NOT SURVIVE LONGER WITHOUT FEDERAL AID.

W.LUNSFORD LONG, VICE PRESIDENT AND GENERAL COUNSEL OF THE TUNGSTEN MINING CORP., OF NORTH CAROLINA, WHICH HE SAID IS THE LAST SURVIVING AMERICAN PRODUCER OF TUNGSTEN, TESTIFIED HIS COMPANY IS LOSING MONEY.

HE SAID IT IS STAYING IN OPERATION ONLY IN THE HOPE OF FEDERAL AID WITHOUT WHICH IT PROBABLY WILL HAVE TO CLOSE.

MCCARRAN TOLD THE COMMITTEE WARTIME-ESSENTIAL RESERVES OF THOSE MINERALS WOULD BE "LOST BEYOND RECOVERY" IF THE MINES HAVE TO CLOSE.

HE SAID THE MINES CAN NOT MEET THE COMPETITION OF CHEAP-LABOR FOREIGN PRODUCERS WITHOUT HELP FROM THE GOVERNMENT SUCH AS HIS BILL PROPOSES.

B56WX

WILLISTON SAID HE BELIEVED SUPPORT FOR THE AILING AMERICAN COPPER INDUSTRY SHOULD BE HANDLED IN A SEPARATE FEDERAL AID BILL.

THE COPPER PRODUCERS CAN'T AGREE ON HOW FAR TO GO IN SAVING MARGINAL MINES WHOSE ORES ARE LEAN, HE SAID, AND THE FORMULA FOR HELPING THEM PROBABLY WOULD NOT BE THE SAME AS FOR THE FOUR METALS MENTIONED IN THE MCCARRAN BILL.

VX914PED

(110) FRAUD

WASHINGTON,AUG.5-(AP)-SENATOR WILLIAMS (R-DEL) DEMANDED TO KNOW TODAY WHAT THE JUSTICE DEPARTMENT IS DOING ABOUT CHARGES OF "FRAUD AND WASTE" BY GOVERNMENT EMPLOYES IN CONNECTION WITH WAR CONTRACTS.

HE REFERRED TO A REPORT BY COMPTROLLER GENERAL LINDSAY WARREN THAT PAYMENTS OF MORE THAN $6,000,000 ON WARTIME CONTRACTS WERE "INDUCED BY FRAUD" AND ANOTHER $2,340,000 THROUGH ERRORS.

WILLIAMS SAID IN A SENATE SPEECH THAT IN ONE ALLEGED FRAUD CASE INVOLVING $275,273, SENT TO THE JUSTICE DEPARTMENT MAY 12, 1948, THERE HAD BEEN "NO PROSECUTION OF GOVERNMENT EMPLOYEES." SOME OF THESE EMPLOYEES "ARE STILL ON THE GOVERNMENT PAYROLL," HE SAID.

MD958PED

WITH ARMS

WASHINGTON,AUG 5-(AP)-THE FRIENDS COMMITTEE PROPOSED TODAY PLACING UNITED STATES ATOMIC BOMBS IN THE HANDS OF THE UNITED NATIONS UNDER SEAL TO PREVENT LOSS OF MANUFACTURING SECRETS.

THE SUGGESTION WAS ADVANCED BY RICHARD R.WOOD, REPRESENTING THE FRIENDS (QUAKERS) COMMITTEE ON NATIONAL LEGISLATION BEFORE THE HOUSE FOREIGN AFFAIRS COMMITTEE CONSIDERING AN ARMS-FOR-EUROPE PLAN.

IN PROPOSING THAT THE BOMBS BE PLACED "UNDER UNITED NATIONS SEAL," WOOD TOLD THE COMMITTEE:

"THIS MIGHT BE DONE UNDER ARRANGEMENTS THAT PROTECT WHATEVER SECRETS THERE MAY BE ABOUT THE BOMB, THAT WOULD LEAVE THE UNITED STATES FREE TO USE THE BOMBS IN AN EMERGENCY BUT THAT WOULD SAFEGUARD OTHER NATIONS FROM THE POSSIBILITY OF A SURPRISE ATTACK BY US. WE KNOW THAT THERE IS NO DANGER OF SUCH A SURPRISE ATTACK; THE TROUBLE IS THAT OTHERS CAN'T SEE INSIDE OUR MINDS AND BE EQUALLY SURE OF OUR INTENTIONS."

GG338PED

ROLL CALL

WASHINGTON,AUG.5-(AP)-FOLLOWING IS THE ROLL CALL VOTE BY WHICH THE SENATE DEFEATED A MOVE TO RESTRICT MARSHALL PLAN AID TO ANY NATION VIOLATING A TREATY WITH THE UNITED STATES:

FOR THE AMENDMENT--(34)

DEMOCRATS FOR--

CHAPMAN, CHAVEZ, EASTLAND, ELLENDER, FREAR,
GEORGE, GILLETTE, HOEY, HOLLAND, JOHNSON (COLO),
JOHNSTON (SC), LONG, MAYBANK, MCCARRAN, MCCLELLAN,
MCFARLAND, MCKELLAR, RUSSELL, THOMAS (OKLA)--(19).

REPUBLICANS FOR--

BREWSTER, BRICKER, BUTLER, CAIN, CORDON,
ECTON, JENNER, KEM, LANGER, MALONE,
MARTIN, WATKINS, WHERRY, WILLIAMS, YOUNG--(15).

AGAINST THE AMENDMENT--(46)

DEMOCRATS AGAINST--

ANDERSON, BYRD, CONNALLY, DOWNEY, FULBRIGHT,
GRAHAM, HAYDEN, HILL, HUMPHREY, HUNT,
JOHNSON (TEX), KEFAUVER, KERR, KILGORE, LUCAS,
MAGNUSON, MCMAHON, MILLER, MYERS, NEELY,
O'CONOR, O'MAHONEY, ROBERTSON, SPARKMAN, STENNIS,
TAYLOR, THOMAS (UTAH), TYDINGS--(28).

REPUBLICANS AGAINST--

DONNELL, DULLES, FERGUSON, FLANDERS, GURNEY,
HENDRICKSON, IVES, KNOWLAND, LODGE, MILLIKIN,9
MORSE, MUNDT, SALTONSTALL, SMITH (ME), SMITH (NJ),
TAFT, THYE, VANDENBERG--(18).

ES321PED

WITH WASHINGTON (A6)

PARIS, AUG.5-(AP)-THE FRENCH FOREIGN MINISTRY AND THE U.S. STATE DEPARTMENT ARE DISCUSSING COMPLAINTS OF DISCRIMINATION AGAINST AMERICAN BUSINESSMEN IN FRENCH MOROCCO.

FRENCH OFFICIALS DENY SUCH DISCRIMINATION AND SAID THEY ARE TRYING TO CONVINCE THE STATE DEPARTMENT.

IT WAS EXPLAINED AMERICAN OFFICIALS HAD REPORTED THE ALLEGED DISCRIMINATIONS AFTER 37 U.S. BUSINESSMEN IN MOROCCO HAD COMPLAINED TO THE STATE DEPARTMENT.

LS1106PED

A59WX ADD WASHN (GERMAN DISMANTLING) X X X SALVAGED

"SUCH A STEP WILL IN THE END HELP TO TAKE GERMANY AND THE GERMAN PEOPLE OFF OUR BACKS AND HELP THEM BECOME SELF-SUSTAINING."

A YEAR AGO, THE SENATOR SAID, MACHINERY SHIPMENTS WERE STILL BEING MADE FROM GERMANY TO RUSSIA AND SOVIET SATELLITE COUNTRIES.

"I AM INFORMED THOSE SHIPMENTS HAVE BEEN STOPPED NOW," HE ADDED, "BUT AT THAT TIME, NEARLY THREE YEARS AFTER THE END OF THE WAR, THOSE SHIPMENTS WERE BEING MADE, TO MY MIND, THAT PROCEDURE WAS EITHER STUPID OR ALMOST TREASONABLE. X X X IT NEVER HAS BEEN DETERMINED WHO GAVE THE ORDERS TO CARRY OUT THAT STUPID DISMANTLING PROGRAM IN GERMANY."

HY/V526PED

IF WITHOUT CLEARANCE AN "OCCASIONAL CLANDESTINE MEMBER OF THE COMMUNIST PARTY MIGHT RECEIVE A FELLOWSHIP" HE WOULD HAVE NO PRIVILEGES REGARDING CLASSIFIED INFORMATION, THE STATEMENT SAID.

IF AFTER HIS STUDIES HE WISHED TO WORK FOR THE GOVERNMENT, HE WOULD BE THOROUGHLY CHECKED ANYWAY AND REJECTED, IT ADDED.

THE COMMITTEE IS HEADED BY DR.J.ROBERT OPPENHEIMER, DIRECTOR OF THE INSTITUTE FOR ADVANCED STUDY, PRINCETON,N.J.

OTHER MEMBERS INCLUDE DR.OLIVER E.BUCKLEY, PRESIDENT OF THE BELL TELEPHONE LABORATORIES, NEW YORK; DR.JAMES B.CONANT, PRESIDENT OF HARVARD UNIVERSITY; DR.LEE A.DUBRIDGE (CAP D AND B), PRESIDENT OF THE CALIFORNIA INSTITUTE OF TECHNOLOGY; AND DR.ENRICO FERMI, PHYSICS PROFESSOR, CHICAGO UNIVERSITY.

ADD WASHN (ATOMIC COMM)XXX SAID MD945PED

A41WX ADD WASHN (NL FIVE PERCENTERS) X X X SUBPENAS

THE CHAIRMAN DID NOT DISCLOSE WHAT THE COMMITTEE EXPECTS TO LEARN FROM THE STATE DEPARTMENT RECORDS ON MARAGON. THE PAPERS WERE SUBPENAED FOR "EXAMINATION", HE SAID. MARAGON WAS A MEMBER OF THE DEPARTMENT'S POSTWAR AID MISSION TO GREECE.

IT WAS UNCERTAIN WHETHER HUNT, ON WHOM THE COMMITTEE HAS LAVISHED EVEN MORE ATTENTION, WILL BE ABLE TO TESTIFY IN THE PUBLIC SESSIONS. A FORMER QUARTERMASTER OFFICER, HE RECENTLY WAS HOSPITALIZED FOR TREATMENT OF A BLOOD CLOT IN HIS LEG. SENATOR HOEY SAID THAT AFTER HUNT'S CHIEF ACCUSER, GRINDLE, IS HEARD, GENERALS FELDMAN AND WAITT WILL BE BROUGHT TO THE WITNESS CHAIR.

VX717PED

A171WX ADD WASHN (NL FOREIGN ARMS) X X X AIDED

BUT IN SENDING THE FIRST BILL TO CONGRESS, THE STATE DEPARTMENT GAVE CONGRESS AN OUTLINE OF COUNTRIES IT WAS PROPOSED TO ASSIST AND THE AMOUNT WORKED OUT IN THE PROGRAM FOR THEM.

IN THE NEW BILL, THE NATIONS ARE NAMED. IT SPECIFIES THAT AID SHALL GO TO REARM NATIONS SIGNING THE NORTH ATLANTIC TREATY ($1,160,990,000), GREECE AND TURKEY ($211,370,000 IN ADDITION TO $50,000,000 ALREADY VOTED), AND IRAN, KOREA AND THE PHILIPPINES ($27,640,000).

HOWEVER, THE AMOUNTS FOR THE INDIVIDUAL NATIONS ARE NOT STATED.

THE BILL GIVES BROAD RECOGNITION TO THE COUNCIL OF 12 NATIONS AND THE DEFENSE COMMITTEE WHICH ARE TO BE SET UP TO CARRY OUT MUTUAL AID AND DEFENSE PLANNING UNDER THE ATLANTIC TREATY.

NOTING THAT CREATION OF THE COUNCIL AND COMMITTEE IS EXPECTED, THE BILL STATES THAT IMMEDIATE INCREASE IN THE ARMS STRENGTH OF THE TREATY NATIONS IS ESSENTIAL TO THEIR ABILITY TO TAKE PART "IN ANY PLANS FOR THE COMMON DEFENSE OF THE NORTH ATLANTIC AREA WHICH MAY BE DEVELOPED UNDER THE TREATY."

IT GOES ON TO SAY THAT SUCH AID "SHALL BE CONSISTENT WITH THE COMMON DEFENSE OF THE NORTH ATLANTIC AREA, AND SHALL BE FURNISHED SO AS TO FURTHER THE DEVELOPMENT OF DEFENSE PLANS OF THE COUNCIL AND THE DEFENSE COMMITTEE."

THE BILL THUS SOUGHT TO MEET ONE OF THE MOST INSISTENT CRITICISMS WHICH HAVE BEEN VOICED DURING HEARINGS ON THE BILL BY THE HOUSE FOREIGN AFFAIRS COMMITTEE.

MEMBERS ASKED WITNESSES OVER AND OVER WHETHER TREATY NATIONS WOULD COORDINATE THEIR DEFENSE PLANS UNDER THE ARMS BILL. WITNESSES DID NOT CHOOSE TO BE SPECIFIC IN PUBLIC BUT THEY TRIED TO ASSURE CONGRESSMEN THAT COOPERATION WAS INHERENT IN THE PROGRAM.

AB228PED

REP.VORYS (R-OHIO), A LEADING SPOKESMAN FOR REPUBLICANS ON THE COMMITTEE, TOLD NEWSMEN:

"IF THE ADMINISTRATION HAS CUT HALF OF THE BILL IN TWO (BY REDUCING PRESIDENTIAL POWERS) POSSIBLY WE CAN RESPOND BY CUTTING THE REST OF THE BILL IN TWO. ADD WASHN (MAY FOREIGN ARMS) X X X COST

"THE WHOLE THING HAS GOT TO BE REDUCED."

VORYS ALSO STOOD FIRM ON HIS CONTENTION THAT AN ADMINISTRATION POLICY TOWARD CHINA SHOULD BE SPELLED OUT BEFORE EMBARKING ON THE REARMAMENT PROGRAM FOR EUROPE.

"I HAD HOPED," HE SAID, THAT REGARDLESS OF THE WHITEWASH OF PAST MISTAKES, THE WHITE PAPER WOULD END UP WITH A REALISTIC STATEMENT OF POLICIES INVOLVING OUR SECURITY IN ASIA, BUT IT DID NOT.

"IF WE DON'T HAVE A POLICY AND PLAN FOR OUR SECURITY IN HALF OF THE WORLD, IT IS HARD TO GO ALONG WITH THOSE SAME PLANNERS FOR THE OTHER HALF OF THE WORLD."

THE NEW BILL WON QUALIFIED APPROVAL FROM SENATOR DULLES (R-NY) WHO HAD BEEN WORKING CLOSELY WITH SENATOR VANDENBERG (R-MICH) ON THE PROGRAM. DULLES SAID IN A STATEMENT THAT IT "AVOIDS MOST OF THE GLARING DEFECTS IN THE ORIGINAL BILL. X X X THE ADMINISTRATION HAS BEEN COOPERATIVE AND HAS SHOWN A DISPOSITION TO MEET THE POINT OF VIEW OF SENATOR VANDENBERG AND MYSELF. THAT WILL CONTRIBUTE TO CONTINUING BIPARTISAN COOPERATION ON FOREIGN POLICY."

THE JOINT SENATE COMMITTEES WILL OPEN HEARINGS MONDAY ON THE MEASURE WITH ACHESON THE FIRST WITNESS. JOHNSON WILL TESTIFY TUESDAY AND THE SENATORS AFTERWARD WILL HEAR FROM THE MILITARY CHIEFS OF STAFF WHO NOW ARE CONFERRING WITH MILITARY LEADERS IN EUROPE.

AS THE NEW BILL WAS DISCLOSED THE HOUSE COMMITTEE CONTINUED HEARING WITNESSES URGING APPROVAL OF AN ARMS FOR EUROPE PROGRAM.

EDGAR ANSELL MOWRER, WASHINGTON INTERNATIONAL AFFAIRS WRITER, TESTIFIED THE PROGRAM IS "ESSENTIAL TO GETTING OUT OF OUR DIFFICULTIES WITHOUT WAR AND WITHOUT TROUBLE."

ANOTHER WITNESS, BERNARD WEITZER, REPRESENTING THE JEWISH WAR VETERANS OF THE UNITED STATES, SAID THAT WITH A REARMAMENT PROGRAM FOR EUROPE "THE THREAT OF AGGRESSION WILL CERTAINLY BE LESSENED. X X X OUR PROMPT ACTION WILL THUS SPEED THE DAY WHEN OUR FRIENDS WILL HAVE MADE THEIR DEFENSES ADEQUATE--AND ADEQUATE DEFENSES FOR THEM ARE OUR DEFENSES AS WELL."

"IF THE PRESIDENT HAS YIELDED ON ONE MAJOR AREA OF CONTROVERSY, HE CAN BACK UP ON ANOTHER," A TOP REPUBLICAN ON THE HOUSE FOREIGN AFFAIRS COMMITTEE TOLD NEWSMEN. "HE WILL HAVE NO CHOICE. HE WILL HAVE TO SETTLE FOR A SMALLER AMOUNT AND A MORE LIMITED PROGRAM."

K

HAVE TO SETTLE FOR A SMALLER AMOUNT AND A MORE LIMITED PROGRAM."

REPUBLICANS AND A STRONG GROUP OF DEMOCRATS ON THE COMMITTEE, WHICH IS CONSIDERING LEGISLATION TO GIVE LIFE TO THE PROGRAM, SAID THE PRESIDENT'S DECISION NOT TO PRESS FOR THE BROAD POWERS ORIGINALLY REQUESTED AMOUNTED TO AN ADMISSION THAT THE ENTIRE PROGRAM CAN BE TRIMMED SAFELY.

MR.TRUMAN TOLD A NEWS CONFERENCE YESTERDAY THAT HE DOESN'T CARE WHETHER HE GETS AUTHORITY WHICH CRITICS HAD CLAIMED WOULD HAVE EMPOWERED HIM TO GIVE MILITARY AID TO ANY COUNTRY IN THE WORLD UNDER ALMOST UNLIMITED CONDITIONS.

THAT WAS THE MAIN THING OPPONENTS OBJECTED TO WHEN THE PLAN WAS SUBMITTED LAST WEEK. MOST OF THEM AGREE THAT THERE MUST BE SOME KIND OF PROGRAM TO HELP ATLANTIC PACT AND OTHER FRIENDLY NATIONS ARM AGAINST POSSIBLE SOVIET AGGRESSION.

SENATOR VANDENBERG (R-MICH) SAID THE PRESIDENT'S DECISION TO DROP THE CONTROVERSIAL POWER-GRANT PROVISION "LOOKS LIKE ENCOURAGING PROGRESS TOWARD A BILL THAT CAN BE PASSED."

BUT THERE STILL ARE "SOME OTHER HURDLES," HE ADDED, WITHOUT ELABORATION.

SENATOR DULLES (R-NY), ANOTHER CRITIC, SAID THE PRESIDENT'S ATTITUDE WILL MAKE IT MUCH EASIER TO GET CONGRESSIONAL APPROVAL OF THE PROGRAM.

HOUSE COMMITTEE MEMBERS WHO WANT TO GET THE BILL ON THE HOUSE FLOOR BY THE MIDDLE OF THIS MONTH WITHHELD COMMENT ON A MOVE BY SENATOR KNOWLAND (R-CALIF) AND 11 OTHER SENATE REPUBLICANS TO EARMARK $175,000,000 OF THE ARMS PROGRAM FOR AID TO NON-COMMUNIST CHINA.

WHILE MANY HOUSE MEMBERS BELIEVE CHINA SHOULD BE INCLUDED, THEY WANT TO WITHHOLD A FINAL PLAN UNTIL THEY HAVE HAD A CHANCE TO READ THROUGH THE STATE DEPARTMENT'S CHINA WHITE PAPER" BEING MADE PUBLIC TODAY.

THEY ALSO WANT TO HEAR WHAT THE OPPOSITION HAS TO SAY ABOUT THE PROGRAM.

TO DATE, THE COMMITTEE HAS HEARD ONLY BACKERS OF THE BILL. TODAY IT LISTED TEN WITNESSES FOR AN ALL-DAY HEARING (9:30 A.M. EST) AND MOST OF THEM WERE EXPECTED TO OPPOSE THE PROGRAM.

--DASH--

(EDITORS: A LEAD ARMS MAY BE AVAILABLE BY 11:30 A.M. EST)

VH227AED

WITH THIS BLOCK REMOVED, THE SENATE MOVED TOWARD FINAL APPROVAL OF THE $5,647,724,000 (B) MEASURE.

THE VOTE WAS A THUMPING VICTORY FOR THE ADMINISTRATION IN THE REVERSAL OF A VOTE LATE YESTERDAY WHICH KEPT THE AMENDMENT IN THE BILL.

SENATORS VANDENBERG OF MICHIGAN AND DULLES OF NEW YORK LED THE FIGHT ON THE REPUBLICAN SIDE AGAINST THE AMENDMENT.

VANDENBERG ARGUED THE "PENALTY SHOULD FIT THE CRIME" IF THERE HAD BEEN ANY TREATY VIOLATION. BUT HE SAID THE DISCRIMINATION CHARGED BY THE AMERICANS IN MOROCCO DID NOT WARRANT A PENALTY OF THE MAGNITUDE PROPOSED IN THE AMENDMENT.

DULLES CONTENDED THE AMENDMENT WOULD BE IN EFFECT A UNILATERAL ACTION BY THE UNITED STATES TO INTERPRET TREATIES IN ITS OWN WAY.

HE SAID IN CASES WHERE AMERICANS ARE TREATED UNFAIRLY THE STATE DEPARTMENT SHOULD IRON OUT THE TROUBLE IN AN ORDERLY PROCESS WITHOUT INJURING INTERNATIONAL RELATIONS.

A182WX ADD WASHN (AID TO FRANCE) X X X MEASURE

WITH THIS LOG-JAM BROKEN, THE SENATE IN RAPID SUCCESSION:

(1) APPROVED $45,000,000 (M) IN AID FOR GREECE AND TURKEY.

(2) APPROVED $900,000,000 (M) FOR ARMY OCCUPATION COSTS IN GERMANY, AUSTRIA, JAPAN AND THE RYUKYU ISLANDS.

(3) DEFEATED AN AMENDMENT TO REQUIRE THE ARMY TO EARMARK $450,000,000 (M) FOR BUYING SURPLUS AMERICAN FARM COMMODITIES.

(4) RESTORED THE AUTHORITY GIVEN THE ARMY TO TURN OVER OCCUPATION DUTIES IN GERMANY TO THE STATE DEPARTMENT. THE SENATE APPROPRIATIONS COMMITTEE HAD STRICKEN OUT THE HOUSE LANGUAGE IN THE BILL WHICH TECHNICALLY THREW A BLOCK AGAINST THE OCCUPATION TRANSFER. BUT THE SENATE'S ACTION RESTORED THE AUTHORITY.

LT315PED

THIS BASE WAS TAKEOFF POINT FOR MANY OF THE AIRLIFT CREWS IN THE COLD WAR MANEUVER WITH THE RUSSIANS WHICH STARTED IN JUNE OF 1948.

MEMBERS OF THE WINNING CREW: LT.JOHN J.DUNN, ELSA, TEX.; LT. NORMAN DAVIS, WILMINGTON, N.C.; LT. ROBERT H.DOWD, MIAMI, FLA.; LT. WALLACE KUHLMAN, SACRAMENTO, CALIF.; LT.ROBERT SCOTT, SAN MATEO, CALIF.; PFC. THOMAS WALLER, PLAINVIEW, TEX.; M/SGT. DAVID C.LEONARD, ALTOONA, PA.

MEMBERS OF CAPT.PEARSON'S CREW INCLUDED: CAPT.WILLIAM MCGREGOR, WYCKOFF,N.J., LT.DONALD O.MARTIN, CHICAGO, AND LT.REX B.PERCIULLO, CHAMPAIGN, ILL.

MEMBERS OF CAPT. DELKER'S CREW INCLUDED: CAPT.N.B. SKELTON, ATHENS, GA., ROBERT MCCASSERTHY, WICHITA, KANS., (RANK UNKNOWN), AND S/SGT. LAWRENCE S.JENSON, FREDERICKA, IOWA.

ML301PED

CHICAGO,AUG.5-(AP)-TWO HUNDRED VETERANS OF A MIXED CANADIAN-U.S. COMBAT FORCE--AND THE PARENTS OF A CANADIAN SOLDIER WHO NEVER LEFT THE BEACH AT ANZIO--HELD THEIR THIRD ANNUAL REUNION TODAY.

THE VETS ARE FROM THE SPECIAL SERVICE FORCE (CAPS S, S, F). THE FORCE WAS TRAINED FOR MOUNTAIN WARFARE, PARATROOPING, SKIING, RUBBER BOAT LANDINGS, AND WAS ORIGINALLY SCHEDULED TO DROP OUT OF THE SKY IN AN INVASION OF NORWAY.

INSTEAD, THE SSF SPENT 92 TORTURED DAYS AT ANZIO, SPEARHEADED THE DRIVE TO ROME, AND LANDED IN SOUTHERN FRANCE ON D-DAY MINUS ONE.

BUT WILFRED KNIGHT, THE CANADIAN SOLDIER, DIDN'T MAKE THAT LAST LANDING. HE'D BEEN KILLED AT ANZIO.

HIS PARENTS, MR. AND MRS.W.H.KNIGHT, OF (7940 DUROCHER ST.) MONTREAL, NOW REPRESENT HIM IN THE ASSOCIATION. TODAY, AS AT FORMER REUNIONS, THEY HELD A PLACE OF HONOR.

AT A BUSINESS MEETING TODAY, NOMINATIONS WILL BE MADE FOR THE OFFICE OF PRESIDENT OF THE INTERNATIONAL GROUP. JOHN V.J.BISCOE, OF (53 POPLAR PLAIN ROAD) TORONTO, ONT., IS THE RETIRING PRESIDENT.

THE NEW PRESIDENT MAY BE EITHER A YANK OR A CANADIAN. IN ANY EVENT, VICE PRESIDENTS FOR THE GROUPS ON BOTH SIDES OF THE BORDER WILL ALSO BE ELECTED. NEXT YEAR'S MEETING WILL BE IN CANADA.

FY706PCD

WESTOVER AIRFORCE BASE, MASS., AUG 5-(AP)-BY TWO MINUTES, EIGHT HOME-HUNGRY AIRFORCE LADS TODAY WON A THREE-PLANE TRANSATLANTIC RACE FOR THE HONOR OF BEING THE FIRST SHIP TO RETURN PERMANENTLY FROM "OPERATION VITTLES", THE BERLIN AIRLIFT.

CAPT.GEORGE PEABODY OF SEATTLE,WASH., SET HIS C-54 DOWN AT 10:16 A.M., EASTERN DAYLIGHT TIME. TWO MINUTES LATER CAPT. GERALD PEARSON OF SPOKANE,WASH., LANDED.

THE THIRD CONTENDER, COMMANDED BY CAPT. WARREN H.DELKER OF CHAPMAN, KAS., CAME IN AT 10:40.

WESTOVER COMMANDANT COL. JOSEPH E.BARZYNSKI WELCOMED CAPT. PEABODY AND HIS CREW AS THE FIRST PLANE OF OPERATION "PHASE OUT."

THE COLONEL DESCRIBED "PHASE OUT" AS "THE VICTORIOUS CONCLUSION OF ANOTHER TOUGH BUT BEAUTIFULLY CONDUCTED OPERATION."

ADD WASHN DAY GOLD STAR MOTHER

SALT LAKE CITY,AUG.5-(AP)-A GOLD STAR MOTHER, HELD IN JAIL FOR HER STAND ON HER SON'S WARTIME INSURANCE BENEFITS, HAS THE BACKING OF THE VETERAN'S ADMINISTRATION IN HER FIGHT.

MRS.NETTIE W.CAPPS, 57, HAS BEEN HE

THE VETERAN'S ADMINISTRATION IN HER FIGHT.

MRS.NETTIE W.CAPPS, 57, HAS BEEN HELD IN THE SALT LAKE COUNTY JAIL SINCE WEDNESDAY FOR REFUSING TO OBEY A COURT ORDER TO TRANSFER MONTHLY PAYMENTS TO HER SON'S REMARRIED WIDOW AND THE LATTER'S THREE SMALL CHILDREN.

THE VA ANNOUNCED IN WASHINGTON IT HAS STOPPED INSURANCE BENEFIT PAYMENTS TO MRS.CAPPS FROM THE POLICY LEFT BY HER SON, JACOB L. CAPPS, WHO WAS KILLED IN THE BATTLE OF THE BULGE IN WORLD WAR II. THE VA SAID IT ACTED ON INSTRUCTIONS FROM MRS.CAPP.

WHEN THE $10,000 POLICY WAS ISSUED, MRS.MAURINE INGRAM CAPPS WAS NAMED BENEFICIARY. WHEN THE COUPLE SEPARATED CAPPS CHANGED THE POLICY, NAMING HIS MOTHER AS BENEFICIARY AND HIS THREE CHILDREN CONTINGENT RECIPIENTS. HIS WIFE HAS SINCE TWICE MARRIED.

DISTRICT JUDGE RAY VAN COTT, JR., ORDERED MRS.CAPPS TO ACCEPT THE $53 MONTHLY CHECKS FROM THE VA, ENDORSE THEM AND TURN THEM OVER TO A DESIGNATED TRUSTEE. SHE REFUSED, AND THE 30-DAY JAIL SENTENCE RESULTED.

MRS.CAPPS SAID SHE LOVES HER GRANDCHILDREN "BUT I WILL NOT GIVE IN BECAUSE I KNOW THOSE KIDDIES WON'T GET THE FULL AMOUNT OF MONEY."

SHE ADDED "I AM GOING TO COMPLY WITH MY SON'S WISHES EVEN IF IT MEANS I SIT HERE IN JAIL."

MEANWHILE THE OFFICES OF GOV.J.BRACKEN LEE AND MAYOR EARL J.GLADE BOTH WERE DELUGED WITH TELEGRAMS FROM PERSONS IN MANY STATES ASKING THAT MRS.CAPPS BE RELEASED.

LEE IS ABSENT FROM THE STATE ATTENDING THE CHICAGO RAILROAD FAIR. GLADE SAID THE MATTER IS OUT OF HIS JURISDICTION.

HH936PCS

LAKE SUCCESS, AUG.5-(AP)-THE UNITED NATIONS SAID TODAY THE U.S. NAVAL TRANSPORT MARQUETTE IS RETURNING HOME WITH 43 TONS OF AMERICAN MILITARY EQUIPMENT--INCLUDING JEEPS, TRUCKS AND RADIO STATIONS --LOANED IN 1948 TO THE PALESTINE MEDIATOR.

THE ANNOUNCEMENT SAID THE SHIP SAILED FROM HAIFA JULY 31.

THE MATERIAL WAS USED BY THE U.N. OBSERVER CORPS. THE CORPS NUMBERED ABOUT 1,000 MEN AT ITS PEAK. IT WAS MADE UP OF SOME 500 AMERICAN, FRENCH AND BELGIAN OFFICERS, PLUS AN EQUAL NUMBER OF ENLISTED MEN.

"THE EQUIPMENT IS NO LONGER NEEDED SINCE THE SIGNING OF THE ARMISTICE BETWEEN ISRAEL AND HER ARAB NEIGHBORS," THE ANNOUNCEMENT SAID.

LS1108PED

LAKE SUCCESS, AUG.5-(AP)-THE UNITED NATIONS INTERNATIONAL CHILDREN'S EMERGENCY FUND SAID TODAY IT WILL BEGIN OPERATIONS IN JAPAN WITH THE EXPENDITURE OF $500,000, MOSTLY FOR RAW COTTON AND DRIED SKIM MILK.

UNICEF SAID MORE THAN 250,000 JAPANESE CHILDREN WILL BENEFIT FROM THE MILK, WHICH WILL BE DISTRIBUTED THROUGH SCHOOLS. THE AGENCY SAID THE SUPREME COMMAND OF ALLIED POWERS, WITH WHICH IT HAS REACHED AN AGREEMENT, ASKED PARTICULARLY FOR MILK BECAUSE A SHORTAGE OF MILK IN JAPAN"HAS BROUGHT THE SCHOOL-FEEDING PROGRAM TO THE VERGE OF COLLAPSE."

SCAP SAID THE ASSISTANCE ASKED "WILL GO A GREAT WAY IN PROVIDING NECESSARY NUTRITIONAL SUPPLEMENTAL FEEDING TO ONE OF THE MOST VULNERABLE GROUPS--THE PRIMARY SCHOOL CHILD."

THE RAW COTTON WILL BE MADE INTO CHILDREN'S CLOTHING IN JAPANESE MILLS AT GOVERNMENT EXPENSE. IT WILL MAKE ABOUT 350,000 GARMENTS, WHICH WILL BE GIVEN TO NEEDIEST CHILDREN ABOUT TO ENTER SCHOOL.

MISS MARGHERITA STRAHLER OF SWITZERLAND IS IN CHARGE OF THE UNICEF PROGRAM IN JAPAN.

RB7PED

NEW YORK, AUG. 5-(AP)-THE MAGAZINE "UNITED NATIONS WORLD" HAS OUTLINED A FIVE-POINT "PRICE FOR PEACE," SAID TO BE IN THE MIND OF SOVIET PRIME MINISTER STALIN.

THE AUGUST ISSUE OF THE PRIVATELY PUBLISHED MAGAZINE QUOTED AN UNIDENTIFIED "TOP-RANKING AMERICAN BUSINESSMAN WHO IS ALSO A RESPECTED REPUBLICAN, CHURCHMAN AND CIVIC LEADER."

IT SAID THIS MAN HAD A CONVERSATION ON THE SUBJECT IN THE SUMMER OF 1948 WITH ANDREI A.GROMYKO, THEN SOVIET DELEGATE TO THE UNITED NATIONS.

THE MAGAZINE SAID THE AMERICAN JOTTED DOWN STALIN'S FIVE CONDITIONS FOR PEACE AFTER HIS TALK WITH GROMYKO. IT SAID THE POINTS WERE:

1. A TREATY BETWEEN THE U.S. AND RUSSIA FORMALIZING THE COMMITMENTS OF BOTH COUNTRIES AS SET FORTH IN THE YALTA AND POTSDAM DOCUMENTS.
2. FOUR-POWER UNANIMITY ON ALL QUESTIONS CONCERNING GERMANY.
3. WESTERN GENEROSITY ON REPARATIONS FOR RUSSIA.
4. IMMEDIATE CESSATION OF THE AMERICAN-BRITISH SUPPORT OF "SUBVERSIVE FASCIST AND HITLERITE ELEMENTS."
5. ELIMINATION OF ALLEGED DISCRIMINATORY TRADE PRACTICES ON THE PART OF THE U.S. AND RESUMPTION OF NORMAL TRADE RELATIONS, STIMULATED BY A $2,000,000,000 LOAN ON TERMS SIMILAR TO THOSE OF THE U.S. LOAN TO BRITAIN IN 1946.

JS417AED

~~NIGHT~~ LEAD COMMUNISTS (400)

NEW YORK, AUG.5-(AP)-A ST.LOUIS, MO., COMMUNIST OFFICIAL TODAY DISPUTED TESTIMONY OF A GOVERNMENT WITNESS WHO SAID U.S. COMMUNISTS WOULD SABOTAGE THE AMERICAN WAR EFFORT IF A FIGHT COMES WITH RUSSIA.

ROBERT MANEWITZ, THE OFFICIAL, FLATLY DENIED THE STATEMENTS OF AN FBI INFORMANT, ALSO FROM ST.LOUIS, WHO APPEARED EARLIER FOR THE GOVERNMENT AT THE COMMUNIST CONSPIRACY TRIAL.

THE INFORMANT HAD SAID HIS TESTIMONY WAS BASED ON A TALK BY THE MISSOURI COMMUNIST PARTY CHAIRMAN.

MANEWITZ, 32-YEAR-OLD MEMBER OF THE PARTY'S STATE BOARD AND STATE COMMITTEE IN MISSOURI, IS THE LATEST IN A SERIES OF WITNESSES CALLED BY THE DEFENSE TO REFUTE TESTIMONY OF FBI UNDERCOVER WORKERS FROM ALL PARTS OF THE COUNTRY.

ONE OF THESE INFORMANTS WAS THOMAS A.YOUNGLOVE, A BUILDING CONTRACTOR, WHO TOLD OF STUDYING IN A SCHOOL AT WHICH MANEWITZ WAS AN INSTRUCTOR AND OF ATTENDING A MEETING ADDRESSED BY RALPH SHAW, THE PARTY'S CHAIRMAN IN MISSOURI.

YOUNGLOVE SAID SHAW REPORTED ON A MEETING OF THE NATIONAL COMMITTEE IN NEW YORK WHICH THE STATE CHAIRMAN SAID WAS ATTENDED BY A "PERSONAL REPRESENTATIVE OF STALIN."

THE INFORMANT QUOTED SHAW AS SAYING THIS REPRESENTATIVE DECLARED "WAR IS NEAR AND IF IT COMES WE MUST BE PREPARED TO GO UNDERGROUND."

SHAW ADDED THAT "IF WAR COMES, WE WILL DO ALL WE CAN AS PARTY MEMBERS TO SABOTAGE THE WAR EFFORT," YOUNGLOVE TESTIFIED.

MANEWITZ TOLD THE JURY SHAW "DID NOT SAY ANY OF THESE THINGS." ON THE CONTRARY, THE DEFENSE WITNESS SAID, SHAW POINTED TO A NEWSPAPER INTERVIEW IN WHICH PREMIER STALIN HAD STATED HIS VIEW THAT WAR WAS NOT INEVITABLE.

THE DEFENSE WITNESS ALSO SAID THERE WERE FIVE VITAL PAGES MISSING IN A GOVERNMENT EXHIBIT INTRODUCED WHEN YOUNGLOVE WAS ON THE STAND.

THE EXHIBIT WAS A STUDY OUTLINE IN A COURSE WHICH YOUNGLOVE TOOK. MANEWITZ, AN INSTRUCTOR IN THE COURSE, SAID THE FIVE PAGES CONCERNED SETTING UP SOCIALISM IN THE U.S. BY PEACEFUL MEANS. THE DEFENSE INTRODUCED AS AN EXHIBIT OF ITS OWN A COPY OF THE OUTLINE WITH THE FIVE PAGES INCLUDED.

THE 11 DEFENDANTS, ALL TOP LEADERS OF THE AMERICAN COMMUNIST PARTY, ARE CHARGED WITH CONSPIRACY TO ADVOCATE THE VIOLENT OVERTHROW OF THE U.S. GOVERNMENT.

MANEWITZ SAID HE TAUGHT STUDENTS TAKING THE COURSE THAT "THE MAIN AIM OF THE PARTY WAS TO SHOW THE MAJORITY OF THE WORKING CLASS THAT CAPITALISM, WITH ITS BOC-KAI-BOC EXISTENCE, COULD NOT SERVE THE WELFARE OF THE PEOPLE AND THAT THEREFORE THERE WAS A NEED FOR REALIZING THAT ONLY SOCIALISM COULD BRING ABOUT A TRUE DEMOCRACY AND A SECURE WORLD AND AMERICA.

"I SAID THAT THE MAJORITY OF THE AMERICAN WORKING CLASS HAD TO BE CONVINCED OF THIS."

LS1116PED

YOUNGLOVE, A BUILDING CONTRACTOR, TESTIFIED HE ATTENDED A PARTY COURSE IN 1946 WHICH LASTED SIX WEEKS WITH SESSIONS THREE DAYS AND TWO EVENINGS EACH WEEK.

MANEWITZ TOLD THE JURY THAT HE WAS THE PARTY'S STATE EDUCATIONAL DIRECTOR IN 1946 AND THAT CLASSES WERE HELD TWO EVENINGS AND ONE DAY EACH WEEK WITH THE COURSE COVERING ONLY FOUR WEEK.

JAIL TERMS WERE THREATENED AT THE TRIAL YESTERDAY FOR DEFENSE WITNESSES WHO GET TIGHT-LIPPED WHEN QUIZZED ON CERTAIN SUBJECTS.

30.24- 4859

FEDERAL JUDGE HAROLD R. MEDINA SAYS HE HAS NO ALTERNATIVE BUT TO HOLD IN CONTEMPT AND SEND TO JAIL WITNESSES WHO REFUSE TO ANSWER RELEVANT QUESTIONS. ADD NEW YORK (COMMUNIST TRIAL) X X X THIS

SO FAR IN THE SEVEN-MONTH-OLD TRIAL, AT LEAST HALF A DOZEN WITNESSES HAVE BALKED AT GIVING CERTAIN INFORMATION, ESPECIALLY THE NAMES OF COMMUNIST PARTY ASSOCIATES IN THEIR HOME COMMUNITIES.

MOST OF THE WITNESSES HAVE CLAIMED THAT GIVING THE NAMES WOULD JEOPARDIZE THE JOBS OF THE PERSONS WHOSE NAMES WERE SOUGHT.

ONLY ONE WITNESS, JOHN GATES, EDITOR OF THE COMMUNIST DAILY WORKER AND A DEFENDANT, HAS BEEN PUNISHED FOR SUCH REFUSAL. HE SPENT 30 DAYS IN JAIL.

BUT THE JUDGE ADMONISHED DEFENSE COUNSEL YESTERDAY:

"IF A WITNESS IS DIRECTED BY ME TO ANSWER A QUESTION AND REFUSES, I WOULD HAVE NO ALTERNATIVE BUT TO SEND THAT PERSON TO JAIL--AS I DID IN THE CASE OF MR. GATES--WHICH IS PRECISELY WHAT I WILL DO IF THE OCCASION ARISES."

THE JUDGE SAID PREVIOUS WITNESSES HAVE "DELIBERATELY AND IN SEQUENCE REFUSED TO ANSWER QUESTIONS."

"IT'S A MOST EXTRAORDINARY THING THAT BOTH THEY AND THEIR COUNSEL PERSISTENTLY PICK THE QUESTIONS THEY WILL AND WILL NOT ANSWER," HE SAID.

THE JUDGE'S REMARKS CAME ON A DAY THAT SAW A QUICKENING IN THE TEMPO OF THE TRIAL, IN WHICH 11 TOP RED LEADERS ARE ACCUSED OF CONSPIRING TO ADVOCATE FORCIBLE OVERTHROW OF THE GOVERNMENT.

THE SPEED-UP PACE RESULTED, AT LEAST PARTLY, FROM NEW RESTRICTIONS CLAMPED BY THE JUDGE ON DEFENSE TESTIMONY, LIMITING IT TO MATERIAL PERTAINING TO THE CHARGE.

DURING THE DAY, CROSS-EXAMINATION OF MRS. GERALDYNE LIGHTFOOT, A CHICAGO NEGRO COMMUNIST, WAS COMPLETED.

ANOTHER WITNESS, SAMUEL J. HALL, JR., A REGIONAL PARTY ORGANIZER OF BIRMINGHAM, ALA., WAS QUESTIONED BY BOTH THE DEFENSE AND THE PROSECUTION, AND DISMISSED, AND A THIRD WITNESS CALLED.

AUG 6 1949

A59

THE LATTER WAS ROBERT MANEWITZ OF ST. LOUIS, A MEMBER OF THE MISSOURI STATE BOARD OF THE PARTY. HE TESTIFIED ONLY BRIEFLY BEFORE COURT ADJOURNED. HE SAID HE JOINED THE PARTY IN 1935 WHEN HE WAS 18, AND WORKS AS A PATTERN MAKER AND METAL FINISHER AT BRONZE FABRICATORS.

THE COURT DISCUSSION ON WITNESSES REFUSING TO ANSWER QUESTIONS CAME AS HALL WAS ABOUT TO TELL ABOUT A PARTY SCHOOL FOR SOUTHERN COMMUNISTS HE ATTENDED AT CAMP BEACON, NEAR BEACON, N.Y., IN 1946.

U.S. ATTORNEY JOHN F. X. MCGOHEY ASKED THE JUDGE TO CUT OFF HALL'S TESTIMONY, UNLESS THE WITNESS AGREED TO IDENTIFY PERSONS CONNECTED WITH THE SCHOOL UNDER GOVERNMENT QUESTIONING.

REFUSAL TO DO SO, SAID MCGOHEY, WOULD PREVENT "ADEQUATE AND INTELLIGENT" CROSS-EXAMINATION.

IT WAS THEN THAT THE JUDGE ISSUED HIS WARNING.

M728AED

AUG 6

SEATTLE, AUG. 5-(AP)-HIGH AIR FORCE OFFICIALS WILL FLY HERE THIS MONTH, THE TIMES SAID TODAY, TO DISCUSS WHETHER BOEING AIRPLANE COMPANY SHOULD SHIFT MORE OF ITS BOMBER-PLANE PRODUCTION TO ITS WICHITA, KAS., PLANT.

THE PAPER SAID W.STUART SYMINGTON, AIR SECRETARY, WOULD HEAD THE GROUP. IT QUOTED AN AIR FORCE SPOKESMAN IN WASHINGTON, D.C., WHOSE NAME WAS NOT GIVEN.

EARLIER THIS WEEK DAVE BECK, WEST COAST TEAMSTERS' UNION LEADER, SAID GOVERNMENT OFFICIALS WERE SEEKING TO HAVE BOEING MOVE MAJOR OPERATIONS INLAND TO GET IT OUT OF THE WARTIME WEST COAST DANGER ZONE.

THE AIR FORCE SPOKESMAN WAS QUOTED BY THE TIMES, HOWEVER, AS SAYING THAT SERVICE HAS NO POLICY CALLING FOR MOVING OF PRODUCTION LINES AT COASTAL POINTS TO INLAND WATERS.

SENATOR MAGNUSON (D-WASH), WHO WILL ACCOMPANY THE GROUP HERE, WAS QUOTED AS SAYING:

"WE'RE GOING TO ATTEMPT TO WORK OUT A PLAN TO INSURE A CONSTANT WORK LOAD FOR BOEING'S SEATTLE PLANT."

MAGNUSON SAID THE AIR FORCE HAS NOT DECIDED WHERE TO BUILD BOEING'S NEXT HEAVY-BOMBER SERIES, THE XB-52, PROVIDED THE PLANE WINS A PRODUCTION ORDER FOR BOEING.

WN510PCS

STANFORD UNIVERSITY, CALIF., AUG. 5-(AP)-THE 75TH BIRTHDAY OF FORMER PRESIDENT HERBERT HOOVER NEXT WEDNESDAY WILL BE AN EVENT HERE ON HIS OLD CAMPUS, IN DEMOCRATIC ARKANSAS AND IN GERMANY.

HOOVER WILL DELIVER A MAJOR ADDRESS AT THE STANFORD CELEBRATION, ENTITLED, "THINK OF THE NEXT GENERATION." HIS SPEECH, SCHEDULED FOR 5 P.M. (8 P.M. EST), WILL BE BROADCAST BY ALL FOUR NATIONAL NETWORKS.

TWO SONS OF THE EX-PRESIDENT, THEIR WIVES AND FIVE GRANDCHILDREN WILL ATTEND.

IN LITTLE ROCK, GOVERNOR SID MC MATH ISSUED A PROCLAMATION SETTING ASIDE NEXT WEDNESDAY IN HONOR OF HOOVER. HE URGED PEOPLE IN THE STATE TO SEND BIRTHDAY GREETINGS.

AND THE DAY WILL BE REMEMBERED IN GERMANY. CHILDREN IN 166 CITIES WILL EXPRESS MASS THANKS FOR HOOVER'S YOUTH FEEDING PROGRAM WHICH HAS AIDED MILLIONS OF YOUNG GERMANS SINCE 1947.

WN938PCS

End of August 5 1949

30.24- 4861

Denfeld Cites Accord On Pact Defense Plan

Paris, Aug. 6 (AP)—Admiral Louis Denfeld, United Sates Navy member of the joint chiefs of staff, today said there is "great unanimity of opionion" on the way the Atlantic pact defenses should be organized.

Denfeld spoke at a news conference in the American Embassy, which followed the talks by the American joint chiefs of staff with French, Belgian, Dutch and Portuguese military leaders.

At the conference with Denfeld were Gen. Omar Bradley, Army, and Gen. Hoyt Vandenberg, Air Force.

Portugal Attends

Portugal's military delegation also attended.

Denfeld described as "most successful" the talks of the American officers with western European military leaders this week.

He emphasized that the talks were confined to an exchange of views "to get ideas on military organization" and said no decisions were made.

Ideas Exchanged

"What we did was to get information so that we could both advise our own governments and make up our own minds on the best military organization" under the Atlantic pact, Denfeld said of the European trip.

Asked what sort of ideas were exchanged, he said "I prefer not to go into that."

Asked about a supreme military council for the twelve-nation alliance, Denfeld said a lot of suggestions had been received. The whole thing "is very fluid," he said, and he saw no difficulty in setting it up.

"Entirely Open"

A headquarters for the pact is a matter that is "still entirely open" and a matter for political discussion, the Admiral said.

Would a supreme council be set up by the end of the year, as he indicated in London?

"Well, that was just a date I picked up out of the air," Denfeld said, "but I don't see any reason why it should ont be done."

Portuguese General Jose Felipe Barros Rodrigues was asked whether his country is still pressing for Spain's admission to the Atlantic pact. "We didn't discuss that," he said. "It is a political question."

General Bradley, in a reply to a question whether Europe's arms needs had been discussed, said no and that "the western European countries have had nine months to work out what they need, so that they have pretty well worked up their estimates."

"Very Successful"

The other Atlantic pact countries, he added, had not had time to do so. France, Britian, Belgium, the Netherlands and Luxembourg are in the Western European Union, a previous defensive alliance.

Asked about military planning by the Western European Union, Admiral Denfeld replied:

"From our talks with members of that union, we understand they have been very successful."

The situation in Asia has not been discussed, he added, because it was "beyond the sphere of the Atlantic pact."

STAFF CHIEFS END SURVEY

Accord Reported On Western Europe Defense Needs

Paris, Aug. 6 (AP)—America's three top military men completed their preliminary survey of western European defense needs today, apparently optimistic but strictly non-commital on their findings.

"We had most successful talks. There was great unanimity of opinion on almost all questions," Admiral Louis E. Denfeld, United States chief of naval operations, told a news conference at the American Embassy here.

Denfeld emphasized, however, that "no decisions were made" on key points of the future organization of North Atlantic treaty countries against aggression.

Fly To Vienna Today

The naval chief spoke for himself, Gen. Omar N. Bradley, army chief of staff, and Gen. Hoyt Vandenberg, air force chief. The three since last week end have seen the military leaders of all nine western European members of the twelve-nation Atlantic accord, concluding today with the Netherlands, Belgium and Portugal.

Tomorrow they fly to Vienna, but that trip is for inspection of American occupation forces. Austria is not a member of the alliance.

The Americans gave no solid answers to a dozen or more questions fired at them by correspondents. Points on which they parried included where the Atlantic treaty organization will have headquarters and whether and where it will put up a defense line facing Soviet-dominated eastern Europe. How and when it will absorb the existing Brussels alliance of Britain, France, the Netherlands, Belgium and Luxembourg also went unanswered.

Police Are Ready

Denfeld even cast some doubt on whether the Atlantic accord organiation would be completed by the end of this year, as he had indicated earlier this week in London.

"That was just a date I picked up out of the air," he said, "but I don't see any reason why it should not be done."

Denfeld said the main purpose of the three was to gather information and give information in conferences. Bradley and Vandenberg, for the most part, were silent.

Truckloads of police were parked within easy range of the Embassy to prevent any Communist demonstration, such as was attempted yesterday, but nothing developed. The Place de la Concorde, in front of the Embassy, was quiet.

Russia Attacks Tour

Before today's talks with the Dutch, Belgians and Portuguese, the Americans had seen military leaders of France, Britain, Luxembourg, Italy, Norway and Denmark, thus conferring with all the other eleven members of the Atlantic treaty except Canada and Iceland.

[Russia continued attacks on the staff chiefs' tour and the alliance itself today. The Moscow newspaper *Izvestia* said the United States Government conceived the tour as a means of propaganda to combat what it called growing opposition in the United States and other capitalist countries to a world armaments race.

[*Izvestia* forecast the chiefs of staff would return to Washington with a tale of "a western European Red Riding Hood and an awful Soviet wolf."]

A Big Question

What military men in Europe have been asking is information on how much armament will be supplied to Europe by the United States for defense, when it will start coming, who is to get what types and what the defense strategy will be.

On these questions, Admiral Denfeld was careful to say that such points had not been discussed, or at least not decided.

A big question before most Europeans is whether a defense line would be established on the Elbe, in central Germany, on the Rhine, or whether in case of Russian attack the whole of Europe would be given up with limited resistance and only Britain be defended initially.

But questions on this went unanswered by Denfeld.

"There was no discussion of strategy," he said.

Europe Council Plans Initial Conference

Paris, Aug. 6 (AP)—Leading statesmen of western Europe will assemble at Strasbourg Monday to consider proposals designed to give concrete expression to the centuries-old dream of European unity.

This inaugural session of the Council of Europe will give its attention to practical problems having to do with public works, patents and social security. One major proposal expected to be considered calls for the creation of an international European passport.

It is the hope of many of western Europe's leaders that the decisions taken will constitute a sizable advance toward a distant goal—a real United States of Europe similar to America's federal system of government.

Ground Already Broken

American dollars already have broken the ground for the building of continental unity. For more than a year the Organization for European Economic Co-operation (OEEC), an administrative agency of the Marshall plan, has been making practical decisions in its nineteen member areas.

As yet no contact has been made between the OEEC and the Council of Europe. This may be done after the council gets organized next week.

Members of the Council of Europe are: Britain, France, Belgium, Denmark, Ireland, Italy, Luxembourg, the Netherlands, Norway and Sweden. Greece and Turkey will be admitted soon.

Few Blocks Seen

In addition the OEEC has Austria, Iceland, Portugal, Switzerland, Bizonia, the French zone of Germany and the British-United States zone of Trieste. Except for Portugal and Switzerland, which take little part in OEEC anyhow, there would not seem to be much to keep the two organizations apart. Switzerland might hold back because of her traditional political neutrality. Portugal might be unacceptable to some western European governments which classify the Portuguese regime as undemocratic.

OEEC's job is economic. The Council of Europe's job is mainly political, though it can and undoubtedly will take up economic matters too. Both organizations have strictly limited powers, but may get larger ones if the sentiment for European union grows.

Monday Meeting Set

The Council of Europe's committee of ministers will meet in the Strasbourg city hall Monday. This group consists of the foreign ministers of each member country.

It will consider what the 87 delegates to the consultative assembly will work on, beginning Wednesday. The 87 delegates have been chosen from the ten member countries, roughly on the basis of population. Most of them are members of their countries' parliaments.

The main parties in each of the countries will be well represented except the Communists, who term the Council of Europe a plot against the Soviet Union. It is estimated that the largest delegation will be made up of representatives of the Socialist and the Catholic parties of the member countries.

General Discussion

Informants said subjects to be considered include a general discussion of the purposes of the Council of Europe, a joint European patent system, a unified policy on social security, creation of an international European passport and the encouragement of inter-European trade and the movement of persons and tourists.

Proposed Curb On ECA Irks Briton

LONDON, Aug. 6 (AP).—A British Labor Party source expressed indignation today over a proposal in the U. S. Senate to cut off dollar aid to countries that nationalize their basic industries.

"It would be a direct violation of American high-level promises to keep out of internal policies of Marshall Aid nations," he told a reporter. The speaker refused to be identified by name.

MEDDLING BY U.S. FEARED IN BRITAIN

London Upset By Attack In Senate On Nationalization

London, Aug. 6 (AP)—Britain's Socialist Government had a new worry tonight added to its economic woes and Washington's delay in approving new dollar aid.

It was that American politicians were attempting to stick a tentative finger—via the Marshall plan—into British internal affairs.

A Labor party source expressed indignation at the proposal of Senator Kem (R., Mo.) to cut off American help from nations which nationalize basic industries. The question of nationalization is one of the hottest political subjects in England.

"That would be a direct violation of American high-level promises to keep out of the internal policies of Marshall-aid nations," he said.

Heart Of Party's Program

Well-informed quarters said this reaction represented the opinion of both the Labor party and the Socialist Government of Britain.

Nationalization is the heart of the Labor party's program. It has already become the main theme of pre-election debates between Government spokesmen and the Conservative opposition.

"Britain entered the Marshall-plan program with the distinct understanding from responsible American leaders that aid would not include interference in the internal affairs of this country," the party source added.

Official Government spokesmen, including the Foreign Office, were silent. But usually-informed sources said both Whitehall and Downing street were aroused at Kem's attempted intervention into the touchy political problem here.

That bristling was not restricted to the Socialists. The weekly *Spectator*—a Conservative publication—said in a dispatch from its Washington correspondent.

Drive Opened By Churchill

"Many a British Tory, though accustomed publicly to denounce the Labor Government's nationalization plans, may well have privately bristled at the idea that an American holding public office should recommend such interference in British domestic affairs."

The Kem amendment caught Britain at a particularly delicate time. Conservatives under Winston

Churchill had just opened their campaign with promises to halt the Labor Government's nationalization program if they win the general elections, which must be held sometime before autumn of next year.

Laborites under Prime Minister Attlee took up the challenge with a promise to pursue their program, which already has put railroads, coal mines, airlines, communications, the Bank of England, gas and electricity under Government ownership. Nationalization of the steel and iron industry is included in a bill almost through Parliament, and Socialist leaders plan to move in on sugar, cement and some types of insurance.

Fate Of U.N. With People, Attlee Avers

Arundel, England, Aug. 6 (AP)—Prime Minister Attlee said today the ultimate success or failure of the United Nations rests with the people of the world.

Attlee spoke at a United Nations Association rally on the grounds of ancient Arundel Castle, seat of the Dukes of Norfolk. He appeared completely recovered from a chill which kept him in bed last week end.

Attlee said the United Nations has not achieved all its original objectives and has become "an arena in which differences and animosities seem to be given greater emphasis."

He also said, "the great tragedy of the iron curtain" is that "it cuts off a great part of the human race form community with the rest.

"Here is the tragedy of preaching an ideology which rejects the moral values accepted hitherto by all civilized peoples, however imperfectly they have been put into action."

Says England Needs To Eat More Meat

London, Aug. 6 (A. P.).—Representative Frances P. Bolton (R.-Ohio) said today that the English look hungry and run-down. "They don't get enough meat," she said.

"During the war they worked on physical reserves they had built up during pre-war years of meat-eating. Now they are having to do as much work as ever on starches alone."

POLES ORDER PENALTIES TO CURB CHURCH

Decree Up To Death For Violations Of Ban On Vatican Edict

London, *Sunday*, Aug. 7 (AP)—Communist-led Poland decreed penalties up to death today for anyone violating a citizen's "freedom of conscience." The action obviously was aimed at the Roman Catholic Church.

The Vatican ordered the excommunication of all militant Communists on July 13. Two weeks later the Polish Government forbade Catholic priests from enforcing the Vatican decree and denounced it as an "act of agression." The latest Polish action was seen as putting teeth into the enforcement order.

There were seventeen articles in the Polish decree, which was passed by the Council of State and Ministers Council on Friday PAP, the Polish press agency, disclosed the articles in an English-language broadcast heard here. PAP said the decree went into force today.

Discussed By Workers, Peasants

One article says: "He who misuses the freedom of creed by refusing to let another person participate in religious ceremonies because of political, social or scientific activities or opinions is liable to imprisonment of up to five years."

The language of the articles as broadcast by PAP did not single out priests or other Catholic Church officials by name, but the broadcast said the Vatican's policy had been the subject of many meetings of workers and peasants throughout Poland.

"Many Catholic believers of both party and nonparty members stressed at these meetings that the Vatican didn't defend the church in Poland when it was persecuted by the Nazi invaders, but on the contrary blessed the persecutors.

"It was also pointed out that as the people's government protects religion, the struggle waged in Poland against the clergy engaged in political activity is fully justified."

Poland is predominantly Catholic.

Public Insults Forbidden

Other important parts of the decree included an article which provided:

"He who publicly insults, derides or humiliates a person or group of persons because of their creed, religious opinion or lack of religious affiliation is liable to imprisonment up to five years.

"The same penalty will be incurred by a person who violates the corporal integrity if another person because of his creed, religious opinions or lack of religious affiliation.

"He who commits another crime against a person or group of persons because of their creed, religious opinions or lack of religious affiliation is liable to imprisonment.

"If the crime described in Paragraph 3 results in death or serious injury, or if there has been a disturbance of normal public life or danger to public safety, the person is liable to imprisonment of no less than three years and up to life or the death penalty."

Top Statesmen to Open Europe Council Monday

STRASBOURG, France, Aug. 6 (AP).—Western Europe's top political leaders meet here Monday to try to make a five-century dream of union come true. Its sponsors hope this inaugural session of the Council of Europe will be a long step toward a real United States of Europe.

For the first time in history, a permanent committee of ministers and a consultative assembly will unite Britain, France, Italy, Belgium, The Netherlands, Sweden, Norway, Denmark, Ireland and Luxembourg. Greece and Turkey probably will be added almost at once.

ONLY GIVES ADVICE

The council cannot bind any of its member countries. It only gives advice. It is barred from even discussing military matters. Just the same, its debate and recommendations will be heard with respect.

Winston Churchill is expected to be the star orator. In addition, the delegates will have a chance to enjoy the hospitality of a town that has not had time to get bored with international parleys and has ambitions to become the capital of Europe. The hospitality includes some of the fanciest food—and fanciest prices—in France, which is saying a good deal.

This German-speaking French city, about the size of Richmond, Va., has been fought over by the two peoples for a big part of its 2000-year history. The last war destroyed several of its hotels and historic monuments. There are plenty of monuments still but the hotel shortage is serious and there is no surplus of space for Europe's new international civil service.

The Committee of Ministers will be the first to gather at Strasbourg's ornate City Hall. It consists of the foreign ministers of each member country, meeting in secret unless they should decide otherwise—which is unlikely.

They will have some tricky questions to mull over. To begin with, are they to have the right to speak and vote at the consultative assembly, as European Governments do in their Parliaments, or is there to be a separation of powers, as in the U. S.? And what about the new West German State—can it become a member?

After a week, the committee will adjourn.

On Wednesday, the Consultative Assembly convenes in the great hall of the University of Strasbourg for a month's session. Meetings in summer, when most European Parliaments are on vacation, enable the Parliaments to elect some of their own members to be delegates to the Assembly as well.

87 ASSEMBLY MEMBERS

The Assembly is to have 87 members, apportioned roughly on a population basis, in this way:

United Kingdom, France and Italy, 18 each; Belgium, Sweden and The Netherlands, six each; Denmark, Ireland and Norway, four each, and Luxembourg three.

On a strict proportional basis, if the Big Three got 18 members, the next biggest country—The Netherlands—would rate only five and the others even fewer.

Each delegate can vote as he pleases. This provision promises to furnish some new quirks in the history of international meetings. Up to now they have always been organized on the system of one country, one vote—as in the United Nations.

The main parties in each of the countries will be well represented, except the Communists. They consider the whole thing a plot against the Soviet Union. In France, the National Assembly barred them by deciding that delegates would be elected by an absolute majority. The French Communists are the biggest party in the Assembly, but they have no majority.

STRENGTHENING OF TIES

However, plenty of British Tories, French Socialists, Italian Catholics, Belgians, Liberals, Dutch Protestants and Irish opponents of partition are on hand to spice the political pie.

Experts forsee that the Socialists and Catholics, especially, will have more in common with Socialists and Catholics from other countries than with Conservatives or Protestants from their homelands. So the session may well see a strengthening of international party ties. On some is-

Priest Is Suspended For 'Political Acts'

Lyon, France, Aug. 6 (AP)—The Rev. Marcel Grangier, a Catholic priest, has been suspended for "political activities," the office of Pierre Cardinal Gerlier, Archbishop of Lyon, announced today.

The semi-official French press agency said he was charged with speaking at Communist meetings.

A communiqué from the archbishop's office said Father Grangier persisted in his disobedience despite repeated warnings. He was then informed, it went on, that he could no longer say mass or wear a cassock.

Loan Requested For West Berlin

Berlin, Aug. 6 (AP)—Allied military leaders here have recommended an immediate long-term loan to save West Berlin from economic disaster, official American sources said today.

The three Western commanders forwarded a request for a grant of 455,000,000, West marks ($136,500,000) to the United States, British and French military governors three days ago, these sources said. It has not yet been acted upon.

The commanders told the governmental chiefs "if they are to survive," West Berlin's industries require immediate long-term credits. They described the sum they recommended as a tentative estimate and said final requirements would be higher.

Counterpart Fund Use

United States officials said part of the requested loan might come from counterpart funds of the European Recovery Program in western Germany or from American appropriations for "government and relief in the occupied areas."

The new East German republic also would be asked to furnish credits, United States spokesmen said.

West Berlin lost 80 per cent of its industrial tools and equipment as a result of the war, the Allied commanders reported. Out of a total population of 2,200,000 some 209,000 workers now are drawing either full or partial unemployment relief.

136 Million Loan Proposed For West Berlin

Berlin, Aug. 6 (AP)—Official American sources disclosed today that the three Western Berlin commandants have recommended a 455,000,000 mark ($136,500,000) long-term loan to save West Berlin from economic chaos.

The informants said the recommendation was forwarded to the American, British and French military governors three days ago, but has not yet been acted upon.

May Seek More

The commandants are reported to have said the West Berlin industries, which lost 80 per cent of their tools and equipment during the war, required immediate long-term credits if they are to survive.

The sources said the amount asked was only tentative and final requirements probably would be higher.

An American official said part of the requested loan might come from European Recovery Program funds in Western Germany or from United States appropriations for "Government and relief in occupied areas."

He said the new West German republic also would be asked to supply credits to West Berlin.

Of West Berlin's 2,200,000 population, 209,000 workers now are drawing full or partial unemployment relief. Counting in dependents, this jobless bloc totals 635,000 persons.

30.24- 4863

A. M. G. Court Sentences 5 Germans in Kidnap Case

BERLIN, Aug. 6 (AP).—Five German agents of the Soviet occupation zone secret police were sentenced today to prison terms of one to three years by an American Military Government judge, John A. Sabo, on charges of attempting to kidnap a German from the American sector of Berlin.

The defense contended the agents acted legally, on orders from the Soviet government, in an attempt to foil a German plot to blow up a Russian military leave train.

Judge Sabo said the American Military Government would not allow subversive action against another occupation power but that the defendants had entered the American sector unlawfully, with unauthorized firearms.

Russ Refuse Evidence For Ilsa Koch Trial

Bamberg, Germany, Aug. 6 (AP)—Soviet zone authorities have declined to supply either witnesses or evidence for the German trial of Ilse Koch, former "Queen of Buchenwald" concentration camp, the Bavarian prosecutor's office said today.

A German court will try Mrs. Koch on charges of crimes against German prisoners in October, when she completes her present jail sentence imposed by an American war-crimes court.

Maxwell D. Taylor Named Berlin Chief

Berlin, Aug. 6 (AP)—Maj. Gen. Maxwell D. Taylor, wartime paratroop leader, officially was named today to command the American Military Government and army forces in Berlin.

He will be given this double-barreled authority, a formal statement said, "in order to unify the United States position in Berlin."

The statement said he would presumably assume his position in September.

Taylor will succeed both Brig. Gen. Frank Howley, Military Government commandant, and Col. James T. Duke, who has commanded the Berlin military post.

Ex-Chief At West Point

The statement, issued by the headquarters of United States Army Forces in Europe, said Taylor would be the personal representative of High Commissioner John J. McCloy and Lieut. Gen. Clarence R. Huebner, acting commander in chief.

Taylor, who came to Europe last February after 3½ years as superintendent of West Point, has served until now as Huebner's chief of staff.

Dealt With Italy

He commanded the 101st Airborne Division in Allied invasions of Normandy and Holland. In 1943 he made a secret trip to Italy to negotiate with Italian military leaders a day before the Allied landing at Salerno.

As head of American Military Government here, Taylor will take over one of the most rigorous assignments in the cold war.

His predecessor, Howley, who plans to return to private business in Philadelphia, was the target of constant attack by Communist propaganda.

New Law Aids Those Nazis Persecuted

Frankfurt, Germany, Aug. 6 (AP). A German law to provide financial aid for thousands of persons persecuted by the Nazis has been approved by the American Military Government, German authorities in Stuttgart announced today.

The law supplements a tax measure approved yesterday, which gives financial help to millions of Germans who suffered war damages.

The law will apply only in the American zone. Special monthly pensions of financial grants will be provided for physical or property damage suffered at the hands of the Nazis. Displaced persons from other countries as well as Germans are included.

Adopted by the United States Zone Council of States last May, the law was held up for three months by lack of military government approval.

Greeks Open New Drive On Rebels In Grammos

Tanks And Planes Aid Full-Scale Offensive In Mountains Along Albanian Border

Athens, Aug. 6 (AP)—The Greek Army today unleashed a full-scale offensive, supported by planes and tanks, against the estimated 5,000 Communist guerrillas in the Grammos Mountains.

The battle started with troops attacking along two sides of a 250-square-mile triangle based on the Albanian border and with its apex at Eptahorion. The triangle is anchored on the border northwest of Nestorion and northeast of Konitsa.

The general staff, announcing the offensive, said preliminary action for two days had ended and that the battle now was in its main phase. New troops, supported by tanks and planes, are being hurled into the fighting.

Counterattacks Repulsed

Preliminary successes were scored on the northeastern front, where heavily fortified heights were captured in combined operations by the air force and infantry, the staff said. It added that "Communist bandits" counterattacked vigorously several times, but were repulsed in their efforts to retake Alevitsa, Kapsalia, Lefkadia and Tabouri heights west of Nestorion.

Other successes were scored by the army on the southwest front, where heights covering approaches to Pyrsoyanni and Kamenik were captured, the communiqué said.

The United Nations Special Commission on the Balkans reported one of its planes photographing forthcoming fortifications along the border was fired on from gun positions within Albania opposite Alevitsa. The commission said the guerrillas were using [illegible]-mm. guns apparently coming from a foreign source.

Line Of Trenches Revealed

The report also said the photographs "clearly show" the guerrillas had prepared a line of trenches extending across the Greek-Albanian frontier.

The only figures on casualties said 36 guerrillas were killed and fifteen captured when heavily fortified pillboxes on Alevitsa height were stormed by grenade-throwing infantrymen.

The general staff said the troops who captured and held Alevista were fired on from another height in Albania. The announcement added that this "attack was supported by Albanians." It also said columns of trucks were seen recently carrying supplies and troops from Albania into Greece and that the guerrilla forces were reinforced recently by 150 Communist Greek seamen.

Vitsi Battle Expected

There was no mention of impending operations against the Vitsi triangle, where more than 7,000 guerrillas are holed up west of Phlorina. Those forces are connected with the concentration in the Grammos by a slender communication line within Greek territory. Observers predict the Vitsi battle will open soon.

The staff has not disclosed the number of troops participating in the Grammos fighting under Lieut. Gen. Thrasivolos Tsakalotos, a corps commander. However, three divisions or 30,000 men are believed involved.

30,000 BELIEVED IN DRIVE

The staff has not disclosed the number of troops participating in the Grammos fighting under Lt. Gen. Thrasivolos Tsakalotos, a corps commander. However, three divisions or 30,000 men are believed involved.

Informed sources say 25 to 40 percent of some guerilla units are women and girls.

New Belgian Parliament Breakup Threatened

Brussels, Belgium, Aug. 6 (AP)—Belgium, her three chief political parties deadlocked over whether exiled King Leopold should regain his throne today faced the threat of another Parliament breakup to be followed by general elections.

Delegates of the three parties met four hours last night to study a message from Leopold declaring that his royal future rests with Parliament.

Leopold's message followed a 40-day deadlock which has left Belgium without a Government. The conferees failed to agree on a compromise to form one but will reconvene today.

Agreement "Impossible"

A spokesman for the pro-Leopold Social-Christian Party said agreement seemed "impossible." The Socialists made it clear their party is not ready to enter the coalition government.

The Liberals had no comment to make. The Socialists and Liberals are anti-Leopoldist.

Several delegates agreed that Leopold's message had done little to clarify the intricate situation.

In his message the King indicated that Parliament alone could decide whether he should be restored to the throne. Some political observers have said a popular referendum might be the solution to the problem.

"It would be useless to form a coalition government as long as agreement is not reached on the royal question," a Socialist announcement said.

Spaak Would Be Out

Refusal of the Socialists to join a coalition would mean that Paul-Henri Spaak, veteran Foreign Minister, would be out.

The Socialists told Premier-Designate Gaston Eyskens, Social Christian, they would not "agree to pursue negotiations any farther."

As a consequence threat of another Parliament breakup and new elections hung over the nation.

Eyskens said he made a desperate effort to form a three-party coalition government, but in spite of endless negotiations "there has been no progress."

Leopold Sends Message

Leopold sent a message from his residence in Switzerland yesterday, saying the question of his future rests with Parliament and that body alone should decide whether he should be restored to the throne. Some politicians have suggested a referendum. Leopold agreed to the principle of a referendum, but said it should be only a guide for Parliament.

Eyskens said the Socialists and Liberals were opposed to the King's views on a referendum. The Premier-designate's party is pro-Leopold.

Belgium has been under a regency since 1944. Prince Charles, brother of Leopold, was elected regent. In 1945 Parliament voted to continue the regency and bar Leopold's return without parliamentary consent. Leopold, who surrendered to the invading Nazis in May, 1940, has not lived in Belgium since the war.

BELGIANS FAIL TO EASE CRISIS

Socialists Block Coalition In Dispute Over Leopold

Brussels, Aug. 6 (AP)—The Socialist party, second largest in the country, said tonight it would not enter a three-party coalition government.

The announcement came after leaders of the three principal parties—Social Christians, Socialists and Liberals—had failed to break a 42-day Cabinet crisis caused by a deadlock over the question of the return of King Leopold III to the throne.

Franco Rumors Are Denied

San Sebastian, Spain, Aug. 6 (AP). Generalissimo Francisco Franco's personal attendants denied today a crop of rumors that developed yesterday while he was on a vacation-

time fishing trip.

His party returned after midnight from a voyage farther out in the Bay of Biscay than he usually goes. The rumors were that the Generalissimo had fallen overboard, gotten seasick or had been the target of an assassin.

Aides who went with him on the yacht Azor said it took longer than usual to get back and Franco slept late this morning, deferring today's fishing until afternoon.

In Fine Shape

Franco is living in this resort town's royal palace with his wife and daughter and leaves only to go fishing. He is scheduled to inaugurate the Bilbao Airport August 20 while en route to his regular summer home at Pazo de Meiras, on the Galician Coast.

A Foreign Ministry spokesman also denied Franco had been attacked or had met with an accident. He said Franco caught six fish of more than 120 pounds each yesterday and was in fine shape.

The spokesman said that in the week Franco has spent here there has been no incident that might cause suspicion of an attack on him. "These reports are born in tendentious campaigns abroad," the spokesman said.

Franco Aides Deny Report Of Mishap

San Sebastian, Spain, Aug. 6 (AP). Personal aides of Generalissimo Francisco Franco today denied all reports that the Spanish leader had met with some sort of an accident.

They said he was in fine shape and had ordered his private yacht Azor to stand ready again today to take him on his daily fishing trip. Franco has gone fishing every day since he began his vacation here July 29, they said.

There had been rumors that Franco had been the victim of an assassination attempt; met with an accident at sea; fallen overboard; got seasick. All these were branded as purely rumors by a Foreign Ministry spokesman.

Franco's personal aides said his yacht sailed a little further out to sea for yesterday's fishing and took longer to return. They said the Spanish leader caught six fish in the Bay of Biscay yesterday, all salmon and each weighing more than 120 pounds.

SOFIA CABINET CHANGES MADE

Bulgaria Gets New Foreign And Interior Ministers

Sofia, Bulgaria, Aug. 6 (AP)—Bulgaria got a new Foreign Minister and Minister of the Interior tonight. Several Cabinet changes also were announced.

Vassil Kolarov, who was named Premier on July 20 to succeed the late Georgi Dimitrov, resigned his old post as Foreign Minister. The new Foreign Minister is Vladimir Poptomov, editor-in-chief of the country's official communist newspaper, *Rabotnichesko Delo*, and a member of the Politburo.

Yugov Still Deputy Premier

The Ministry of the Interior—the job that controls the police and internal security of the country—went to Russi Hristozov. He succeeds Anton Yugov, who remains as deputy premier.

This dispatch from Sofia contained no speculation or mention that a Cabinet shakeup was under way. There has been a consolidation of leadership in the Communist-led nations in eastern Europe bringing to the fore men who are opposed to the so-called "Nationalist" viewpoint exemplified by Communist Premier Marshal Tito of Yugoslavia.

[In Bulgaria this resulted in the ousting of Vice Premier Traicho Kostov, who was denounced for anti-Soviet "Titoism."]

Other Changes Announced

Other changes as announced by the Government press department, included:

Vulko Chervenkov was succeeded as president of the Culture, Science and Arts committee by Karlo Lukanov. Chervenkov, secretary of the Communist party in Bulgaria, remains as vice premier. He was named Vice Premier when Kolarov became premier.

Cyril Lazarov was named president of the State Planning Commission to succeed Dobri Terpeshev, who remains a vice premier.

Prof. Petko Kunin was named Finance Minister. He succeeds Prof. Ivan Stephanov, who resigned. Vulko Gochov was named Minister of Industry, replacing Kunin.

Czech Press Accuses Pontiff Of Slave Labor Profiteering

Prague, Czechoslopakia, Aug 6 (AP)—In a renewed propaganda blast aimed at discrediting the Vatican, the controlled Czech press tonight accused Pope Pius XII of profiteering from Austrialian slave labor.

The chief assault on the Vatican was made by Svobodne Slovo, a Socialist paper. It declared the Hly See has vast investments in all manner of enterprises, including armament plants.

This newspaper said the Catholic pontiff had interests in a "missionary company, Jesus Christ, Ltd., in Australia, which buys and sells Australian natives, for slave labor."

Liberal Labor Codes

The alleged enterprise was not further defined.

[The Australian Labor Government prides itself on its liberal labor codes. There are no known slaves in Australia. The Australian aborigine is protected by laws as are Indians in the United States. Australia has won United Nations approval and commendation for her administration of mandated territories in New Guinea and the southwest Pacific.]

There were persistent reports of new clashes between police and Catholics in Slovakia who defended their priests against threats of arrest, but these could not be confirmed either in church or official circles.

Speech To Troops

In a speech to troops in Slovania, Gen. Ludvig Svoboda, Defense Minister, called on the army to back the Communist government in the church-state conflict. He assailed the hierarchy and urged soldiers to support the new government-sponsored Catholic Action Movement.

"We soldiers can say that, from the view of defense of the fatherland, insurance of freedom and independence, we shall support wholeheartedly the Catholic Action," he declared.

General Svoboda sain dthe western world and the Vatican sought to disrupt Czechoslozakia. "We don't want to fight against religion," he said, "but we must unmask the true origin of the plots and the propaganda hatched abroad under the veil of religion."

Will Accuse Communists

Vatican City, Aug. 6 (AP)—A vacation source said today that the official organ of the Jesuit Order will accuse Communists of invading the religious field in disguise.

In its August issue, not yet released, *Civilta Cattolica* will say, according to the Vatican source:

"If the decree (of excommunication against Catholics who are militant Communists) hit the Communists, it is because they tried to enter Christ's flocks under a thousand disguises, not as lambs, but as wolves, not as true shepherds, but as thieves. . . .

"The decree serves religious aims of the church, and only these."

Czech General Tells Army To Resist Church Moves

Prague, Aug. 6 (AP)—Czechoslovakia's Defense Minster called on the army today to back the Communist Government in the bitter church-state struggle.

The Minister — Gen. Ludvig Svoboda—assailed the Roman Catholic Church in a speech to troops in Slovakia. He urged the soldiers to support the new Government-sponsored Catholic Action movement. Svoboda asserted:

"The soldiers can say that from the view of defense of the fatherland, insurance of freedom and independence we shall support wholeheartedly the Catholic Action."

Churchmen Fight Back

The Czech Government ran into opposition last night in its latest bout with the Church.

A Government order to priests to defy the Vatican decree on excommunication under threat of punishment drew a sharp rejection from Roman Catholic authorities in western Bohemia.

The administrative vicar of the diocese at Litomerice sent back the Government order with an answer which said, in effect: What was the Government doing in a Catholic consistory, interfering with the internal affairs of the Church?

Cites Russian Ally

Both the order and the reply have come into Western hands.

In his address in Slovakia, Svoboda told troops their "great example" was the Russian Army, "on whose side we had the honor to fight in the second World War and with which we shall fight in the future in case of necessity."

The Defense Minister declared the Vatican and Western World sought to disrupt Czechoslovakia.

Hits Western "Diversions"

"In recent months," he said, "we noticed that internal and foreign reaction started to use some of their last legal positions to ruin us and . . . tried to stop our successful reconstruction.

"We could not watch inactively their diversionist activity even when they tried to cloak it under the guise of religion," he said. "We don't want to fight against religion, but we must unmask the true origin of the plots and the propaganda hatched abroad under the veil of religion."

Alexei Sees No Church-State Conflict

Moscow, Aug. 6 (AP)—Alexei, Patriarch of Moscow and all Russia, said today in a newspaper statement that no conflict exists between loyalty to the Soviet state and loyalty to the Russian Orthodox Church.

"Such a conflict not only does not exist but cannot exist if believers adhere to the exact meaning of teachings of the Gospel and Testaments of the Apostles," the Patriarch said. The statement was carried by *Izvestia*, official organ of the Soviet Government.

Izvestia said the statement was given in answer to questions put by the Moscow correspondent of Reuter, a British news agency, on July 27.

Relationship Reaffirmed

[Alexei's statement, at a time when the Roman Catholic Church has toughened its stand against communism, reaffirmed the church-state relationship which has existed in the U.S.S.R. since the Soviet Government permitted re-establishment of the Russian Orthodox Church in 1943. Critics have charged that the Russian Orthodox Church has been dominated by the Government since the Soviet Union abandoned a prewar policy of trying to suppress religion.]

Alexei was asked if he had been informed of a reported decision by Athenagoras, patriarch of Constantinople and titular head of the far-flung Greek Orthodox Church, to excommunicate from the Orthodox Church those supporting Communism.

Independent Branch

[The Russian Orthodox Church is an independent branch of the Greek Orthodox Church.]

Alexei's reply as printed in *Izvestia* was: "On a decision of the Patriarch to issue such an order, there is nothing known to me and to the Synod of the Russian Orthodox Church.

"In addition, we and the synod do not permit the thought that from the side of the Orthodox Patriarch there could be such a decision which basically contradicts the basic principles of the Orthodox Christian faith."

Question On Loyalty

The second question was: "Is there and conflict in your opinion between loyalty to the Soviet state and loyalty to the Russian Orthodox Church?"

Alexei's answer: "To this question there can be but one answer—such a conflict not only does not exist but cannot exist if believers adhere to the exact meaning of teachings of the Gospel and Testaments of the Apostles."

Czech European Trade Ratio Rises

Prague, Czechoslovakia, Aug. 6 (AP)—Commerce with Russia and other eastern European nations now accounts for 40 per cent of Czechoslovakia's foreign trade, Evzen Loebel, Deputy Minister of Foreign Trade, said today. He said this ratio will rise still further.

Loebel accused the United States of trying to damage Czechoslovakia's economy by trade discrimination, including stoppage of delivery on orders which had been paid for. He said these measures had "caused unpleasantness" but failed to do any real damage.

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Russ Rise In '46

According to an official report issued in October, 1946, Russia held first place in exports to Czechoslovakia, selling here 716,000,000 crowns worth of goods during the first eight months of that year, and second place among Czech customers, buying goods valued at 817,000,000 crowns. (The crown is rated worth 2 cents.)

Even in 1946 the United States had fallen far from its prewar position of second or third place in Czech foreign trade.

Russia now holds first place in Czech foreign trade, with 22 per cent of the total volume, Loebel reported. He said this corresponded roughly with the prewar volume of Czech trade with Germany.

D. P. Protection Approved

U. N. Unit Acts on International Plan for Refugees

GENEVA, Switzerland, Aug. 6 (AP).—The principle of future international protection of refugees by the United Nations was approved today by the U. N. Economic and Social Council.

The Council approved an American proposal requesting the U. N. Secretary General, Trygve Lie, to submit a detailed plan for protection of refugees to the next U. N. General Assembly.

The proposal, approved by eleven votes to three, with two abstentions, suggested the plan should contemplate establishment of either a high commissioner's office under U. N. control or a special service within the U. N. secretariat.

U. N. Defers Inquiry Into Forced Labor

Geneva, Aug. 6 (A. P.).—The United Nations Economic and Social Council postponed action yesterday on a United States proposal to investigate forced labor in the world. The postponement was voted after Russia protested that Britain and the United States were trying to smear Moscow's "corrective labor" penal system. The council voted 18 to 8 to defer action until the next meeting, early in 1950.

Reds May Ask U.N. To Stop Greek Strife

Trieste, Free Territory, Aug. 6 (AP)—The Italian news agency Astra said today that Communist guerrillas had decided to appeal to the United Nations to halt the war in Greece.

Astra said the decision was reached in an extraordinary meeting of guerrilla leaders shortly after the Greek Government launched a big drive in the Mount Grammos-Vitsi sector.

Arabs Accept Israeli Plan

Four Neighbors Agree on Freeing Fundsin Banks on Both Sides

LAUSANNE, Switzerland, Aug. 6 (AP).—Israel's four Arab neighbors accepteed today the principle of an Israeli proposal for freeing blocked bank accounts on both sides.

The Arab delegations told the geneeral committee of the United Nations' Palestine Conciliation Commission that they were prepared, in principle to free Jewish accounts in Arab banks up to an amount equivalent to Arab accounts freed in Israeli banks.

The plan now goes back to the Israeli delegation for proposal of practical steps which might put it into effect.

Four Alternatives Listed In Arab Refugee Problem

PHILADELPHIA, Aug. 6 (AP).—Four alternatives are open to the United Nations for the solution of the Arab refugee problem, Emmet Gulley, of Portland, Ore., head of the Quaker team assigned to the Gaza area in southern Palestine, said today. Mr. Gulley arrived here after eight months of relief work in Gaza.

He listed his solutions to the refugee problem:

1. "We can go on feeding these refugee multitudes for the next twenty-five years, a costly prospect when you consider that at present there are 250,000 in the Gaza area alone costing the United Nations half a million dollars per month.

2. "Or we can go off and let them die.

3. "Or they can be permitted to return to Israel and to Jewish rule.

4. "Or resettlement elsewhere is the only prospect."

Mr. Gulley said most of the refugees wish to return home. "But if they go back," he said, "some may not be contented to stay, because their homes have been destroyed and they would be strangers in their homeland, where life is geared by the Israelis to the present century rather than to ways which the Arabs have known since biblical days."

BOMBING KILLS 6 SYRIAN JEWS

Seevral Reported Arrested In Synagogue Trouble

Damascus, Syria, Aug. 6 (AP)—Syria's Government announced today that six or seven Jews were killed and 27 injured in the bombing of a synagogue here yesterday, and that it was seeking the perpetrators as enemies of the state.

A large force of detectives and police searched the city for suspects under urgent Government orders. Several persons were reported arrested, among them a member of a prominent Syrian family.

The official explanation was that the group responsible was "probably Communist." Informed sources said, however, the bombing probably was the work of a small group of non-Communist, anti-Jewish Arab elements, who also oppose the Government.

Premier Visits Scene

Syria has signed a truce ending her part in last year's Arab-Jewish war in Palestine since Brigadier Husni Zaim, now President, seized power in a military coup last

Premier Muhsen Barazi, who visited the scene, called the crime an attack on the authority of the Government and a threat to its prestige.

Wailing women and other relatives continued hunting the dead and wounded today, hours after the explosion on the eve of the Jewish sabbath.

[A newspaper in Beirut, Lebanon, said the blast knocked windows out of buildings in a half-mile radius of the synagogue.]

The bombing was one of the worst outbreaks of violence against Jews in the Middle East since the end of the Palestine war.

More Outbreaks Feared

It came as Israel and the Jews' four principal opponents in that war — Syria, Lebanon, Hashemite Jordan (Trans-Jordan) and Egypt—reached a crucial stage in negotiations at Lausanne, Switzerland, for a final peace.

Observers here speculated the bombing may have been meant to affect those negotiations unfavorably and at the same time to foster unrest against President Zayim's regime. Zayim has pledged full legal rights to Syrian Jews and restored a number to public office.

The observers recalled that outbreaks against Egypt's government last year by the Moslem brotherhood, fanatical Arab religious organization, were preceded by attacks on Jews in Cairo. They said the Syrian Government obviously was concerned that the synagogue bombing might mark the start of a similar campaign here.

Frenchman Returns Watch

Berlin, Aug. 6 (AP)—A Dortmund schoolteacher gave his gold watch to a French watchmaker for repair in 1944, when he was in France with the German army. Recently, a Berlin newspaper reported, the Frenchman returned the property, asking the teacher to forget about payment and adding the hope that from now on there would be "only bright and happy hours" for its owner.

Hiroshima Anniversary Brings Rebuilding Plan

Hiroshima, Japan, Aug. 6 (AP)—The fourth anniversary of the first atom bombing was observed today with shattered Hiroshima's 30-year plan to make itself a model city for peaceful community living.

Mayor Shinzo Hamai told the city's survivors details of the plan after bells in the "peace tower" pealed in memory of the 78,000 who died in the blast.

The plan calls for rebuilding Hiroshima in three stages. During the first years little besides planning will be done. In the next ten it is hoped to carry out the plans. By 1977 the city is to stand as a permanent monument to peace.

Poison Booby Traps Reported in Burma

Rangoon, Aug. 6 (A. P.).—A Burmese Army spokesman said today that rebels operating within a thirty-mile radius of Rangoon are using poison-tipped spikes in booby traps laid for Government forces.

The traps usually are placed under shade trees where troops bivouac, he said. Snake venom was reported used.

New Marianas Commander.

Guam, Aug. 6 (A. P.).—Rear Admiral E. C. Ewen of Portsmouth, N. H., took over today as commander of American naval forces in the Marianas, succeeding Rear Admiral Charles A. Pownall.

Saigon As Capital

Saigon, Indo-China, Aug. 6 (AP)—The Viet Nam Government of Emperor Bao Dai announced today that Saigon will be its provisional capital. Information Minister Tran van Tyden told newsmen that Bao Dai had signed decrees defining the structure of the new Government. He said the decrees would be published soon.

Quirino Flying To See Truman

Manila, Aug. 6 (A. P.).—President Elpidio Quirino set out by plane today to make an official visit to President Truman in Washington. "I am not going to the United States to ask or beg," he told a crowd of 50,000 Filipinos gathered at the airport, "but I am going in honor and dignity to express as your spokesman the gratitude of the Filipino people to the United States."

However, it was believed in Manila that some time during the stay in Washington Quirino would broach the subject of more military and economic aid to the Philippines as a bulwark against Communism.

Quirino on Way to U. S.

GUAM, Aug. 6 (AP).—Philippine President Elpidio Quirino arrived at Guam tonight on his flight to the United States to visit President Truman. Rear Adm. Charles A. Pownall, Governor of Guam, and Rear Adm. Edward C. Ewen met Quirino at Agana Airfield.

Reds To Move 3 Shanghai Factories

Shanghai, Aug. 6 (AP)—Three factories will be moved to interior China, the pro-Communist newspaper *Sin Wan Jih Pao* said today.

The removals are part of the Communists' campaign to divest Shanghai of much of its industry and population to lessen its dependence on "imperialistic foreign trade."

The newspaper said the plants to be moved are the Singho textile mill, which has 40,000 spindles and employs more than 1,800 workers; the Liseng machine factory, and the Universal handkerchief factory.

Refugees Leaving City

The Communist *Liberation Daily* said, meanwhile, 400,000 refugees have left Shanghai for the country.

In another phase of Shanghai's economic picture, the Military Control Commission announced holders of foreign currencies will be permitted to deposit them in the official People's Bank, effective Monday.

Depositors can make withdrawals later in Communist dollars at whatever official rate of exchange prevails at the time of withdrawal.

Dog And Cat Get British Ribbons

Hong Kong, Aug. 6 (AP)—Able Seaman Simon and Guardsman Peggy received campaign ribbons today with all the modesty of heroes. In their case it was a purr and a wag of the tail.

As members of the crew of the British sloop Amethyst during the dash down the Yangtze from Communist captivity, they were honored in a ceremony at the British Navy's Fleet Club, complete with honor guard.

Said Petty Officer Griffiths, who officiated, to the ship's dog:

"Guardsman Peggy, for distinguished and meritorious service to H.M.S. Amethyst, is hereby awarded the distinguished Amethyst campaign ribbon."

Simon, the cat, also got this:

"Be it known that on April 26, 1949, though recovering from wounds, Simon did singlehanded and unarmed stalk down and destroy Mao Tze-tung, a rat guilty of raiding food supplies."

Another Mao Tze-tung is the leader of China's Communists.

Chiang in Korea to Press Anti-Red Pacific Pact

CHINHAE, Korea, Aug. 6 (AP).—Generalissimo Chiang Kai-shek arrived at this South Korean port today for a series of conferences with President Syngman Rhee on a Pacific Pact against the Communists.

The veteran leader of China's Nationalists plans to remain here for three days.

In separate statements, Chiang and the Korean President said they expect to discuss the projected union of Pacific powers tomorrow.

SILENT ON WHITE PAPER

Neither statement made any reference to the United States White Paper on China. Both leaders said, however, they were studying Secretary of State Dean Acheson's letter summarizing the White Paper.

Chiang's statement said in part:

"Korea and China are now, as they have always been in the past 3000 years, two sister nations with identical interests. They are receiving today the common ordeals of Communist menace.

WILL EXCHANGE VIEWS

"I shall, therefore, during a brief stay in Korea have a full exchange of views with President Rhee not only on important matters between China and Korea, but also on the question of the organization of an anti-Communism union by the Far Eastern countries."

Rhee and his wife met Chiang as his plane landed on a strip near this naval base which the Japanese used for Second World War operations.

The four miles from the airstrip to the residence where Chiang will stay were guarded by Korean sailors stationed 25 feet apart. The residence is the home of the Chinese naval commander.

Two Korean Army armored cars followed the automobile in which Chiang and the Rhees rode.

AID TO BANDITS BLAMED ON U.S.

'American Imperialism' Accused By Chinese Reds

San Francisco, Aug. 6 (AP)—The Chinese Communists charged today that "American imperialism" was arming and supplying "bandits and secret agents" to disturb the Communist rear areas.

A Peiping broadcast, heard in San Francisco by the Associated Press, declared, "American imperialists are placing great hopes on such armed bandits and secret agents and supplying them with money and arms.

"Many Plots Unearthed"

"Chinese and foreign reactionaries dream of utilizing these bandit forces to put up dying struggles and are preparing to make them work hand in glove with foreign interventionist armed forces to achieve a restoration."

[Editor's Note: The Truman Administration's plan for eventually reversing the Communist tide in China—as Secretary Acheson's White Paper indicated Friday—centers on aid to underground resistance groups which are expected to spring up.]

This broadcast gave no details, but another said that Nationalist agents in Manchuria were using "feudal superstitious societies to create armed disturbances and conduct subversive activities."

It said "many plots" in Manchuria were "recently unearthed," and named a number of alleged leaders, but did not say they had been apprehended.

CHINESE SPLIT ON POSSIBLE U.S. AID AGAIN

Official Reaction Is Not Expected For Several Days

Canton, China, Aug. 6 (AP)—Chinese opinion was divided tonight on whether there ever again would be American aid for Nationalist China.

A Government spokesman said official reaction to the United States White Paper on China—which was issued Friday in Washington—could not be expected for several days. Premier Yen Hsi-shan and other top Nationalists refused comment. Some others expressed opinions, but mostly on an anonymous basis.

Best opinion was that there would be no formal protest to Washington.

New Aid Plan Forecast

"The White Paper means we will get no more aid," said one member of the legislative Yuan. "The effect at the front will be very bad; our officers and men will be gravely discouraged."

He added that the White Paper's disclosure of Acting President Li Tsung-jen's secret May 5 message to President Truman might impair unity by being construed as an attack on Generalissimo Chiang Kai-shek.

Wang Shih-tseng, spokesman for the minority Youth party, expressed belief the United States had not abandoned help for China and forecast some new aid plan.

Wang said that if America should put China outside its defense system against Russia, there would be another "Pearl Harbor." He did not elaborate, but declared all democratic elements in China were against the Chinese Reds because of their open allegiance to Russia.

First Communist Reaction

Another source took the position that the White Paper was merely a whitewash of past American action or inaction in China and would have no particular bearing on the possibility of future aid. This official insisted the United States still shared responsibility for the present Communist ascendancy.

One legislator who permitted the use of his name was Abdulla Tenan, from the northwest province of Sinkiang.

"Publication of the White Paper is untimely," he said. "It will only encourage the Communists."

[First Communist reaction was by *Hwa Shiang Pao*, Communist party paper in the British colony of Hong Kong. It said the White Paper was a scheme to "create the illusion the American imperialists have been so disappointed by

Days On White Paper

Chiang's reactionaries that they—the Americans—could have no part in the anti-Communist Pacific union being promoted by Chiang, President Quirino of the Philippines and President Syngman Rhee of South Korea.

Chinese Reds Massing

[The official Communist radio said nothing of the White Paper. Instead, it reported chiefly on military activities, announcing capture of Chuchow on August 3. It did not mention that Chuchow, on the railway 25 miles south of Changsha and 340 miles north of Canton, was captured previously in July but that the Chinese Reds pulled out when Nationalists threatened their supply lines.]

Official Nationalist dispatches reaching Canton said more than 150,000 Chinese Red troops were massing in an unspecified area south of newly fallen Changsha. A big battle was forecast in that region soon. The Chinese Reds took Changsha Thursday night when the Nationalist commander changed sides.

NATIONALISTS DISINTEGRATING IN SOUTH CHINA

General Goes Over to Reds as Canton Begins Study of U. S. White Paper.

ANOTHER BIG BATTLE SEEN

150,000 Communists Marching On as Changsha Fortress Is Handed Over.

Canton, Aug. 6 (AP)—The Chinese Foreign Office today began an intensive study of the United States White Paper which writes off the Nationalist Government as a failure in the war with China's Communists.

A spokesman said that because of the 1,054-page length of the White Paper, China's official reaction could not be expected for several days.

Even as he spoke, events in the field served to underline one point in the White Paper—that the Nationalist armies "did not have to be beaten; they disintegrated."

Preoccupied With Red Tide

Canton was more preoccupied with the defections on the front to the north than it was with the White Paper.

The whole defense system for South China was thrown out of gear when Gen. Chen Ming-jen, deputy commander on that front, went over to the Reds with possibly 30,000 of his 90,000 troops.

That handed over to the Reds the fortress of Changsha, 365 miles north of Canton.

Official dispatches said that more than 150,000 Red troops were massing south of Changsha. They predicted a big battle soon.

Some Deserters Return

Dispatches claimed some troops who defected with Chen had deserted him and returned to the Government fold. One of his divisional commanders was reported kidnapped by loyal troops and taken to Hengyang for trial.

Gen. Pai Chung-hsi, top commander on that front, is supposed to have an army of 200,000 men. But his turncoat deputy knows his troop dispositions and his plans for defense.

The Communists are within 215 miles of Canton on the northeast. The Nationalists say the Reds' right wing on this front now has been checked 50 miles from the border of Kwangtung province, of which Canton is the capital. (That would appear to be the nearest point of the Red advance.)

Protest Unlikely

While many quarters believe the Nationalists will be dismayed by the publication of the White Paper, best opinion in Canton is that there will be no formal protest.

Frequent forecasts of the contents of the White Paper acted as a shock absorber.

A special courier brought three unbound copies of the White Paper to Canton yesterday.

China Appeals to Tibet Over Ousting of Mission

CANTON, Aug .6 (AP).—China appealed today to the Tibetan Council of State to allow immediate reinstatement of a Chinese Nationalist mission recently ousted from Lhasa, the Tibetan capital.

The appeal was made by acting President Li Tsung-jen. A statement by Premier Yen Hsi-shan urged the Tibetan authorities "not to be utilized by others." Presumably this meant the British, who long have vied with the Chinese for influence in Tibet.

Mr. Li's statement said the Chinese constitution specifically provides self-rule for Tibet. The Chinese government claims suzerainty, a feudal control, over the remote land.

Filipinos See White Paper As Firmer Tie

Manila, Aug. 6 (AP)—Condemnation of Generalissimo Chiang Kai-shek in the American White Paper on China was regarded today as having no effect on the Philippine plan to go ahead with the Pacific union.

Two days before the White Paper was issued, President Elpidio Quirino revised the scope and form of the Asian non-Communist alliance plan, he significantly omitted all reference to Chiang.

The feeling here is that the prospect of American support was strengthened rather than weakened by the White Paper.

Particular attention is being paid to Point 4 of Secretary of State Acheson's five basic principles guiding American policy in the Far East.

This point assured that the United States "will continue to consult with other interested powers in the light of conditions in the countries concerned and in the Far East as a whole on measures which will contribute to the continuing security and welfare of the peoples of that area."

Congress Split On China

Other News of China on Page 2

Washington, Aug. 6 (AP)—Congress found itself about as divided as China today on what to do about stopping the advance of communism in Asia.

The State Department's White Paper explaining why Chiang Kai-shek's government failed to keep the Communists from gobbling up most of China was greeted on Capitol Hill by a volley of criticism from lawmakers who called it a confession of American failure also.

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It was defended, on the other hand, as a realistic review of a situation which just about everybody here agrees is bad.

Bridges Offers Program

Senator Bridges (R., N.H.), longtime critic of the Administration's policies toward Asia, offered a three-point program:

1. Pat the Nationalist Government on the back instead of kicking it in the face.

2. Give assurance that this country doesn't intend to recognize the Communist government of China.

3. Furnish small arms and ammunition to the anti-Communist forces still willing to fight.

Senator Magnuson (D., Wash.), a member of the Armed Services Committee, said a great deal still can be done to keep western China out of Communist hands.

McCarran Hits Policies

Senator Knowland (R., Cal) scolded the department for what he said was an effort stretching over a period of years to force Chiang's Government to take in Communists.

Senator McCarran (D., Nev.) said that if the White Paper policies are continued "it will be only a short time until all Asia is under Communist control.

Bridges charged that the White Paper "is a complete effort of the State Department to scuttle the Nationalist Government and anti-Communist forces in China, adding:

"It is clear to anyone who has followed the situation that the Chinese war was lost in Washington and not in China."

Dulles Among Critics

Even Senator Dulles (R., N.Y.), who co-operates with the Administration on bipartisan foreign policies, looked upon the White Paper as "an attempt to explain and excuse past failures."

Representative John Davis Lodge (R., Conn.) said it is "a sad and bitter fact that China would probably be better off today had she been our enemy."

Realistic, Says Tydings

Chairman Tydings (D., Md.) of the Senate Armed Services Committee called the report "realistically aimed in the right direction."

As a gesture of friendliness to the Nationalists, Knowland got the Senate to agree yesterday to earmark $4,000,000 in the foreign and money bill to pay expenses of about 4,000 Chinese students studying in this country.

Arms Issue May Go To Full House

Washington, Aug. 6 (AP)—Representative Kee (D., W.Va.) may ask the House Foreign Affairs Committee to check to the full House the hot dispute over cutting the size of the $1,450,000,000 arms-for-Europe program.

Faced by growing demands for a 50 per cent slash in the project, Kee, committee chairman, said he may urge the committee to okay the program as it stands so the issue can be fought out from scratch on the House floor.

Committee Republicans and Democrats alike are fighting for a smaller program. They have strong support in both the House and the Senate.

"Rough Road Ahead"

"Unless the amount is substantially cut there's an awfully rough road ahead" for the bill, said Representative Vorys (R., Ohio) a leading Republican on the committee.

Representative Richards (D., S.C.), ranking Democratic member of the group, agreed.

"I still think it should be cut down," he said. "I doubt the wisdom of committing ourselves to spend this much when we know they can't use it all before Congress meets again."

Vandenberg Cites Cost

The question of cost also was cited by Senator Vandenberg (R., Mich.), top Senate Republican in foreign-affairs matters.

The Administration yesterday submitted a new bill dropping the much-criticized provision giving President Truman discretion to send American arms to practically any nation he wished.

Vandenberg said that move leaves the program's size as one of the principal remaining problems. Another, he said, is whether the Administration is planning only a stop-gap plan or a substitute for the mutual-defense plan under the North Atlantic treaty.

Despite mounting criticism of the program's cost, Kee said he is optimistic.

Expects Approval

He added that he expects the committee to approve the bill by next Thursday with the requested amount intact.

But, he emphasized, "We still can't tell how strong opposition to the amount is going to be."

Most members of Kee's committee agree that an arms program should be approved promptly to bulwark western Europe against Communist aggression.

Of the large number—possibly a majority—who believe that the costs can be cut, some would do it by direct reduction, others by curtailing the length of the program and considering arms aid again when Congress begins a new session in January.

Lucas Predicts Strong Arms-Aid Approval

Chicago, Aug. 6 (AP) — Senate Majority Leader Scott Lucas (D., Ill.) predicted today that the Congress will overwhelmingly approve the military-assistance plan for North Atlantic pact members.

"There will be much debate and much argument about the details of that plan," he told the Illinois American Legion convention, "but I am convinced that the Congress of the United States will give it overwhelming approval in the end."

Tydings Demands Details Of Europe's Defense Needs

Washington, Aug. 6 (AP)—Senator Tydings (D., Md.) called on military leaders today to spell out in terms of guns, tanks and planes the arms aid needed by western European signers of the North Atlantic treaty.

Tydings, who heads the Senate Armed Services Committee, said he thinks President Truman's request for $1,450,000,000 to finance a foreign arms program will stand or fall on the detailed needs shown by the chiefs of staff.

Congressional criticism of the proposed program was centered on the amount involved since the State Department agreed yesterday to strike out of the bill the broad powers first asked for the President to give arms to any nation.

Many Shy At Cost

A strong segment of opinion in House and Senate clung to the idea that the sum asked is far too large. The Administration views it as the minimum needed at once to discourage any Russian idea of aggression.

Dean Acheson, Secretary of State, goes before the combined Senate Foreign Relations and Armed Services committees Monday to testify on the revised measure.

The committees will hear the chiefs of staff Wednesday, just after their return from a survey of the western European military situation.

At that time, Tydings said, the plea for the appropriation will have to be justified thoroughly.

Must Explain

"It's up to the chiefs of staff to explain in terms of guns, tanks and planes the need for the full $1,450,000,000," the Maryland Senator said. "I think Congress will give them what they say is necessary to carry out the best defense plan."

But Senator George (D., Ga.), a Foreign Relations Committee member, said he thinks the amount is "too big."

"I am not committed to spending any such amount on this program," he said.

And Senator Taft (R., Ohio) chairman of the GOP policy committee, said that while the revised bill is more palatable to him than the original proposed grant of wide presidential powers, he still thinks he will vote against the arms program.

Action Wins GOP Praise

Senators Vandenberg (R., Mich.) and Dulles (R., N.Y.), top-rank supporters of the bipartisan foreign policy, praised the State Department's action in limiting the scope of the bill.

As it now stands, $1,160,000,000 would be available to North Atlantic treaty signers, $261,000,000 would continue the Greece-Turkey treaty program, and $27,000,000 would be available to provide arms for Iran, Korea and the Philippines.

Vandenberg and Dulles made it clear that they still think the amount set aside for the treaty signers is too large. There is no objection, even from Taft, to the Greece-Turkey proposal.

Also Vandenberg and Dulles are reported prepared to demand that the program be geared into the mutual-defense plan expected to be drafted by a military committee to be set up by the North Atlantic Council.

Not Yet Satisfied

They are not satisfied that the Administration's revised bill does this, although it states that the aid shall comform to the common defense and advance the committee's planning.

Both have said they want only a stopgap program to get rearmament under way until the Council acts to assign defensive tasks to various nations.

Senator Lodge (R., Mass.), a Foreign Relations Committee member, said he is working on an amendment that would separate more clearly the cost of obtaining new military supplies from the cost involved in turning over surplus equipment to them.

The bill now provides $77,000,000 in cash outlays for repairing and shipping about $450,000,000 in such surplus equipment.

HOUSE B-36 PROBE, CALLS WITNESSES

Defense And Manufacturing Leaders To Be Heard

Washington, Aug. 6 (AP)—More than 30 of the nation's highest military and civilian defense leaders and leading airplane manufacturers will testify in the investigation of the B-36 bomber which Congress will open Tuesday.

Representative Vinson (D., Ga.), chairman of the House Armed Services Committee, and Joseph B. Keenan, special counsel for the probe, announced the witnesses today.

They include such wartime leaders as Gen. Dwight D. Eisenhower, Gen. Carl A. Spaatz, Admiral W. F. Halsey and Robert P. Patterson, former Secretary of War.

Plane And Policy At Issue

The investigation, touched off by demands in Congress, will cover the history of the B-36, six-engined heavyweight darling of the Air Force, and policies of the strategic use of air power.

Robert A. Lovett, wartime Under Secretary of War for Air, will be the first witness. Following him will be Gen. Hoyt S. Vandenberg, Air Force chief of staff.

Top civilians scheduled to be called are Louis Johnson, Secretary of Defense; W. Stuart Symington, Secretary of the Air Force; A. S. Barrows, Under Secretary of the Air Force; Dr. Karl T. Compton, chairman of the Research and Development Board; Hugh L. Dryden, director of aeronautical research for the National Advisory Committee on Aeronautics, and George P. Baker, chairman of the Research and Development Board's aeronatuics committee.

Military Witnesses

The military witnesses will include Gen. Omar N. Bradley, army chief of staff; Admiral Louis Denfeld, chief of naval operations; Gen. George B. Kenney, commander of the Air University; Gen. Curtis Le May, chief of the Strategic Air Command; Lieut. Gen. Lauris Norstad, deputy air force chief of staff for operations, and Gen. J. T. McNarney, chief of the Air Materiel Command, and other officers.

Vinson said Keenan and a subcommittee may go to Sonoma, Cal., later to take testimony from Gen. H. H. Arnold, wartime commander of the Army Air Force. His health will not permit a trip to Washington, Vinson explained.

Aircraft Manufacturers

The committee will hear from Floyd Odlum, head of Atlas Corporation, which controls the Consolidated Vultee Aircraft Corporation, maker of the B-36, and Victor Emmanuel, chairman of the Aviation Corporation, which preceded Atlas in control of Consolidated.

Other manufacturers scheduled are Glenn L. Martin, head of his own firm; James H. Kindleberger, president of North American Aviation Company; and Robert Gross, president of Lockheed Aircraft Corporation.

In a speech last May, Representative Van Zandt (R., Pa.) told the House he had heard "disturbing reports" concerning the relations of Johnson, Symington and Odlum. These involved the B-36 purchasing program, Van Zandt said.

Van Zandt, a reserve navy officer, is a member of Vinson's committee

MARAGON GOT WHITE HOUSE AID, SAYS HOEY

Hunt Reveals He'll Sue Herald Tribune Over 'Percenter' Story

Washington, Aug. 6 (AP)—Evidence that John Maragon turned to the White House concerning more than one Government contract for

businessmen has been obtained in the "Five Percenter" inquiry, Senator Hoey (D., N.C.), said today.

Hoey discussed secret testimony on that point with reporters after Senator Mundt (R., S.D.) reported officials of a low-bidding Detroit auto parts company said they got fast clearance on a $280,000 Army contract after reaching an Army officer. This meeting was arranged, it was related, through a call to someone at the White House by Maragon, who once held a White House pass.

Meanwhile, James V. Hunt, a key figure in the Five Percenter probe, announced he has instructed his lawyers to file a libel suit against the New York *Herald Tribune*. It was a *Herald Tribune* story which led to the investigation by a subcommittee headed by Hoey. The senators seek to learn whether influence figured in award of any Government contracts.

Pulitzer Prize Stake Seen

Hunt said the *Herald Tribune* was trying to get the Pulitzer prize "by the most vicious kind of innuendo."

"Their irresponsible half-truths have gone a long way toward ruining my business," Hunt added in a statement issued through his attorney, Roger Q. White. White refused to disclose the damages to be asked but said it would be "in six figures."

The *Herald Tribune* had no statement at once.

Hunt, a former Army officer who lists himself as a management counselor was named in the *Herald Tribune* as the recipient of a $1,000 fee to help Paul Grindle, a Massachusetts manufacturer, obtain a Government contract.

The story went on to quote Grindle as saying that Hunt also was to get five per cent of any Government job he helped secure.

Influence Charged

Grindle said Hunt implied he had considerable influence in Washington. Hunt retorted he never tried to trade on influence and none of the people he knows in Government are subject to influence.

Hoey's special Senate investigating subcommittee is scheduled to open public hearings on the five-percenter inquiry Monday with Secretary of Defense Johnson as first witness.

As a result of the subcommittee's preliminary investigations, Secretary of the Army Gray has suspended two major generals—Alden H. Waitt, chief of the chemical corps, and Herman Feldman, the quartermaster general. In relieving them from duty temporarily, Gray said they had failed to exhibit judgment "expected of persons in their position."

Expected To Testify

Both Waitt and Feldman, as well as Maragon, are expected to testify in the public inquiry.

Maragon, once a Kansas City bootblack, knows his way around the White House and calls many government officials by their first names. He has been questioned by the committee privately.

The subcommittee yesterday questioned in private three officials of Austin Metal Products, Inc., a Detroit firm which manufactured automotive parts. Today Hoey said:

"In addition to the Detroit men, we have examined other contractors about relations with John Maragon. Some of them have testified they sought Maragon's help in getting government contracts.

"Some of them also have admitted that Maragon made White House contacts for them, but in some instances helped them deal directly with government departments."

Firm's Officials Questioned

At yesterday's session the subcommittee heard Nicholas K. P'Sachos, described by Hoey as "the most important member" of the Detroit firm; Edgar Roger Snyder, vice president and general sales manager; and Harold Freedman, treasurer.

Mundt, a member of the subcommittee, gave this summary of what they had to say:

"They testified they got in touch with Maragon to see whether he could speed up the contract.

"They said Maragon called someone at the White House and got them an appointment with an army officer who appeared to be an assistant to General Vaughan."

Aide To Truman

(Maj. Gen. Harry H. Vaughan is President Truman's military aide. Maragon has said he and Vaughan are good friends. Vaughan has declined to comment on the Five Per Center inquiry, except to say that he knows about 300 persons in Washington contract operations.)

"They said," Mundt went on, "that they discussed the contract with this army officer, and that the whole thing had been cleared up and the contract released by the time they got back to Detroit."

Hoey has said the Detroiters were "clearly entitled" to the contract they got for a supply of windshields, since they were low bidders, and that they only were seeking to speed up final Government approval.

He also has said the evidence indicates Maragon was not paid anything by the men, and that "the whole thing apparently was on a basis of friendship."

Grindle Called

Although the subcommittee has called Grindle to follow Johnson to the witness stand Monday it is not sure whether Hunt will be able to appear any time soon because he is hospitalized as a result of an operation for a blood clot on his leg.

In his statement citing what he called the *Herald Tribune's* "practice of malicious distortion," Hunt said:

"Everyone knows their circulation and advertising revenues have been slipping. This pseudo-crusade is obviously designed to recapture their vanishing journalistic prestige."

Hunt asserted that the newspaper printed its first story June 21 "without making any attempt to check the facts with me first" and he said "they have continued the same tactics ever since."

No Basis For Charge

After Hunt's first statement on June 26, the newspaper said it repeatedly invited him to tell his side of the story.

He declared that although the Senate group has had "two attorneys and sixteen investigators going over my affairs for more than six weeks, they have not even suggested that anything has been found which would warrant any charge against me."

Skipper Denies He Got Medal For Eisler Trip

New York, Aug. 6 (AP) — The skipper of Communist Gerhart Eisler's escape ship said today the fact he had been awarded a medal by the Polish Government had "nothing to do" with Eisler's successful flight from this country.

Capt. Jan Cwiklinski of the Gdynia America liner Batory said his government had awarded him the gold cross of merit for "outstanding service" since the war in the Polish merchant marine.

He said the medal was presented to him July 22 in Gdynia. The Batory arrived with 816 passengers today — its third return to this country since the Eisler incident.

Franks Tells Stoningtonof Sea Heritage

British Envoy's Message HelpsMarkTercentenary of Town in Connecticut

STONINGTON, Conn., Aug. 6 (AP).—Sir Oliver Franks, British Ambasasdor to the United States, today told people of this eastern Connecticut fishing town, marking its tercentenary with a twenty-four-day celebration, that "experienuce has taught us that the Atlantic (ocean) is a high road rather than a barrier."

Sir Oliver, in a congratulatory letter read at a community picnic attended by 3,000, referred indirectly to Stonington resistance to the British in two wars and cited the common sea heritage of the people of this town and the British.

Stonington, now with 11,002 population, was one of the earlier New England colonies, founded in 1649. It resisted British invasion in both the Revolutionary War and the War of 1812.

"You have in your possession as cherished and treasured evidence of an expensive visit by the British, some cannon balls left by us as calling cards, Sir Oliver said.

It was a common belief among British people that the compliment was repaid a thousandfold by a certain type of nutmeg peculiar to those parts. Let the shots or the gratings fall where they may, they are all now a part of history."

President Truman, noting that profits from the celebration will be used to establish a tercentennial scholarship fund here, said in his congratulatory letter that it was gratifying to know the celebration placed emphasis on the need for higher education for the young people of the community.

"Only with leaders carefully trained and disciplined can we hope to safteguard and perpetuate the institutions of democracy," Mr. Truman declared.

United States Brien McMahon, Democrat, of Connecticut, read the congratulatory message from President Truman; the Right Rev. John J. Hayes, chancellor of the Hartford Roman Catholic Diocese, brought greetings from the Vatican, and D'Arcy Edmonson, of the British Embassy, brought the letter from Sir Oliver in behalf of the King and people of Great Britain.

Senator McMahon, the principal speaker, also brought the greetings of Pedro T. Pereira, Portuguese Ambassador. Many of this fishing town's fleet skippers and their hands are of Portuguese extraction.

Senator McMahon, in his address, expressed the hope that through the United Nations and the Atlantic Pact, Stonington and the rest of the world may look forward to "decades of peace."

"en days ago," he said, "we signed an agreement wherein our allies will fight for us and we for them in case of an attack. I lookforward to the day in our time when the threat of force against freedom will be dissipated by a United Nations in deed and in fact, as well as in name.

"The devotion to the principles of liberty we have shown in the past justified our primary position in the world today and our responsibility to see that war shall not once again ravish this earth."

During the official opening ceremonies Miss Grace Dennison Wheeler, ninety-one-year-old local historian, cut a five-by-three-foot birthday cake bedecked with 300 candles. She used a sword carried by Major John Mason in the Pequot wars. Every person at the community picnic received at least one slice of the cake.

The tricentennial continues tomorrow night with a reproduction in the Old Road Church of a Congregational church service of 300 years ago. There will be one exception, however. Instead of delivering a three-hour sermon as was the case in colonial days, Dr. Morgan Phelps, of Montclair, N. J., will preach for fifteen minutes.

A story from Stonington telling of the town's history and describing the events of the tercentenary celebration, together with sketches made there, appear on page 2, Section II, of this section.

Japan Is Called Key To Problem In Far East

Columbus, Ohio, Aug. 6 (AP)—Japan is the key to the entire Far Eastern situation, the wartime commander of the 8th Army said today.

"So long as Russia does not control the island chain, and particularly the main islands of Japan," said Lieut. Gen. Robert L. Eichelberger, "the further advancement of the Reds is to a very large extent stymied."

General Eichelberger spoke from a prepared speech at the opening session of the Thirty-first annual convention of the Ohio department of the American Legion.

Japan Is Balance

". . . If we can make sure that the Japanese are reasonably able to protect themselves after a peace treaty is concluded," the Ohio-born soldier continued, "the scales will be tipped the other way.

"That is why I consider Japan as the key to the entire Far Eastern situation at this time."

General Eichelberger traced the means by which Russia has been able to spread communism like a blanket over China.

"In the first place," Eichelberger said, "in the course of our overwhelming victory over Japan, we also caused the surrender to the Reds of the Japanese Army in Manchuria, estimated as high as 1,000,000 troops.

China Lay Open

"When this barrier was removed all of China lay open to ideological infiltration from the north in spite of all the wartime reinforcements of the Nationalist regime.

"A second major factor has been the existant state of what we might call the 'war weariness' of the followers of Chiang Kai-shek.

"A third, though less tangible item, is to be seen in the ideological line—the usual story of promises—offered people by Communists. The fact is that with standards of living so low that any change is welcomed as an improvement, Asiatic peoples are wide open to communistic turmoil."

Chinese Love Soil

General Eichelberger asserted Russia never would be able to control "the milling mass which we call China."

"Like farmers throughout the world, the Chinese peasant loves the soil," the Generail said. "He wouldn't want to be regimented into collective farms.

"The Chinese are the small trader of the Far East. They will require international trade in order to live. Unless the Reds cease their hymn of hate and seek friendly commercial contacts, there will be chaos in China, and the Communists will not be able to impose their regime on the vast population."

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DOUGLAS ENDS IRAN HOLIDAY

Justice Back From Trip That Gave Russia A Spy Scare

New York, Aug. 6 (AP)—Supreme Court Justice William C. Douglas and his son came back to the United States today after a mountain-climbing jaunt that set off an official uproar inside Russia.

The Russian radio protested that Douglas was accompanied by "a gang of spies" as he and his 17-year-old son, William, Jr., hiked through the mountains of Iran on Russia's southern borders.

"They dubbed me as 'the big devil from the United States,'" Douglas said, "and my son as 'the little devil.'"

The justice and his son arrived by plane after a seven weeks vacation in the Middle East and Europe.

Radio Spreads Rumor

On a pack trip through the Iranian mountains, Douglas said, the Russian radio "started blasting away to the effect that I was going up and down the sourthern border of Russia trying to find out what was going on inside Russia."

Justice Douglas said he was greatly upset by the news of Supreme Court Justice Frank Murphy's death. He called Murphy's successor, Attorney General Tom Clark, "a very dear friend of mine for years."

A severe sand storm, Douglas said, forced his plane down in Iraq during one stage of his journey.

With a jurist's eye to business, Douglas said he sat in on a special session of the new Israeli Supreme Court in Jerusalem and found it impressive.

Impressed By Pope

He also saw the Pope, the justice said, and was impressed by the Pontiff's strong voice for social justice.

"He is a very strong and powerful man in world affairs today," Douglas added.

Douglas said he visited front-line troops in the Greek war and predicted that the conflict "will be resolved in a satisfactory way very soon."

Despite all this activity, Justice Douglas said he and his son collected 150 specimens of wild flowers as a present for the United States Forest Service.

LILLE, FRANCE, AUG. 6-(AP)-EIGHT MEMBERS OF HITLER'S S.S. (ELITE CORPS) WERE SENTENCED TO DEATH TODAY FOR THE MASSACRE OF 77 FRENCH CIVILIANS IN THE VILLAGE OF ASCQ ON APRIL 1, 1944. A NINTH WAS SENTENCED TO 15 YEARS IN PRISON.

EIGHT OTHERS WHO WERE NEVER CAPTURED WERE SENTENCED TO DEATH IN ABSENTIA.

THEIR CASE GREW OUT OF EXECUTIONS OF THE 77 FRENCH PEOPLE AFTER A GERMAN MILITARY TRAIN CARRYING PART OF THE 12TH S.S. DIVISION WAS DERAILED NEAR ASCQ.

WITNESSES TESTIFIED THE GERMANS SWARMED FROM THE TRAIN, BROKE INTO HOUSES, SHOT THE VILLAGE PRIEST AND SEVERAL OTHER MEN ON THE SPOT AND ROUNDED UP THE REST IN FREIGHT CARS. THE LATTER WERE SHOT AS THEY WERE KICKED OFF THE TRAIN BY SOLDIERS.

RELATIVES OF THE VICTIMS AND SIX MEN SURVIVORS OF THE MASSACRE WERE AMONG THE PROSECUTION WITNESSES. THE DEFENSE PLEADED ONLY THREE DEFENDANTS HAD BEEN POSITIVELY IDENTIFIED.

THE TRIAL CAUSED CONSIDERABLE FEELING IN LILLE. CROWDS DAILY TAUNTED THE DEFENDANTS AS THEY FILED IN AND OUT OF THE COURTROOM AND SHOUTED DEMANDS FOR THE DEATH PENALTY.

THE CHIEF DEFENDANT WAS WALTER HAUCK, FORMER S.S. LIEUTENANT.

VS923PED

TRADE AND THE MOVEMENT OF PERSONS AND TOURISTS.

A EUROPEAN CHARTER OF CIVIL RIGHTS, WITH THE POSSIBILITY OF A EUROPEAN SUPREME COURT TO TRY VIOLATIONS, AND A EUROPEAN PUBLIC WORKS PROGRAM, INCLUDING SUCH PROJECTS AS THE PROPOSED TUNNEL UNDER THE ENGLISH CHANNEL AND THE ALREADY-BEGUN TUNNEL UNDER MOUNT BLANC IN THE FRENCH ALPS, ALSO WILL BE DISCUSSED.

TA/WB239AED

PRECEDE ROME (A8)

WARSAW, POLAND, AUG.6-(AP)-THE POLISH COUNCIL OF STATE AND MINISTERS COUNCIL HAS PASSED A DECREE THEY SAID WAS TO PROVIDE FOR "FREEDOM OF CONSCIENCE." OFFICIALS WOULD GIVE NO INDICATION TODAY OF THE NATURE OF THE DECREE, BUT SAID IT WILL BE PUBLISHED SHORTLY.

INFORMED SOURCES SAID THE DECREE IS THE POLISH GOVERNMENT'S ANSWER TO THE RECENT PAPAL EXCOMMUNICATION ORDER AGAINST COMMUNISTS.

THESE SOURCES EXPECT THE DECREE TO DEFINE DUTIES OF PRIESTS TOWARD ROMAN CATHOLICS WHO ARE MEMBERS OF THE COMMUNIST UNITED WORKERS PARTY. THERE WAS SPECULATION THAT IT WOULD GIVE THE GOVERNMENT AUTHORITY TO PROSECUTE THOSE PRIESTS WHO REFUSE TO ADMINISTER CHURCH RITES.

THE POLISH ROMAN CATHOLIC HIERARCHY HAS NOT PUBLISHED THE VATICAN DECREE, WHICH HAS ONLY BECOME KNOWN IN POLAND FROM RADIO NEWSCASTS FROM ABROAD.

WW306PED

ROME, AUG. 6-(AP)-THE ITALIAN NEWS AGENCY ASTRA SAID TODAY POLAND HAS RESPONDED TO THE RECENT PAPAL EXCOMMUNICATION ORDER AGAINST COMMUNISTS WITH A DECREE "PROTECTING LIBERTY OF CONSCIENCE AND RELIGIOUS FAITH."

THE DISPATCH CAME FROM WARSAW. ASTRA, WHICH MONITORS EAST EUROPEAN RADIO BROADCASTS, SAID THE DECREE WAS APPROVED BY THE POLISH CABINET YESTERDAY. DETAILS OF THE ORDER WERE NOT GIVEN.

ASTRA SAID THE CONTROLLED PRESS HAD ANNOUNCED THE POLISH GOVERNMENT'S DECISION "NOT TO AGGRAVATE THE SITUATION PRODUCED BY THE EXCOMMUNICATION ORDER SO AS NOT TO IMPEDE NATIONAL RECONSTRUCTION."

WB248AED

ATHENS,AUG.6-(AP)-THE GREEK ARMY KICKED OFF TODAY ON A MAJOR OFFENSIVE IN THE GRAMMOS MOUNTAINS AGAINST A COMMUNIST-LED GUERRILLA FORCE ESTIMATED AT 5,000 TROOPS.

THE GENERAL STAFF REPORTED THE GUERRILLAS WERE SUPPORTED IN BATTLE BY ALBANIANS FIRING FROM ALBANIAN SOIL NEARBY.

THE GREEK GUERRILLAS ARE COMPRESSED IN AN AREA OF ABOUT 250 SQUARE MILES AGAINST THE ALBANIAN BORDER WEST OF NESTORION AND NORTHEAST OF KONITSA.

THE GENERAL STAFF SAID SEVERAL DEFENSE POINTS WERE TAKEN BY GREEK FORCES SOUTHWEST AND NORTHWEST OF THE 7,000-FOOT HIGH MOUNTAINS IN THE FIRST FIGHTING DESPITE "BITTER RESISTANCE."

DESPITE "BITTER REPULSED AND FIGHTING CONTINUES WITH COUNTER-ATTACKS, IT SAID, WERE BRINGING NEW FORCES INTO COMBAT AND GROWING INTENSITY. THE ARMY IS BRINGING HEIGHT IN ALBANIA, THE SAID IT IS ENTERING THE MAIN PHASE OF BATTLE.

IN CAPTURING A HEIGHT OF ALEVITSA IN THE NORTHEAST GRAMMOS, GREEK TROOPS WERE FIRED ON FROM A NEIGHBORING HEIGHT IN ALBANIA, THE COMMAND SAID, IN AN ATTACK "SUPPORTED BY ALBANIANS."

MJ245PED

ARE WOMEN AND GIRLS ARMY HAS BEEN UNDERGOING INTENSIVE FOR NEARLY A YEAR THE GREEK ARMY HAS BEEN UNDERGOING INTENSIVE TRAINING BY AMERICAN VETERANS OF THE PACIFIC AND NORMANDY. LT.GEN.JAMES A.VAN FLEET, HEAD OF THE AMERICAN MILITARY MISSION TO GREECE, DESCRIBED THE ARMY AFTER A RECENT TRIP ALONG THE FRONTIER AS "ALERT, CONFIDENT, WELL TRAINED AND EQUIPPED."

CONFIDENT, WELL TRAINED AND ARE NOT GREEK NEWSPAPER CORRESPONDENTS ARE ALLOWED IN THE OPERATIONS ZONES UNDER A BAN IMPOSED THREE WEEKS AGO. HOWEVER, CORRESPONDENTS REPRESENTING THE FOREIGN PRESS HAVE FREEDOM OF MOVEMENT.

B517PED

THE PROBLEM.

WHILE ACCEPTING IN PRINCIPLE A POPULAR REFERENDUM ON HIS RETURN, LEOPOLD DECLINED TO SAY WHETHER HE WOULD ABIDE BY THE RESULTS OF SUCH A REFERENDUM.

THE KING DECLARED A REFERENDUM COULD ONLY GIVE AN INDICATION OF THE BELGIAN PEOPLE'S OPINION TO HIMSELF AND TO PARLIAMENT.

A33

LEOPOLD HAD MET DELEGATES OF THE THREE PARTIES AT HIS SWITZERLAND RESIDENCE IN PREGNY EARLIER THIS WEEK.

AN ATTEMPT OF SOCIAL CHRISTIAN PREMIER-DESIGNATE GASTON EYSKENS TO FORM A THREE-PARTY GOVERNMENT SEEMED DOOMED TO FAILURE.

THE SOCIALISTS ARE AGAINST ENTERING A GOVERNMENT WHICH WOULD PROPOSE A POPULAR REFERENDUM ON THE ROYAL QUESTION.

THE LIBERALS ARE NOT WILLING TO ENTER THE GOVERNMENT IF THE SOCIALISTS STAY IN THE OPPOSITION.

A CABINET OF SOCIAL CHRISTIANS ALONE IS NOT LIKELY TO GET THE NEEDED VOTES OF CONFIDENCE IN A CHAMBER OF DEPUTIES WHERE THE PARTY LACKS A MAJORITY.

THE ONLY SOLUTION SEEMED TO MANY OBSERVERS TO BE DISSOLUTION OF THE PRESENT PARLIAMENT AND NEW ELECTIONS WITHIN 40 DAYS.

LEOPOLD'S MESSAGE DECLINED ALL RESPONSIBILITY FOR THE CABINET CRISIS.

"IF THE PARTIES CANNOT AGREE ON A SOLUTION TO THE ROYAL PROBLEM," HE SAID, "PARLIAMENT SHOULD TAKE THE DECISION, AND THIS DECISION SHOULD BE LOYALLY ACCEPTED.

HE CONTINUED:

"IF I FEEL BY RESUMING MY DUTIES I COULD NOT SERVE MY COUNTRY, I WOULD ABDICATE IN FAVOR OF MY SON, THE HEIR PRINCE (BAUDOUIN).

"I DO NOT INTEND TO IMPOSE MYSELF ON MY COUNTRY, WHEN I ASCENDED THE THRONE, I PROMISED BELGIUM TO REIGN AND LIVE FOR HER. I HAVE NOT FORGOTTEN THIS PROMISE."

LEOPOLD HAS NOT LIVED IN BELGIUM SINCE THE WAR. THE KING HAD SURRENDERED THE BELGIAN FORCES TO THE INVADING NAZIS IN MAY, 1940 AND BECAME A WAR PRISONER. AFTER BELGIUM WAS LIBERATED BY THE ALLIES IN 1944, WITH THE KING THEN IN GERMANY, PARLIAMENT ELECTED AS REGENT HIS BROTHER PRINCE CHARLES.

IN 1945 THE CHAMBER OF DEPUTIES VOTED 96 TO 6 TO CONTINUE THE REGENCY AND TO BAR LEOPOLD'S RETURN TO HIS THRONE WITHOUT PARLIAMENT'S CONSENT.

SJ442AED

HELD UP FOR THREE MONTHS BY LACK OF MILITARY GOVERNMENT APPROVAL.

THE DELAY PROVOKED STRONG PROTESTS BY THE GERMAN "UNION OF VICTIMS OF NAZISM." LAST WEEK MEMBERS OF THIS GROUP PICKETED U.S. HEADQUARTERS IN FRANKFURT, DEMANDING APPROVAL OF THE LAW.

B1004AED

TRIESTE, FREE TERRITORY, AUG.6-(AP)-A MOSCOW RADIO BROADCAST HEARD HERE YESTERDAY CALLED FOR THE LIQUIDATION OF YUGOSLAV PREMIER MARSHAL TITO.

THE BROADCAST SAID YUGOSLAV EMIGRANTS TO THE SOVIET UNION APPEALED FOR COOPERATION TO GET RID OF TITO "IN THE NAME OF HUMAN PRINCIPLES."

THE ITALIAN NEWS AGENCY ASTRA SAID RECENTLY THE MOSCOW RADIO HAD REPORTED AN ANTI-TITO UNDERGROUND ACTIVE IN YUGOSLAVIA. TITO WAS EXPELLED FROM THE SOVIET-DOMINATED COMINFORM (COMMUNIST INTERNATIONAL INFORMATION BUREAU) LAST YEAR.

BY THOMAS P. WHITNEY

(ADVANCE) MOSCOW, AUG. 6-(AP)-NEW TIMES SAYS THE ECONOMIC COUNCIL OF MUTUAL AID (ECMA) HAS GREATLY INCREASED TRADE AMONG MEMBER COUNTRIES.

THE SOVIET FOREIGN AFFAIRS WEEKLY SAID IN A RECENT ARTICLE NEW SUCCESSES HAVE BEEN ATTAINED "IN THE DEVELOPMENT OF ECONOMIC TIES BETWEEN THE NATIONS OF CENTRAL AND SOUTHEASTERN EUROPE."

ECMA WAS ESTABLISHED ABOUT SIX MONTHS AGO. MEMBERS OF THE ORGANIZATION INCLUDE THE SOVIET UNION, BULGARIA, ROMANIA, HUNGARY, CZECHOSLOVAKIA, POLAND AND ALBANIA.

(ECMA WAS DEVELOPED AMONG SOVIET SATELLITES AFTER THE EUROPEAN RECOVERY PLAN OF THE UNITED STATES WAS INTRODUCED).

NEW TIMES SAID THE SOCIAL SYSTEMS OF THE SOVIET UNION AND THE OTHER MEMBERS OF ECMA EXCLUDE THE POSSIBILITY OF THE "BEGINNING OF ECONOMIC INEQUALITY OR POLITICAL PRESSURE."

ACCORDING TO THE PUBLICATION 35 TO 80 PER CENT OF THE FOREIGN TRADE OF EACH INDIVIDUAL NATION IS WITH THE OTHER MEMBERS OF THE ECMA, WHILE IN 1937 SUCH TRADE CONSTITUTED ONLY FROM 10 TO 18 PER CENT.

THIS, THE PUBLICATION SAID, IS ACCOMPLISHED BY THE "LEADING ROLE OF THE SOVIET UNION WHICH FIRMLY OCCUPIES FIRST PLACE IN THE IMPORTS AND EXPORTS OF THE COUNTRIES OF THE PEOPLES' DEMOCRACY (COMMUNIST REGIMES)."

AN OVERWHELMING ADVANTAGE OF TRADE WITH THE SOVIET UNION, NEW TIMES SAID, IS THE FACT THAT IT REQUIRES NO DOLLARS.

THE PUBLICATION ALSO SAID THE SOVIET UNION WAS SELLING GOODS TO EASTERN EUROPEAN NATIONS AT LESS THAN WORLD MARKET PRICES. CZECHOSLOVAKIA ALONE REPORTEDLY HAS ECONOMIZED BY 1,350,000,000 (B) CROWNS, OR $27,000,000 (M) ON A 600,000-TON GRAIN PURCHASE.

BULGARIAN-SOVIET TRADE IN 1949 WAS FROZEN AT 1948 LEVELS. NEW TIMES (CQ) SAID THIS WAS OF GREAT ADVANTAGE TO BULGARIA SINCE PRICES ON THE WORLD MARKET OF BULGARIAN EXPORTS FELL WHILE THOSE OF MANY COMMODITIES SENT TO BULGARIA FROM THE SOVIET UNION HAD RISEN.

NEW TIMES SAID TRADE BETWEEN ROMANIA AND THE SOVIET UNION HAS INCREASED 150 PER CENT IN 1949 COMPARED WITH 1948, AND THAT OTHER NATIONS HAVE HAD THE FOLLOWING INCREASE IN TRADE WITH RUSSIA: CZECHOSLOVAKIA, 45 PER CENT; BULGARIA, 20 PER CENT NOT INCLUDING EQUIPMENT SENT ON CREDIT, AND HUNGARY, 100 PER CENT.

FURTHER, THE TRADE OF VARIOUS NATIONS OF EASTERN EUROPE WITH EACH OTHER INCREASED GREATLY AS THEIR TRADE WITH THE SOVIET UNION ROSE, NEW TIMES SAID. MUTUAL TECHNICAL HELP WAS A HIGHLY IMPORTANT PHASE OF THEIR ECONOMIC COOPERATION AMONG THEMSELVES AND WITH RUSSIA.

THE SOVIET UNION, THE PUBLICATION SAID, IS ENGAGED IN SUPPLYING INDUSTRIAL AND AGRICULTURAL EQUIPMENT AS WELL AS RAW MATERIALS TO EASTERN EUROPEAN COUNTRIES.

POLAND WAS SAID TO BE RECEIVING STEEL EQUIPMENT ON CREDIT FROM RUSSIA SUFFICIENT TO DOUBLE HER STEEL OUTPUT. A POLISH NEWSPAPER WAS QUOTED AS SAYING THAT RUSSIA IS SENDING POLAND EQUIPMENT SUFFICIENT TO ADD 500,000 KILOWATTS OF POWER GENERATING CAPACITY AND TO INCREASE CEMENT PRODUCTION BY 300,000 TONS A YEAR.

(END ADVANCE FOR AMS OF SUNDAY, AUG. 7--- NOTE RELEASE DATE.

MQ/WB1144PED

PROPOSAL UNTIL THE NEXT MEETING EARLY IN 1950. U.N. SECRETARY GENERAL TRYGVE LIE WAS INSTRUCTED TO ASK RUSSIA AND OTHER DISSENTING COUNTRIES WHETHER THEY WOULD CHANGE THEIR STANDS AND AGREE TO A U.N. INQUIRY.

THE POSTPONEMENT WAS PROPOSED BY DENMARK, BRAZIL AND INDIA. THEIR DELEGATES ARGUED THERE WOULD BE NO POINT IN INVESTIGATING FORCED LABOR IF RUSSIA REFUSED TO COOPERATE.

TA228AED

30.24- 4871

trieste, free territory, aug. 6--(ap)-- A moscow radio broadcast heard here yesterday called for the liquidation of Yugoslav premier marshal tito.

AUG 7 1949

The broadcast said Yugoslav emigrants to the soviet union appealed for cooperation to get rid of tito "in the name of human principles."

The italian news agency astra said recently the moscow radio had reported an anti-tito underground active in yugoslavia. Tito was expelled from the soviet-dominated cominform (communist information bureau) last year international.

BIG DRIVE IN THE MOUNT GRAMMOS-VITSI SECTOR.

ASTRA CLAIMED THAT CHIEF AID TO THE GUERRILLAS NOW IS CONCENTRATED IN ALBANIA AND BULGARIA FOLLOWING YUGOSLAVIA'S DECISION TO SEAL ITS BORDERS WITH GREECE.

MEANWHILE THE AGENCY ADDED, ALL THE COMINFORM'S PROPAGANDA GUNS ARE PREPARING FOR A POSSIBLE GUERRILLA DEFEAT IN GREECE WITH BROADSIDE ATTACKS AGAINST WHAT THEY CALL THE "DOUBLE-FACED" TREACHERY OF YUGOSLAV PREMIER MARSHAL TITO.

SJ733AED

ROME, AUG.6-(AP)-ITALY AND YUGOSLAVIA SIGNED AN ACCORD HERE TODAY CARRYING OUT PROVISIONS OF THE ITALIAN PEACE TREATY FOR SETTLEMENT OF WAR CLAIMS BETWEEN THE TWO COUNTRIES.

AT THE SAME TIME IT WAS ANNOUNCED THAT AN ITALIAN MISSION WILL LEAVE FOR BELGRADE NEXT MONDAY TO ASSESS ITALIAN PROPERTY IN TERRITORY CEDED TO YUGOSLAVIA UNDER THE TREATY.

B1036AED

BY WILLIAM R.MOORE

CHINHAE, KOREA, AUG. 6-(AP)-GENERALISSIMO CHIANG KAI-SHEK FLEW TO KOREA TODAY TO DISCUSS A PROPOSED ANTI-COMMUNIST PACIFIC PACT WITH PRESIDENT SYNGMAN RHEE OF THE AMERICAN-SPONSORED SOUTHERN REPUBLIC.

RHEE AND CHIANG ISSUED STATEMENTS INDICATING THE PACIFIC UNION, FIRST PROJECTED FOUR WEEKS AGO BY CHIANG AND PRESIDENT ELPIDIO QUIRINO OF THE PHILIPPINES, WOULD BE DISCUSSED FULLY.

CHIANG IS EXPECTED TO REMAIN FOR THREE DAYS. HIS ROUTE WAS NOT DISCLOSED, BUT IT WAS GENERALLY BELIEVED HE HAD FLOWN DIRECT FROM FORMOSA, HIS ISLAND REDOUBT OFF THE CHINA COAST.

LEADING ADVISERS ACCOMPANYING HIM INCLUDED WANG SHIH-CHIEH, FORMER FOREIGN MINISTER; GEN.WANG TUNG-YUAN, FORMER GOVERNOR OF HUNAN PROVINCE; K.C.WU, FORMER MAYOR OF SHANGHAI; HUANG SHAO-KU,

CABINET MINISTER WITHOUT PORTFOLIO; AND PROF.CHANG CHIH-YUN, MEMBER OF SEVERAL UNIVERSITY FACULTIES.

MET BY RHEE AND OTHER KOREAN NOTABLES, CHIANG, HEAVILY-GUARDED HOME OF THE KOREAN NAVAL COMMANDER AT THIS BASE AT THE SOUTHERN TIP OF KOREA.

CHIANG REMAINED SECLUDED AFTER TOLD A PRESS CONFERENCE: "IT IS MOST LIKELY THAT THE QUESTION OF THE PROPOSED PACIFIC UNION MAY COME UP FOR A FULL EXCHANGE OF VIEWS. I BELIEVE IF SUCH A QUESTION IS TAKEN UP IN THE DISCUSSION WILL BE ON THE BROAD PRINCIPLE OF PEACE AS ADOPTED IN THE UNITED NATIONS CHARTER AND BY SEVERAL REGIONAL PACTS WHICH HAVE RECENTLY BEEN CONCLUDED AMONG MEMBERS OF THE U.N. FOR THE IMPLEMENTATION OF THAT PRINCIPLE."

SHORTLY AFTER CHIANG'S ARRIVAL, THE U.S. INFORMATION SERVICE OBTAINED A COPY OF YESTERDAY'S AMERICAN WHITE PAPER ON CHINA AND PREPARED A KOREAN TRANSLATION. CHIANG GAVE NO INTIMATION HE HAD SEEN OR HEARD OF IT BUT RHEE WAS EXPECTED TO STUDY IT CLOSELY BEFORE HIS FIRST CONFERENCE WITH CHIANG SUNDAY.

XA155PCS

AUG 7 1949

MANILA, SUNDAY, AUG.7-(AP)-THE POLITICAL DIRECTOR OF THE COMMUNIST-LED HUKBALAHAPS IN CENTRAL LUZON HAS DIED OF A RUPTURED APPENDIX, ADVICES FROM THE ARMED PEASANT REBELS SAID TODAY.

HE WAS IDENTIFIED AS MAJOR MANALO, ONE OF THE PEASANT UNION FOUNDERS OF THE SEMI-OFFICIAL REPORTS SAID THE HUKS HAD DECLARED A NINE-DAY PERIOD OF MOURNING. HE WAS REGARDED AS ONE OF THE HUKS ABLEST LEADERS.

F0917PCS

AUG 7 1949

CONTINUING SECURITY AND WELFARE OF THE PEOPLES OF THAT AREA."

THIS WAS INTERPRETED HERE AS A GO-AHEAD TO UNION PLANS SO LONG AS THE ALLIANCE REMAINS WITHIN THE FRAMEWORK OF THE UNITED NATIONS.

THE PHILIPPINES DECLINED TO TAKE PART IN THE CURRENT CONFERENCE IN KOREA BETWEEN CHIANG AND KOREAN PRESIDENT SYNGMAN RHEE ON THE UNION.

HF712APS

BE PUBLISHED SOON.

VIET NAM HAS INTERNAL AUTONOMY AS PART OF THE FRENCH UNION.

BAO DAI'S JURISDICTION THEORETICALLY EXTENDS OVER ANNAM, TONKIN, AND COCHIN CHINA. HOWEVER, MUCH OF THE TERRITORY IS ACTUALLY CONTROLLED BY NATIONALISTS UNDER HO CHI MINH, A COMMUNIST.

MT1136AED

WHATEVER OFFICIAL RATE OF EXCHANGE PREVAILS AT THE TIME OF WITHDRAWAL.

HOLDERS OF FOREIGN MONEY WERE ORDERED TO SURRENDER IT SHORTLY AFTER THE COMMUNISTS TOOK OVER. AFTER THE JUNE 25 DEADLINE IT BECAME ILLEGAL TO POSSESS FOREIGN CURRENCIES.

IT HAS BECOME APPARENT LATELY, HOWEVER, THAT CONSIDERABLE FOREIGN EXCHANGE STILL IS HELD PRIVATELY.

THE OFFICIAL RATE OF THE U.S. DOLLARS HAS BEEN BOOSTED 50 POINTS TO 2,250 TO ONE. THE POUND STERLING NOW BRINGS 5,900 COMMUNIST DOLLARS.

HF/LW322APS NM

YOKOHAMA, AUG. 6-(AP)-A HALF ENGLISH, HALF JAPANESE BOY IS GOING TO FIND A NEW HOME IN THE UNITED STATES, THANKS TO A SPECIAL ORDER OF THE STATE DEPARTMENT AT WASHINGTON.

HE IS WILLIAM HENRY TICKNER, AGED SIX.

CPL.ARTHUR L.PRIOR, 23, VAUGHN, N.M., FELL IN LOVE WITH THE BOY'S MOTHER WHEN HE WAS ASSIGNED TO OCCUPATION DUTY IN JAPAN.

THE MOTHER IS VERA MAY TICKNER, A NATIVE OF SUSSEX, ENGLAND. SHE MARRIED A JAPANESE, A FELLOW STUDENT AT THE UNIVERSITY OF LONDON, CAME TO JAPAN A YEAR BEFORE THE PACIFIC WAR BROKE OUT, AND DIVORCED HIM THREE YEARS AGO. SHE THEN TOOK BACK HER MAIDEN NAME.

PRIOR AND MISS TICKNER WANTED TO BE MARRIED, BUT THEY RAN INTO A WORLD OF TROUBLE, HE RELATED TODAY.

FIRST, PRIOR COULD NOT MARRY IN JAPAN UNDER ARMY REGULATIONS. THE REGULATIONS SAY MARRIAGE FOR ENLISTED MEN HERE IS ONLY FOR THOSE OF THE TOP THREE GRADES. AND PRIOR DOESN'T HAVE THAT MANY GRADES.

SECOND, EVEN IF HE AND MISS TICKNER MARRIED, THE IMMIGRATION LAWS OF THE UNITED STATES WOULD BAR WILLIAM HENRY BECAUSE OF HIS JAPANESE BLOOD.

"AND OF COURSE, WE WOULDN'T THINK OF GOING AWAY WITHOUT HER SON," PRIOR SAID.

SO HE SAT DOWN AND WROTE HIS TROUBLES TO SENATOR ANDERSON (D-NM). AT FIRST ANDERSON WAS GOING TO PASS A LAW. BUT THEN HE FOUND IT WASN'T NECESSARY. HE OBTAINED A SPECIAL STATE DEPARTMENT ORDER PERMITTING YOUNG HENRY TO ENTER THE UNITED STATES.

NOW PRIOR, HIS BRIDE-TO-BE, AND YOUNG WILLIAM HENRY EXPECT TO LEAVE FOR THE UNITED STATES ABOUT THE MIDDLE OF AUGUST.

IF HE CAN'T MARRY MISS TICKNER IN JAPAN, HE'LL MARRY HER IN THE UNITED STATES, HE SAID. THEN THEY ARE GOING TO SETTLE DOWN IN VAUGHN, N.M., A TOWN WITH A POPULATION OF ABOUT 2,000.

RA444ACS NM

C O R R E C T I O N

YOKOHAMA--TICKNER BOY BEING ADMITTED TO U.S., NINTH GRAPH BEGINNING "SO HE SET" READ X X X X ANDERSON (D-NM). ANDERSON PUT THROUGH CONGRESS A SPECIAL ACT "FOR THE RELIEF OF WILLIAM HENRY TICKNER," GIVING HIM PERMISSION TO LIVE IN THE UNITED STATES. PRESIDENT TRUMAN SIGNED IT JULY 27.

NOW PRIOR X X X TENTH GRAPH.

(THE A.P.)

SD1124ACS

WITH WASHINGTON (250)

HONG KONG, AUG 6-(AP)-AN OFFICIAL COMMUNIST NEWSPAPER SAID TODAY THE UNITED STATES WHITE PAPER ON CHINA IS DESIGNED TO CONCEAL THE "AMERICAN PART" IN THE PROJECTED PACIFIC ALLIANCE AGAINST COMMUNISM.

HWA SHIANG PAO SAID THE WHITE PAPER'S PURPOSE "IS TO CREATE THE ILLUSION AMERICAN IMPERIALISTS HAVE BEEN SO DISAPPOINTED BY CHIANG KAI-SHEK'S REACTIONARIES THAT THEY (AMERICANS) COULD HAVE HAD NO PART IN THE ANTI-COMMUNIST PACIFIC UNION BEING PROMOTED BY CHIANG, (PHILIPPINE PRESIDENT ELPIDIO) QUIRINO AND (KOREAN PRESIDENT) SYNGMAN RHEE."

(U.S. SECRETARY OF STATE ACHESON HAS DECLARED AMERICAN ALOOFNESS FROM ANY PACIFIC COUNTERPART OF THE ATLANTIC ALLIANCE. HOWEVER, HE HAS TOLD THE ASIAN NATIONS THEY SHOULD GO AHEAD WITH THE PACT ON THEIR OWN IF THEY CHOOSE.)

THE HONG KONG RED PAPER WENT ON TO SAY THE CHINESE PEOPLE ALREADY ARE FULLY AWARE OF AMERICA'S "DESTRUCTIVE SCHEMES" AND ARE POWERFUL ENOUGH TO DEFEAT THEM.

HWA SHIANG PAO'S VIEWS WERE SHARED SOMEWHAT BY TA KUNG PAO, A FORMERLY INDEPENDENT PAPER WHICH LATELY HAS BEEN EXTREMELY PRO-RED.

TA KUNG PAO SAID THAT DESPITE PUBLICATION OF THE WHITE PAPER THE U.S. WOULD CONTINUE TO SUPPORT CHIANG AGAINST COMMUNIST CHINA. IT SAID PUBLICATION WAS PROMPTED BY THREE REASONS:

1. TO CONVINCE CRITICS OF THE TRUMAN ADMINISTRATION SUCH AS RET. MAJ. GEN. CLAIRE CHENNAULT AND REP. JUDD (R., MINN.), THAT THE NATIONALISTS DO NOT DESERVE AMERICAN AID.

2. TO PREVENT CHIANG'S REPRESENTATIVES IN THE U.S. FROM SOLICITING MORE AMERICAN AID.

3. TO PUT UP A FRONT FOR AMERICAN NEUTRALITY IN CHINA'S CIVIL WAR AND "WASH ITS HANDS OF RESPONSIBILITY FOR THE PROLONGATION" OF THE WAR.

THE PAPER MADE NO EFFORT TO RECONCILE ITS PREDICTION OF CONTINUED AMERICAN AID FOR CHIANG WITH ITS SECOND REASON FOR THE WHITE PAPER'S PUBLICATION.

HF445APS

BY JOHN M.HIGHTOWER

WASHINGTON,AUG.6-(AP)-SECRETARY OF STATE ACHESON WILL DIRECT THE ADMINISTRATION'S NEW MOVES AGAINST COMMUNISM IN THE FAR EAST ALONG THREE LINES, RESPONSIBLE OFFICIALS INDICATED TODAY. THIS POSSIBLY INCLUDES HELP TO ANY UNDERGROUND FORCES THAT DEVELOP IN RED CHINA.

ACHESON MAY ALSO ADVOCATE U.S.ASSISTANCE TO ANY RESISTANCE FORCES WHICH SHOW SIGNS OF A DETERMINED STAND AGAINST THE COMMUNISTS.

DELIVERY OF AID DIRECT TO GENERALS IN CHINA'S UNCONQUERED WESTERN PROVINCES THUS WOULD BE CONSIDERED POSSIBLE, OFFICIALS SUGGESTED, NOW THAT THIS GOVERNMENT HAS WRITTEN OFF THE CHINESE NATIONALIST REGIME AS A FAILURE.

TH

NOW THAT THIS GOVERNMENT HAS WRITTEN OFF THE CHINESE NATIONALIST REGIME AS A FAILURE.

THE THREE LINES ALONG WHICH POLICY MOVES ARE EXPECTED TO BE ORDERED ARE THESE:

1. RESISTANCE TO ANY THREAT OF AGGRESSION BY THE CHINESE COMMUNISTS AGAINST CHINA'S NEIGHBORS--SUCH AS BURMA AND FRENCH INDO-CHINA.

2. PROMOTION OF POLITICAL POLICIES AMONG CHINA'S NEIGHBORS FROM KOREA THROUGH JAPAN AND THE PHILIPPINES AROUND TO INDIA WHICH WILL BETTER LIVING CONDITIONS OF THE PEOPLE AND THEREBY WEAKEN THE POSITION OF COMMUNISM WORKING FROM THE INSIDE.

3. TAKE ADVANTAGE OF ALL OPPORTUNITIES TO WEAKEN THE POSITION OF COMMUNISM INSIDE CHINA BY GIVING ENCOURAGEMENT AND, WHERE PRACTICAL,

ASSISTANCE TO ANY CHINESE MOVEMENTS AIMED AT RESTORING THE COUNTRY'S INDEPENDENCE OF COMMUNISM.

IN A GENERAL WAY ALL THREE LINES OF ACTION WERE INDICATED IN ACHESON'S LETTER TO PRESIDENT TRUMAN TRANSMITTING THE WHITE PAPER ON CHINA POLICY, AND ACHESON'S NEWS CONFERENCE STATEMENT YESTERDAY. WHAT THE UNITED STATES MAY ACTUALLY DO WILL DEPEND, OF COURSE, ON THE FINAL SHAPING OF CONGRESSIONAL REACTION TO THE WHITE PAPER BLAST AT CHINA'S TOTTERING NATIONALIST GOVERNMENT.

PRECISELY WHAT MOVES THE U.S.MAY TAKE IS THE SUBJECT OF INTENSIVE STUDIES WHICH ACHESON HAS ORDERED ON THE PART OF HIS TROUBLESHOOTER, AMBASSADOR PHILIP JESSUP, OFFICERS OF THE STATE DEPARTMENT'S FAR EASTERN DIVISION, AND OTHER TOP ASSISTANTS.

A161WX

EVENTUAL DECISIONS WILL DEPEND, HOWEVER, ON THE WAY EVENTS MOVE IN CHINA MORE THAN ON ANY OTHER SINGLE FACTOR. IN HIS WHITE PAPER LETTER ACHESON NAILED FUTURE AMERICAN POLICY TO THE PRINCIPLE OF BEING "REALISTIC" AND OF DEALING WITH THE FACTS AS THEY DEVELOP.

ONE THING HE IS NOW TRYING TO LEARN IS WHETHER MILITARY FORCES OUTSIDE COMMUNIST CONTROL ARE UMDER DETERMINED AND COMPETENT LEADERSHIP SO THAT CAN BE COUNTED ON.

CONGRESSIONAL REACTION TO THE WHITE PAPER WAS STILL SHARPLY DIVIDED TODAY WITH SOME MEMBERS HOLDING TO THE IDEA THAT THE ADMINISTRATION'S ESTIMATE OF THE NATIONALIST GOVERNMENT AS A FAILURE WAS "REALISTIC"--BUT OTHERS INSISTING THAT THE REAL FAILURES WERE THOSE OF THE ADMINISTRATION IN NOT HELPING THE CHINESE NATIONALISTS ENOUGH.

AT ANY RATE CRITICS OF ALL SHADES OF VIEW APPEAR TO AGREE THAT ACHESON IS RIGHT IN SAYING THE UNITED STATES IS NOW CONFRONTED WITH THE "GRAVEST DIFFICULTIES" IN TRYING TO ACHIEVE ITS OBJECTIVE OF DEVELOPING CHINA AS A COUNTRY FREE OF RUSSIAN OR ANY OTHER FOREIGN DOMINATION.

THE WHOLE SITUATION WILL BE REVIEWED WITH AMBASSADOR JOHN LEIGHTON STUART, WHO IS DUE HERE WEDNESDAY AFTER HAVING SPENT THE LAST SEVERAL MONTHS IN COMMUNIST CHINA.

IN COMMENTING ON THE WHITE PAPER'S DISCLOSURES, SENATOR VANDENBERG SAID IT WAS OBVIOUS THAT BOTH NATIONALIST CHINA AND THE UNITED STATES HAD MADE "TRAGIC MISTAKES."

"OUR CHIEF MISTAKES," HIS STATEMENT SAID, "WERE (1) THE PRICE WE PAID AT TEHRAN AND YALTA, AT CHINA'S EXPENSE, FOR RUSSIA'S BELATED AND UNNECESSARY ENTRY INTO THE JAP WAR; (2) OUR WELL INTENTIONED BUT IMPRACTICAL INSISTENCE UPON A NATIONALIST-COMMUNIST COALITION."

"THE POST-MORTEM IS CHIEFLY USEFUL AS WARNING FOR THE FUTURE," HE ADDED.

THE TONE OF VANDENBERG'S STATEMENT WAS IN SHARP CONTRAST TO THE HEATED COMMENTS OF MAJ.GEN.PATRICK J.HURLEY (RET.), WHO WAS APPOINTED BY PRESIDENT ROOSEVELT AS A SPECIAL WARTIME ENVOY TO CHINA WITH AMBASSADORIAL RANK. HURLEY'S ASSIGNMENT WAS TO TRY TO ACHIEVE UNITY BETWEEN THE CHINESE NATIONALISTS AND COMMUNISTS.

HURLEY'S COMMENTS ON THE WHITE PAPER ECHOED HIS BLASTS OF NOVEMBER, 1945, WHEN HE RESIGNED HIS POST WITH A BITTER DENUNCIATION OF CAREER DIPLOMATS AND A WARNING THAT A THIRD WORLD WAR WAS "IN THE MAKING."

HIS STATEMENT TODAY DECLARED THAT "PRO-COMMUNISTS" IN THE STATE DEPARTMENT ENGINEERED THE OVERTHROW OF THE NATIONALIST GOVERNMENT AND AIDED IN THE COMMUNIST CONQUEST OF CHINA.

"NEARLY ALL THE OFFICIALS RELIEVED BE ME IN CHINA BECAUSE THEY WERE PRO-COMMUNIST ARE NOW IN THE STATE DEPARTMENT--PRESUMABLY WRITING ALIBI WHITE PAPERS," HE DECLARED.

HURLEY SAID THE WHITE PAPER CORRECTLY STATED THAT HE NEARLY ALWAYS AGREED WITH THE ANNOUNCED POLICIES OF THE PRESIDENT AND HIS SECRETARY OF STAT.HUD, HOWEVER:

"I CRITICIZED THE WIDE DISCREPANCY BETWEEN THE POLICY STATED BY THE HIGHEST OFFICIALS AND THE POLICY MADE EFFECTIVE THROUGHOUT THE WORLD BY THE STATE DEPARTMENT ARE NOT ALIKE. THEY ARE VERY DIFFERENT POLICIES."

HURLEY SAID THE LATE PRESIDENT ROOSEVELT WAS A SICK MAN AT YALTA, WHEN HE SIGNED SECRET AGREEMENTS GIVING RUSSIA SPECIAL CONCESSIONS IN CHINA. HURLEY CRACTERIZED THE YALTA AGREEMENT AS A "BLUEPRINT FOR COMMUNIST CONQUEST OF CHINA."

(END ADVANCE FOR USE AT 6 P.M. EASTERN STANDARD TIME TODAY, SATURDAY, AUG 6)

GG-PF545PED

(350) CONGRESS ROUNDUP

WASHINGTON, AUG.6-(AP)-THE ADMINISTRATION'S PUBLISHED EXPLANATION OF ITS CHINA POLICY DREW BOTH PRAISE AND CRITICISM FROM CONGRESS TODAY.

NEARLY EVERYONE, BOTH FRIENDS AND FOES OF ADMINISTRATION POLICY, AGREED THE CHINA SITUATION IS BAD BUT DISAGREED ABOUT WHAT CAN BE DONE TO KEEP THE REDS FROM OVERRUNNING ALL OF CHINA.

MEMBERS WHO DEFENDED THE STATE DEPARTMENT'S WHITE PAPER EXPLANATION OF HOW THE COMMUNISTS OVERWHELMED CHIANG KAI SHEK'S GOVERNMENT SAID IT WAS A REALISTIC VIEW.

CRITICS SAID THE REVELATION OF THE CHINESE NATIONAL GOVERNMENT'S FAILURE WAS A CONFESSION OF AMERICAN FAILURE ALSO.

SENATOR BRIDGES (R-NH) SAID WE SHOULD PAT THE NATIONALIST GOVERNMENT ON THE BACK INSTEAD OF KICKING IT IN THE FACE; WE SHOULD FURNIFH SMALL ARMS AND AMMUNITION TO ANTI-COMMUNISTS AND WE SHOULD GIVE REASSURANCE THE U.S. WON'T RECOGNIZE THE COMMUNISTS.

CHAIRMAN TYDINGS (R-MD) OF THE SENATE ARMED SERVICES COMMITTEE SAID THE WHITE PAPER "REALISTICALLY AIMED IN THE RIGHT DIRECTION."

ELSEWHERE IN CONGRESS:

ARMS FOR EUROPE PROGRAM--CHAIRMAN KEE (D-WVA) OF THE HOUSE FOREIGN AFFAIRS COMMITTEE WAS TRYING TO FORESTALL DEMANDS FOR A 50 PER CENT SLASH IN THE $1,450,000,000 (B) FUND. HE MAY ASK THE COMMITTEE TO OK THE PROGRAM WITHOUT CUTTING IT SO THE WHOLE ISSUE CAN BE DEBATED FROM SCRATCH ON THE FLOOR.

FOREIGN AID--THE $5,797,724,000 (B) BILL COMES BEFORE THE SENATE MONDAY FOR WHAT IS EXPECTED TO BE A FAVORABLE VOTE. IF THIS OCCURS, THE BILL GOES TO A JOINT SENATE-HOUSE CONFERENCE. THE SENATE HAS CUT ABOUT 10 PER CENT FROM THE AMOUNT THE HOUSE APPROVED.

EDUCATION--HOUSE LEADERS INDICATED THERE WILL BE NO ACTION THIS YEAR ON THE PROPOSAL FOR FEDERAL AID TO EDUCATION, DESPITE PRESIDENT TRUMAN'S APPEAL FOR LEGISLATION.

FIVE PERCENTERS--SENATOR MUNDT (R-SD) SAID A DETROIT AUTO PARTS FIRM RECEIVED CLEARANCE ON A $280,000 ARMY CONTRACT AFTER JOHN MARAGON GOT THEM A WHITE HOUSE APPOINTMENT. BUT HE ADDED THE DETROIT FIRM WAS LOW BIDDER AND ENTITLED TO THE CONTRACT. MARAGON IS AN EX-BOOTBLACK FROM KANSAS CITY WITH FRIENDS IN THE WHITE HOUSE.

FARM BILL--THE SENATE AGRICULTURE SUBCOMMITTEE MET WITH SECRETARY OF AGRICULTURE BRANNAN TO TRY AND REACH AN AGREEMENT ON A COMPROMISE PROGRAM PUT TOGETHER BY A BI-PARTISAN COMMITTEE.

VH244AED

FIRST LEAD CHINA POLICY

BY JOHN M.HIGHTOWER

(ADVANCE)-WASHINGTON,AUG 6-(AP)-SENATOR VANDENBERG, REPUBLICAN FOREIGN POLICY LEADER, SAID TONIGHT THAT THE UNITED STATES MUST TAKE A FRESH LOOK AT ITS CHINA POLICIES AND DETERMINE ITS COURSE "UNHAMPERED BY PAST PREJUDICES OR EMOTIONS."

SPEAKING OUT ON THE GOVERNMENT'S CHINA POLICY "WHITE PAPER," THE MICHIGAN SENATOR SAID THIS COUNTRY MUST MAKE "RELENTLESSLY CLEAR" ITS SUPPORT FOR THE CHINESE PEOPLE AND FOR FREEDOM IN THE FAR EAST.

PATRICK J.HURLEY, WHO HEADED A WARTIME MISSION TO CHINA, ASSAILED THE WHITE PAPER IN A STATEMENT AS "A SMOOTH ALIBI FOR THE PRO-COMMUNISTS IN THE STATE DEPARTMENT."

IN SEVERAL WAYS VANDENBERG'S STATEMENT COINCIDED WITH VIEWS EXPRESSED BY SECRETARY OF STATE ACHESON.

ACHESON, WHO HAS ABANDONED HOPE OF SAVING CHINA BY PROPPING UP THE NATIONALIST REGIME, HAS BEFORE HIM THE PROBLEM OF SHAPING A POSITIVE NEW APPROACH.

AIDES AND ASSOCIATES EXPECTED HIM TO MOVE ALONG THREE LINES IN DIRECTING NEW ADMINISTRATION MOVES AGAINST COMMUNISM IN THE FAR EAST. THIS POSSIBLY INCLUDES ASSISTANCE TO ANTI-COMMUNIST FORCES WHICH MAY REMAIN OR SPRING UP TO OPPOSE CHINESE RED CONTROL.

VANDENBERG, TOP REPUBLICAN ON THE SENATE FOREIGN RELATIONS COMMITTEE, DECLARED THAT THE UNITED STATES MUST NOT ACCEPT RESULTS OF AGGRESSION IN CHINA CAN PERMANENTLY SUCCEED. ACHESON HAD DECLARED IN A STATEMENT ON THE WHITE PAPER YESTERDAY THAT HE WAS NOT "DEFEATIST."

VANDENBERG CALLED FOR "A FRESH LOOK, UNHAMPERED BY PAST PREJUDICES OR EMOTIONS." ACHESON HAS ANNOUNCED THAT HE WAS BRINGING IN OUTSIDE ADVISERS TO WORK WITH STATE DEPARTMENT OFFICIALS ON DEVISING NEW MOVES WITH RESPECT TO CHINA AND THE FAR EAST.

VANDENBERG FURTHER DECLARED THAT THE UNITED STATES "DEAL WITH THE REALITIES" OF THE SITUATION. ACHESON LIKEWISE HAD DEMANDED THAT THE COUNTRY ADOPT A "REALISTIC" ATTITUDE TOWARD ITS PROBLEMS IN CHINA.

A176WX

IN LINE WITH WHAT VANDENBERG ADVOCATED, ACHESON HAD PINNED AMERICAN POLICY TO SUPPORT OF THE CHINESE PEOPLE WHEN, THROUGH RELEASEOF THE WHITEPAPER, HE EFFECTIVELY ENDED SUPPORT OF THE NATIONALIST GOVERNMENT.

THE POINTS OF AGREEMENT IN THE STATEMENTS ISSUED BY THE TWO MEN WERE REGARDED BY DIPLOMATIC OBSERVERS AS IMPORTANT. THEY INDICATED A POSSIBLE NEW APPROACH TO THE DEVELOPMENT OF CHINA POLICY WITH A DEGREE OF BIPARTISANSHIP, AS BETWEEN THE STATE DEPARTMENT AND VANDENBERG, WHICH HAS NOT EXISTED IN THE PAST.

THERE APPEARED TO BE NO DOUBT THAT VANDENBERG'S VIEWS WOULD RECEIVE CAREFUL CONSIDERATION BY ACHESON AND HIS ADVISERS.

OFFICIALS BELIEVE THAT ACHESON, IN THE EXPECTED THREE LINES OF ANTI-COMMUNIST ACTION, MAY URGE AID FOR ANY RESISTANCE FORCES SHOWING SIGNS OF A DETERMINED STAND AGAINST THE COMMUNISTS.

DELIVERY OF AID, ETC., THIRD GRAF.

(END ADVANCE FOR USE AT 6 P.M. EST TODAY SATURDAY AUG. 6)

V320PED

(450) FOREIGN AID

BY DON WHITEHEAD

WASHINGTON, AUG.6-(AP)-A MULTI-BILLION DOLLAR FOREIGN AID BILL WAS SET TODAY FOR SWIFT PASSAGE AFTER RUNNING A GAUNTLET OF SHARP SENATE DEBATE FOR DAYS. THE FINAL VOTE IS EXPECTED MONDAY.

THE ONLY OBSTACLE STILL CONFRONTING THE MONEY BILL--AND NOT A VERY BIG ONE--IS AN AMENDMENT BY SENATOR KEM (R-MO) TO BAR RECOVERY AID TO ANY NATION IN THE FUTURE WHICH NATIONALIZES A BASIC INDUSTRY.

THE MOVE IS AIMED PARTICULARLY AT BRITAIN'S SOCIALIZATION PROGRAM.

SENATE LEADERS SEE NO DIFFICULTY AHEAD IN BRUSHING ASIDE THE KEM PROPOSAL. IT WAS RULED OUT OF ORDER LATE YESTERDAY ON THE GROUNDS IT CONTAINED POLICY-MAKING LAW IN VIOLATION OF SENATE RULES.

KEM APPEALED THE DECISION BY SENATOR TYDINGS (D-MD), WHO WAS PRESIDING, BUT LEADERS ARE CONFIDENT THEY CAN BEAT THIS MOVE.

ONCE PAST THAT HURDLE, THE SENATE IS EXPECTED TO APPROVE THE MEASURE WHICH HAS BEEN TIED UP IN A CONFUSED WRANGLE OVER SENATE RULES.

AS IT NOW STANDS, THE BILL CONTAINS:

(1) $3,628,300,000 (B) TO CARRY THE ECONOMIC COOPERATION ADMINISTRATION TO JULY 1, 1950.

(2) $150,000,000 (M) FOR ECA LOANS.

(3) $1,074,000,000 (B) TO PAY FOR ECA OPERATIONS DURING LAST APRIL, MAY AND JUNE.

(4) $900,000,000 (M) FOR ARMY OCCUPATION COSTS IN GERMANY, AUSTRIA, JAPAN AND THE RYUKYU ISLANDS.

(5) $45,000,000 (M) IN AID FOR TURKEY AND GREECE.

(6) $344,000 FOR A CONGRESSIONAL WATCHDOG COMMITTEE STAFF TO CONTINUE CHECKING ON FOREIGN SPENDING.

THE TOTAL OF THESE FIGURES IS ROUGHLY ABOUT 10 PER CENT LESS THAN VOTED BY THE HOUSE. FOR THIS REASON, THE FINAL VOTE WILL SEND THE BILL INTO A CONFERENCE WHERE SENATE-HOUSE MEMBERS WILL WORK OUT THEIR DIFFERENCES.

THERE WAS SOME SURPRISE LATE YESTERDAY OVER THE LACK OF OPPOSITION TO A PROPOSAL DESIGNED TO HALT THE DESTRUCTION OR DISMANTLING OF 365 INDUSTRIAL PLANTS IN GERMANY.

THE SENATE APPROVED BY VOICE VOTE AN AMENDMENT WHICH IN EFFECT DIRECTS ECA CHIEF PAUL HOFFMAN TO RE-OPEN NEGOTIATIONS WITH BRITAIN AND FRANCE ON THE PLANT PROBLEM.

"IT IS THE INTENTION OF THE SENATE APPROPRIATIONS COMMITTEE," SENATOR BRIDGES (R-NH) SAID, "THAT ONCE AGAIN THIS PROBLEM WOULD BE REVIEWED. IT CERTAINLY WOULD BE MY HOPE X X X THAT THE ADMINISTRATOR WOULD IMMEDIATELY REVIEW THIS WHOLE SITUATION AND WOULD SEE WHETHER AT THIS PARTICULAR TIME SOME OF THESE PLANTS X X X MIGHT BE SALVAGED.

"SUCH A STEP WILL IN THE END HELP TO TAKE GERMANY AND THE GERMAN PEOPLE OFF OUR BACKS AND HELP THEM BECOME SELF-SUSTAINING."

A COMMITTEE NAMED BY HOFFMAN SUCCEEDED LAST YEAR IN SAVING 159 PLANTS FROM BEING DESTROYED OR DISMANTLED. THIS AGREEMENT WAS REACHED WITH THE BRITISH AND FRENCH.

BUTBRIDGES TOLD THE

BUT BRIDGES TOLD THE SENATE THERE ARE 365 PLANTS REMAINING WHICH COULD BE KEPT IN GERMANY WITHOUT UPSETTING THE RECOVERY EFFORT OF ANY EUROPEAN NATION.

THE STATE DEPARTMENT IS REPORTED TO BE NONE TOO HAPPY ABOUT THE PROSPECT OF RE-OPENING THE PLANT PROBLEM WITH FRANCE AND GERMANY. BUT NO OPPOSITION DEVELOPED WHEN BRIDGES OFFERED THE AMENDMENT.

VH348AED

WHEN CONGRESS BEGINS A NEW SESSION IN JANUARY.

SOME MEMBERS FEEL TOO THAT THERE SHOULD BE A FIRM GUARANTEE OF MUTUAL COOPERATION BY WESTERN EUROPEAN NATIONS AS A CONDITION TO PROVIDING THE REARMAMENT AID.

THE REWRITTEN BILL SENT TO CONGRESS BY THE ADMINISTRATION YESTERDAY SPELLS OUT SPECIFICALLY WHAT COUNTRIES SHOULD BE ELIGIBLE FOR AID UNDER THE PLAN--THE ATLANTIC PACT NATIONS, GREECE, TURKEY, IRAN, KOREA, AND THE PHILIPPINES.

IT ALSO PROVIDES SPECIFIC AMOUNTS FOR EACH AREA--$1,160,990,000 (B) FOR THE TREATY COUNTRIES; $211,370,000 (M) FOR GREECE AND TURKEY, AND $27,640,000 (M) FOR IRAN, KOREA, AND THE PHILIPPINES.

IN ADDITION, $50,000,000 ALREADY HAS BEEN AUTHORIZED FOR GREECE AND TURKEY, RAISING THE TOTAL COST OF THE PROGRAM TO $1,450,000,000 (B). AMOUNTS FOR INDIVIDUAL COUNTRIES ARE NOT DISCLOSED.

VH318AED

WASHINGTON,AUG.6-(AP)-JAMES V.HUNT, A CENTRAL FIGURE IN WASHINGTON'S CURRENT "FIVE PER CENTER" INQUIRY, ANNOUNCED TODAY HE IS FILING SUIT AGAINST THE NEW YORK HERALD TRIBUNE.

HUNT DECLARED IN A STATEMENT THAT "IRRESPONSIBLE HALF-TRUTHS" PRINTED BY THE NEWSPAPER "HAVE GONE A LONG WAY TOWARD RUINING MY BUSINESS."

NOW A WASHINGTON MANAGEMENT COUNSELOR, HUNT'S ACTIVITIES CAME UNDER CONGRESSIONAL COMMITTEE SCRUTINY AFTER THE HERALD TRIBUNE PUBLISHED A STORY JUNE 21 SAYING HE HAD ACCEPTED A $1,000 FEE FROM A BUSINESS MAN SEEKING GOVERNMENT CONTRACTS.

"THE SENATE INVESTIGATIONS SUBCOMMITTEE, NATURALLY AROUSED BY THE SENSATIONALISM OF THE ORIGINAL HERALD TRIBUNE STORY," HUNT SAID, "HAS HAD TWO ATTORNEYS AND 16 INVESTIGATORS GOING OVER MY AFFAIRS FOR MORE THAN SIX WEEKS.

"THEY HAVE NOT EVEN SUGGESTED THAT ANYTHING HAS BEEN FOUND WHICH WOULD WARRANT ANY CHARGE AGAINST ME."

SENATOR HOEY (D-NC), CHAIRMAN OF THE SUBCOMMITTEE, SAID THERE WAS "NO EVIDENCE THAT MARAGON WAS PAID ANYTHING" BY THE DETROITERS.

IT ALSO HAS BEEN BROUGHT OUT THAT THERE IS NOTHING UNLAWFUL ABOUT ACCEPTING FEES FOR AIDING BUSINESS MEN IN DEALING WITH THE GOVERNMENT--THE INVESTIGATION REVOLVES MAINLY AROUND CLAIMS OF "INFLUENCE" IN HIGH PLACES.

ROGER Q.WHITE, ATTORNEY FOR HUNT, TOLD A REPORTER THAT THE SUIT AGAINST THE HERALD TRIBUNE WILL BE A LIBEL ACTION ASKING A SUBSTANTIAL SUM AS DAMAGES. HE SAID THE EXACT AMOUNT HAS NOT YET BEEN DECIDED BUT THAT IT WILL RUN INTO SIX FIGURES.

THE LAWYER DECLARED HE WANTS TO FILE THE ACTION AS SOON AS POSSIBLE BUT THAT HE WILL NOT HAVE TIME TO DO IT AS LONG AS CONGRESSIONAL HEARINGS ARE GOING ON IN WHICH HIS CLIENT IS LIKELY TO BE MENTIONED. IF THERE IS A BREAK OF SEVERAL DAYS IN HEARINGS AT WHICH WITNESSES MAY MENTION HUNT, HE SAID, HE WILL BE ABLE TO PREPARE AND FILE THE SUIT THEN.

AS TO JOHN MARAGON'S EFFORTS, SENATOR MUNDT SAID THE DETROIT MEN WERE LOW BIDDERS FOR THE ARMY CONTRACT AND WERE ENTITLED TO IT. HE SAID THEY TESTIFIED THEY SIMPLY WANTED TO SPEED UP FINAL GOVERNMENT APPROVAL.

(200) WASHN 1ST ADD FIVE PERCENTERS XXX MALICIOUS DISTORTION."

MEANWHILE, A NEW YORK MAN CALLED ON THE SENATE INVESTIGATORS TO INQUIRE INTO ANOTHER FIVE PER CENT PRACTICE--THE CHARGING OF A FEE FOR OBTAINING EMPLOYMENT FOR A MAN ON A GOVERNMENT PROJECT ABROAD.

JAMES H.DILLON, PRESIDENT OF THE CONSTRUCTION MEN'S ASSOCIATION, NEW YORK CITY, MADE THE SUGGESTION IN A LETTER TO HOEY. DILLON, WHO MADE THE LETTER PUBLIC, DESCRIBED HIS ASSOCIATION AS REPRESENTING MEN WHO MAKE A CAREER OF WORKING ON AMERICAN PROJECTS ABROAD.

HE SAID A FEW COMMERCIAL EMPLOYMENT AGENCIES WHICH SPECIALIZE IN FINDING JOBS WITH CONTRACTORS HOLDING U.S. CONTRACTS ABROAD "CHARGE THE EMPLOYE FOR WHOM A JOB IS FOUND A FEE OF FIVE PER CENT OF A YEAR'S WAGE, PAYABLE IN ADVANCE."

"THERE IS EVIDENCE OF COLLUSION BETWEEN SUCH PRIVATE EMPLOYMENT AGENCIES AND PERSONNEL MANAGERS OF THE LARGE CONTRACTING COMPANIES, THE AGENCIES ALLOWING THE MANAGERS A SHARE OF THE FEES," DILLON DECLARED. "THIS INDUCES THE PERSONNEL MANAGERS TO PATRONIZE THE PRIVATE AGENCIES AND ABET THE GENERAL PRACTICE."

DILLON SAID THE PRACTICE HAS BECOME SO PREVALENT THAT IT IS DIFFICULT TO RECRUIT SKILLED WORKMEN FOR CERTAIN MARSHALL PLAN PROJECTS AND FOR DEFENSE BASES ABROAD.

VX905PED NM

WASHINGTON, AUG.6-(AP)-REP.MACK (R-WASH) SAYS THAT ECONOMIC COOPERATION DOLLARS PAID TO GREAT BRITAIN ARE BEING USED TO BUY LUMBER ALMOST EXCLUSIVELY FROM CANADA TO THE INJURY OF THE AMERICAN LUMBER INDUSTRY.

HE SAID IN A HOUSE TALK YESTERDAY THAT IN THE FIRST SIX MONTHS OF THE CURRENT YEAR GREAT BRITAIN BOUGHT 218,057,217 FEET OF LUMBER FROM BRITISH COLUMBIA WHILE LUMBER MILLS IN WASHINGTON AND OREGON SHIPPED A COMBINED TOTAL OF 7,800,704 FEET TO THE UNITED KINGDOM.

"THIS MEANS THAT OF ALL LUMBER ORDERS PLACED WITH AMERICAN ECA DOLLARS BY THE BRITISH 97 PERCENT WERE ALLOCATED TO CANADA AND ONLY THREE PERCENT OF THE ORDERS TO UNITED STATES MILLS," MACK SAID. "UNITED STATES LUMBER MILLS ARE GETTING FEWER LUMBER ORDERS FROM THE BRITISH NOW, AT A TIME WHEN THE AMERICAN PEOPLE ARE DONATING BILLIONS OF DOLLARS TO THEM, THAN WE DID BEFORE ECA WAS STARTED.

"I WOULD LIKE TO SUGGEST TO THE BRITISH THAT IF THEY CONTINUE THIS SELFISH POLICY OF DISCRIMINATION AGAINST AMERICAN INDUSTRIES THEY INEVITABLY WILL UNDERMINE AND ENDANGER THE WHOLE ECA PROGRAM FOR THEMSELVES AND OTHER NATIONS AS WELL.

"CERTAINLY THE AMERICAN TAXPAYERS CANNOT AND WILL NOT CONTINUE TO GIVE HUGE SUMS TO EUROPE IF AMERICAN DOLLARS ARE TO BE EMPLOYED TO DESTROY THE PROSPERITY OF THE AMERICAN INDUSTRY AND THEREBY DEPRIVE AMERICAN WORKERS OF THEIR JOBS."

VH445AED

(480) FIVE PERCENTERS
BY MARVIN L.ARROWSMITH
WASHINGTON, AUG.6-(AP)-SENATOR MUNDT (R-SD) SAID TODAY OFFICIALS OF A DETROIT AUTO PARTS FIRMS TESTIFIED THEY RECEIVED QUICK CLEARANCE ON A $280,000 ARMY CONTRACT AFTER JOHN MARAGON GOT THEM A WHITE HOUSE APPOINTMENT.
MUNDT SAID THE DETROITERS WERE THE LOW BIDDERS AND WERE ENTITLED TO THE CONTRACT. HE SAID THEY RELATED THAT THEY SIMPLY WANTED TO SPEED UP FINAL GOVERNMENT APPROVAL.
MARAGON IS A FORMER KANSAS CITY BOOTBLACK WITH AN ENTREE TO THE WHITE HOUSE. HE WAS QUESTIONED THREE DAYS LAST WEEK BY SENATE INVESTIGATORS LOOKING INTO THE ACTIVITIES OF "FIVE PERCENTERS"--PERSONS WHO CHARGE A FEE FOR HELPING OTHERS GET GOVERNMENT CONTRACTS.
THE INQUIRY IS BEING HANDLED BY A SPECIAL SENATE SUBCOMMITTEE TRYING TO FIND OUT WHETHER ANY COMMISSION MEN HAVE ATTEMPTED TO INFLUENCE GOVERNMENT OFFICIALS, AS HAS BEEN ALLEGED.
A HOUSE COMMITTEE WHICH HAS BEEN CONDUCTING A SIMILAR PROBE INTO ARMY UNIFORM PURCHASES REPORTED YESTERDAY THAT IT IS SATISFIED THERE HAVE BEEN NO IRREGULARITIES INVOLVED IN SUCH CONTRACTS.
THE SENATE GROUP PLANS TO START PUBLIC HEARINGS MONDAY. IN PREPARATION FOR THOSE SESSIONS THE SUBCOMMITTEE HAS BEEN QUESTIONING WITNESSES BEHIND CLOSED DOORS.
AT A PRIVATE MEETING YESTERDAY AFTERNOON THE SUBCOMMITTEE GOT THE TESTIMONY OF THREE OFFICIALS OF AUSTIN METAL PRODUCTS, INC., A DETROIT COMPANY WHICH PRODUCES AUTO PARTS. THEY APPEARED IN RESPONSE TO SUBPOENAS.
A FEW HOURS LATER MUNDT, A MEMBER OF THE SUBCOMMITTEE, TOLD REPORTERS:
"THEY TESTIFIED THEY GOT IN TOUCH WITH MARAGON TO SEE WHETHER HE COULD SPEED UP THE CONTRACT.
"THEY SAID MARAGON CALLED SOMEONE AT THE WHITE HOUSE AND GOT THEM AN APPOINTMENT WITH AN ARMY OFFICER WHO APPEARED TO BE AN ASSISTANT TO GENERAL VAUGHAN."
MAJ.GEN.HARRY H.VAUGHAN IS PRESIDENT TRUMAN'S MILITARY AIDE. MARAGON HAS SAID HE IS A GOOD FRIEND OF VAUGHAN.
"THEY SAID," MUNDT CONTINUED, "THAT THEY DISCUSSED THE CONTRACT WITH THIS ARMY OFFICER, AND THAT THE WHOLE THING HAD BEEN CLEARED UP AND THE CONTRACT RELEASED BY THE TIME THEY GOT BACK TO DETROIT."

A58WX
THE SUBCOMMITTEE QUESTIONED NICHOLAS K.P'SACHOS, DESCRIBED BY SENATOR HOEY (D-NC), THE SUBCOMMITTEE CHAIRMAN, AS "THE MOST IMPORTANT MEMBER" OF THE DETROIT FIRM; EDGAR ROGER SNYDER, VICE PRESIDENT AND GENERAL SALES MANAGER; AND HAROLD FREEDMAN, TREASURER.
HOEY SAID "THERE IS NO EVIDENCE THAT MARAGON WAS PAID ANYTHING" BY THE DETROITERS WHO OBTAINED THE ARMY CONTRACT LAST SPRING FOR A SUPPLY OF WINDSHIELDS.
"IN FACT," HOEY SAID, "THE EVIDENCE INDICATES HE WAS NOT PAID ANYTHING. APPARENTLY THE WHOLE THING WAS ON A BASIS OF FRIENDSHIP."
THE DETROITERS, HOEY SAID, WERE "CLEARLY ENTITLED TO THE CONTRACT." HE ADDED:
"THEY SUBMITTED THE LOWEST BID. THE ONLY BIDDERS WERE GENERAL MOTORS AND THIS COMPANY, AND THIS COMPANY'S BID WAS CONSIDERABLY UNDER GENERAL MOTORS'."
HOEY DISCLOSED THAT STATE DEPARTMENT RECORDS ON MARAGON WERE SUBPOENAED BY THE SUBCOMMITTEE LAST THURSDAY. HE SAID THE RECORDS ARE FROM THE DEPARTMENT'S OFFICE OF FOREIGN LIQUIDATION, WHICH HANDLED DISPOSAL OF GOVERNMENT SURPLUS PROPERTY ABROAD.
HOEY SAID MERELY THAT THE RECORDS WERE SUBPOENAED "FOR EXAMINATION." HE DECLINED TO ELABORATE.

IT IS KNOWN THAT THE SUBCOMMITTEE QUESTIONED MARAGON EXTENSIVELY LAST WEEK AS TO WHETHER HE EVER ATTEMPTED TO NEGOTIATE ANY DEALS FOR SURPLUS PROPERTY. HE TESTIFIED THAT HE ONCE TOOK TWO MEN WHO SOUGHT HIS AID TO THE NEW YORK OFFICE OF THE WAR ASSETS ADMINISTRATION.
MARAGON SAID THEY BOUGHT $30,000 WORTH OF MACHINERY AND LATER SOLD IT AT A $10,000 LOSS. HE SAID HE DID NOT GET A CENT OUT OF THE TRANSACTION.
VH644AED NM

WASHINGTON, AUG.6-(AP)-DELEGATE BARTLETT OF ALASKA SAID TODAY THAT $137,738,712 (M) IN PROPOSED MILITARY CONSTRUCTION IN ALASKA IS VIRTUALLY DEAD FOR THE PRESENT SESSION OF CONGRESS.
HE SAID CHAIRMAN VINSON (D-GA) OF THE HOUSE ARMED SERVICES COMMITTEE "SUDDENLY ANNOUNCED" THIS WEEK THAT NO ACTION WILL BE TAKEN THIS SESSION ON BILLSS TO AUTHORIZE $66,480,700 (M) FOR ARMY CONSTRUCTION IN THE TERRITORY, $25,164,000 (M) FOR NAVY, $38,430,800 (M) FOR AIRFORCE CONSTRUCTION AND $7,663,212 (M) FOR A PROGRAM OF THE ALASKA COMMUNICATIONS SYSTEM.
"REPERCUSSIONS FROM THE ACTION OF THE COMMITTEE CHAIRMAN," BARTLETT TOLD A REPORTER, "ALREADY REFLECT THAT THE 1950 CONSTRUCTION IN ALASKA WILL FIND ARMED SERVICES PUBLIC WORKS FOR DEFENSE OF THE NATION AT A COMPLETE STANDSTILL."
BARTLETT'S BILL FOR THE ALASKA COMMUNICATIONS SYSTEM WAS APPROVED BY THE COMMITTEE EARLIER THIS WEEK BUT VINSON SAID AT THE TIME NO FURTHER ACTION WOULD BE TAKEN ON IT AT THIS SESSION. THE OTHER ITEMS WERE CONTAINED IN A GENERAL DEFENSE PUBLIC WORKS PROGRAM TOTALING $613,800,000 (M).
BARTLETT SAID HE HAS BEEN UNABLE TO LEARN WHAT LED TO THE DECISION OF THE COMMITTEE CHAIRMAN BUT ADDED, "IT WAS APPARENTLY MADE IN HIGH QUARTERS."
THE BILL FROM THE COMMUNICATIONS SYSTEM CONTAINS THESE CONSTRUCTION PROJECTS:
ADAK $175,000 (T); ANCHORAGE $800,900 (T); ANCHORAGE-FAIRBANKS (POINT BETWEEN) $175,000 (T); ANCHORAGE-FAIRBANKS (THREE POINTS BETWEEN), $545,550 (T); BETHEL, $20,000 (T); BIG DELTA $354,579 (T); CATHEDRAL BLUFFS, $350,684 (T); CAPE FANSHOW, $175,000 (T); CORDOVA, $28,400 (T); EIELSON FIELD, $307,255 (T); FAIRBANKS, $1,407,220 (M); HAINES, $60,500 (T); JUNEAU $233,340 (T); KOTZEBUE, $30,000 (T); LENA POINTA, $149,900 (T); MILE 33, $46,400 (T); MITCHELL POINT, $175,000 (T); NARROW POINT, $175,000 (T); PORTAGE, $100,000 (T); SKAGWAY, $91,900 (T); THANE, $175,000; KETCHIKAN, $157,800 (T); PETERSBURG, $74,400; KODIAK, $12,580 (T); SEATTLE, $436,500 (T); NOME, $2389,-000 (T); NORTHWAY, $377,204 (T), AND POINT AGASSIZ, $175,000 (T).
THE COMMUNICATIONS PROGRAM INCLUDES FAMILY HOUSING AND BUILDINGS FOR EQUIPMENT AND OPERATION AT THE VARIOUS POINTS. IT IS PART OF A FIVE-YEAR PROGRAM STARTED LAST YEAR TO REPLACE TEMPORARY WARTIME CONSTRUCTION WITH PERMANENT BUILDINGS. THE TOTAL COST OF THE FIVE-YEAR PROGRAM

CONSTRUCTION WITH PERMANENT BUILDINGS. THE TOTAL COST OF THE FIVE-YEAR PROGRAM IS ESTIMATED AT $16,800,000 (M).
VH502AED

WASHINGTON,AUG.6-(AP)-FOLLOWING IS THE TEXT OF A STATEMENT ISSUED TODAY BY JAMES V.HUNT, WARTIME LIEUTENANT COLONEL WHOSE ACTIVITIES AS A MANAGEMENT COUNSELOR ARE BEING INVESTIGATED IN THE "FIVE PER CENTER" PROBE: (350)

I HAVE INSTRUCTED MY LAWYERS TO FILE SUIT AGAINST THE NEW YORK HERALD TRIBUNE. THEIR IRRESPONSIBLE HALF-TRUTHS HAVE GONE A LONG WAY TOWARD RUINING MY BUSINESS.

CORPORATIONS LIKE GENERAL MOTORS, U.S.STEEL, BETHLEHEM STEEL, PAN AMERICAN AIRWAYS, ETC., CAN AFFORD TO SPEND MILLIONS ON WASHINGTON REPRESENTATION. THEY MAINTAIN STAFFS COMPETENT TO ASSURE A STEADY FLOW OF GOVERNMENT CONTRACTS. THE SMALL BUSINESS MAN, THE KIND I REPRESENT, CANNOT AFFORD EVEN ONE FULL TIME WASHINGTON MAN. I ORIGINALLY THOUGHT (X) GRINDLE WAS SUCH A BUSINESS MAN, NOT A STOOGE FOR A PAPER OUT TO GET A PULITZER PRIZE BY THE MOST VICIOUS KINDS OF INNUENDO.

THE NEW YORK HERALD TRIBUNE RAN A 23 COLUMN STORY ABOUT ME ON JUNE 21, WITHOUT MAKING ANY ATTEMPT TO CHECK THE FACTS WITH ME FIRST. THEY HAVE CONTINUED THE SAME TACTICS EVER SINCE.

WHILE THIS STORY AND SUBSEQUENT DEVELOPMENTS HAVE BEEN WIDELY REPORTED IN THE PRESS, IT IS SIGNIFICANT TO ME THAT NOT ONE OTHER NEWSPAPER IN THE UNITED STATES HAS FOLLOWED THE HERALD TRIBUNE'S PRACTICE OF MALICIOUS DISTORTION.

THE SENATE INVESTIGATIONS SUBCOMMITTEE, NATURALLY AROUSED BY THE SENSATIONALISM OF THE ORIGINAL HERALD TRIBUNE STORY, HAS HAD TWO ATTORNEYS AND 16 INVESTIGATORS GOING OVER MY AFFAIRS FOR MORE THAN SIX WEEKS. THEY HAVE NOT EVEN SUGGESTED THAT ANYTHING HAS BEEN FOUND WHICH WOULD WARRANT ANY CHARGE AGAINST ME. BUT, TYPICALLY, ON JULY 24 THE HERALD TRIBUNE SAID IN INCH HIGH HEADLINES ON PAGE ONE "HUNT'S DIARY MAY BE CENSORED IN PUBLICATION TO AVOID SMEARS." BURIED IN THE SAME STORY ON AN INSIDE PAGE WAS A DIRECT QUOTE FROM A SENATE SOURCE THAT THIS OFFICE DIARY "CONTAINS NOTHING THAT INCRIMINATES ANYONE."

WHEN THE SUBCOMMITTEE IS READY TO RELEASE THIS DIARY TO THE PRESS, IT WILL BE QUITE APPARENT THAT THE WHOLE TISSUE OF HALF-TRUTHS, BUILT UP BY THE HERALD TRIBUNE ADDS UP TO AXACTLY NOTHING AT ALL.

ONLY LAST THURSDAY THEY RAN A STORY ABOUT MATCH FOLDERS. BY MALICIOUS DISTORTION AND HALF-TRUTHS, THEY GIVE THE IMPRESSION THAT I ORDERED THOSE MATCHES FOR MY OWN USE, TO IMPRESS PROSPECTIVE CLIENTS. THAT IS A LIE. THEIR WASHINGTON STAFF KNOWS IT IS A LIE. THE FIRST ORDER OF THE MATCHES WAS DELIVERED TO THE PRESIDENTIAL CAMPAIGN TRAIN IN JUNE, 1948. IN NOVEMBER, 1948, GEN.VAUGHAN'S OFFICE REQUESTED MORE, WHICH WERE ORDERED AND DELIVERED TO THE WHITE HOUSE.

THE ORIGINAL LIE THEY PRINTED TWO COLUMNS WIDE ON PAGE ONE, WITH A PICTURE. A DAY LATER, THE CORRECTION GOT HALF AS MUCH SPACE, AND OF COURSE NO PICTURE.

THE WHOLE MATCH STORY IS COMPLETELY RIDICULOUS, EXCEPT AS AN EXAMPLE THE LENGTHS TO WHICH THIS NEWSPAPER HAS GONE IN ITS CAMPAIGN OF CHEAP SENSATIONALISM. EVERYONE KNOWS THEIR CIRCULATION AND ADVERTISING REVENUES HAVE BEEN SLIPPING. THIS PSEUDO-CRUSADE IS OBVIOUSLY DESIGNED TO RECAPTURE THEIR VANISHING JOURNALISTIC PRESTIGE.

(END TEXT)

--DASH--

(X) PAUL GRINDLE,, PRESIDENT OF A FRAMINGHAM, MASS., FURNITURE FACTORY WHO SAID HE GAVE HUNT A $1,000 FEE FOR HELP IN OBTAINING GOVERNMENT CONTRACTS. GRINDLE, A FORMER HERALD TRIBUNE REPORTER, SAID HUNT IMPLIED HE HAD INFLUENCE WITH WASHINGTON OFFICIALS.

LT352PED

NEW YORK, AUG.6-(AP)-FIVE PAGES WERE MISSING FROM A DOCUMENT INTRODUCED SEVERAL WEEKS AGO BY THE GOVERNMENT AT THE RED CONSPIRACY TRIAL, A MISSOURI COMMUNIST TESTIFIED YESTERDAY.

ROBERT MANEWITZ, OF ST.LOUIS, SAID THE MISSING PAGES DEALT WITH HOW THE COMMUNIST PARTY SEEKS TO ACHIEVE SOCIALISM IN AMERICA BY PEACEFUL MEANS.

THE DOCUMENT, A STUDY OUTLINE ISSUED BY THE PARTY'S NATIONAL EDUCATION COMMITTEE, WAS PRODUCED IN THE TRIAL BY THOMAS A. YOUNGLOVE, A ST. LOUIS FBI INFORMANT.

THE DEFENSE INTRODUCED ITS OWN COPY OF THE OUTLINE, INCLUDING THE FIVE PAGES.

MANEWITZ, MEMBER OF THE PARTY'S MISSOURI STATE BOARD, DISPUTED YOUNGLOVE'S TESTIMONY THAT U.S. COMMUNISTS WOULD SABOTAGE AMERICAN WAR EFFORT IN EVENT OF A CONFLICT WITH RUSSIA.

YOUNGLOVE HAD SAID THIS POLICY WAS TAUGHT AT A SCHOOL IN ST. LOUIS IN THE FALL OF 1946, BUT MANEWITZ, WHO SAID HE WAS A TEACHER AT THE SCHOOL, SAID NO SUCH IDEA WAS ADVANCED.

MANEWITZ RETURNS TO THE STAND MONDAY IN THE TRIAL IN WHICH 11 TOP RED LEADERS ARE ACCUSED OF ADVOCATING THE FORCIBLE OVERTHROW OF THE GOVERNMENT.

SJ637AED

WASHINGTON,AUG. 6-(AP)-IT COST U.S. TAXPAYERS $144,757,893 LAST YEAR TO BELONG TO INTERNATIONAL ORGANIZATIONS--THE GREATER PART FOR REFUGEE AND CHILD AID.

TEN YEARS AGO, THE BILL WAS $835,590.

THE FIGURES WERE MADE PUBLIC TODAY BY SENATOR O'CONOR (D-MD) WHO HEADS A SENATE EXPENDITURES SUBCOMMITTEE ON RELATIONS WITH INTERNATIONAL ORGANIZATIONS.

THE SENATOR SAID THE STATE DEPARTMENT IS DOING ALL IT CAN TO CUT DOWN ON WORLD-WIDE GROUPS TO WHICH WE BELONG OR CONTRIBUTE.

ALREADY THIS YEAR, HE SAID IN A STATEMENT, THIS GOVERNMENT HAS HELPED END OR CONSOLIDATE A NUMBER OF INTERNATIONAL BODIES AND HAS HEADED OFF NEW ONES.

DURING THE 12 MONTHS ENDED JUNE 30, THE UNITED STATES PARTICIPATED IN 47 INTERNATIONAL ORGANIZATIONS. IT BELONGED TO 23 TEN YEARS AGO.

O'CONOR BROKE DOWN THE $144,757,893 EXPENSE ACCOUNT FOR THE 1949 FISCAL YEAR THIS WAY:

ACTUAL CONTRIBUTIONS TO INTERNATIONAL GROUPS, $128,734,489; COST OF U.S. MISSIONS TO THE SEAT OF INTERNATIONAL ORGANIZATIONS AND THE COST OF U.S. PARTICIPATION IN MEETINGS, $3,418,691; REPRESENTATION AT OCCASIONAL MEETINGS AND SPECIAL ASSIGNMENTS, $1,138,779; ADVANCED TO THE UNITED NATIONS TOWARD THE $65,000,000 BUILDING LOAN, $11,465,934.

O'CONOR NOTED THAT $104,135,420 WAS DEVOTED TO PARTICIPATION IN EMERGENCY AGENCIES AND PROJECT. FOR EXAMPLE, $70,643,728 WENT TO THE INTERNATIONAL REFUGEE ORGANIZATION, AND $25,491,692 WENT TO THE UNITED NATIONS INTERNATIONAL CHILDREN'S EMERGENCY FUND.

THE SUBCOMMITTEE HOPES, HE SAID, THAT WORLD CONDITIONS WILL IMPROVE SO AS TO END THE NEED FOR EMERGENCY EXPENDITURES "IN THENOT TOO DISTANT FUTURE."

DURING 1949, HE SAID, THE INTER-AMERICAN COMMISSION OF WOMEN AND THE INTER-AMERICAN ECONOMIC AND SOCIAL COUNCIL WERE MERGED INTO THE PAN AMERICAN UNION; THE INTERNATIONAL OFFICE OF PUBLIC HEALTH WAS ABSORBED BY THE WORLD HEALTH ORGANIZATION; THE COMBINED SIAMESE RICE COMMISSION AND THE INTER-AMERICAN COFFEE BOARD FOLDED UP; AND THE INTERNATIONAL STATISTICAL BUREAU WAS REORGANIZED AS A NON-GOVERNMENTAL ORGANIZATION.

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TALKS OPEN TODAY ON U. S. OF EUROPE

J DYKEMA

STRASBOURG, France, Aug. 7.—(AP) Winston Churchill of Britain, Edouard Herriot of France and Paul-Henri Spaak of Belgium were mentioned today among the possibilities for first president of the Consultative Assembly of the Council of Europe.

Ministers from 10 European countries meet here tomorrow to launch the organization which may eventually produce a United States of Europe. The ten will form a committee of ministers of the Council of Europe and will meet for about a week.

Has 87 Members

The consultative Assembly, made up of 87 members, will hold its first meeting Wednesday. It is expected to be in session about a month.

Churchill, Britain's war-time prime minister, long has been an advocate of European union. Herriot is a veteran French statesman. Spaak is premier and foreign minister in a Belgian cabinet which resigned but assumed a caretaker status during the current crisis over whether exiled King Leopold should regain his throne.

The influx into Strasbourg, where a severe housing shortage already exists, started today. By tomorrow about 700 persons who have official duties in connection with the council and 300 newspapermen are expected.

One of the first items of business to come before the committee of ministers is due to be the admission of Greece and Turkey. Their applications are expected to be approved without delay. The charter members are Britain, France, Belgium, the Netherlands, Luxembourg, Sweden, Norway, Denmark, Italy and Ireland.

Will Write Agenda

The committee will prepare the way for the Consultative Assembly by deciding what questions should be taken up for discussion. Among items on the list are:

A proposed European passport, good for travel in all countries belonging to the council; a European charter of civil rights and possibly a European supreme court to enforce it; a European public works program, including the long-discussed underwater tunnel between France and England; a joint European patent system, and various procedural questions on the operation of the council.

The council can discuss and recommend action by the member governments, but can take no binding action itself. Public opinion is the only weapon by which it can force member governments to accede to its decisions. It cannot discuss military questions.

High Hope For Success

Many European statesmen entertain high hopes for it, however.

Georges Bidault, former French foreign minister, said in Paris upon leaving for Strasbourg today:

"We are at the beginning of a great attempt. On its success depends a large part of the security of the present generation, and even the independence and greatness of the countries which have decided to unite.

"In other times, this great novelty, which has no precedent in the history of our continent, would have been received as revolutionary. It is a sign of the new times that it appears so natural to public opinion today that no one is astonished."

On the other hand Gen. Charles De Gaulle's French People's Party criticised the council as a mere ambassadors conference and "just another fiction." ADD

STAFF CHIEFS HIT BY WEST GERMAN POLITICAL HEADS

BRACKCUFF

FRANKFURT, Germany, Aug. 7—(AP) The U. S. joint chiefs of staff came under attack today by West German political leaders.

Dr. Konrad Adenauer, chairman of the powerful Christian Democrats, and Communist Chief Max Reimann assailed the American military chiefs in campaign addresses. The U. S. Army, Navy and Air Force chiefs visited western Germany last week on their tour of Europe to exchange ideas with Atlantic Pact chiefs of staff.

"Never again do we want to hear such talks on our soil," shouted Reimann before a crowd of 8,000 in Stuttgart.

Dr. Adenauer, speaking before 2,000 persons in Bonn, said:

Says Arms Taken

"If three American armed forces chiefs travel through western defense lines against the east, they have to listen to the opinion of the people who live in that territory.

"They took our arms from us, so they have the duty to defend these 45,000,000 people."

The drive for votes in Germany's first federal election since Hitler entered its final week today. On Aug. 14 the Germans will name the parliament of the new West German Federal Republic.

Today's speeches followed the familiar pattern of slashing assaults on the allies and only casual mention of domestic issues.

Hits Denazification

Adenauer called denazification "ridiculous" and demanded that the "libelous attacks" against what he called the honest members of the former Wehrmacht stop.

"The foreigners have to understand that the period of the collapse, and the unrestricted domination of the allies, is finished with the formation of the federal government," he said.

"The Germans have the same right to be national as other peoples. Germans should not behave like dumb dogs but must say what they think."

In Nuernberg, the fiery socialist leader, Dr. Kurt Schumacher, charged that the allies have relied mainly on former Nazis to run German affairs under the occupation.

U. S. STAFF CHIEFS TO RETURN TODAY

G R HODEN FIGD

VIENNA, Austria, Aug., 7—(AP) The United States joint chiefs-of-staff, paying a brief visit to American occupations officials here, dined tonight with top Austrian government leaders.

The three chiefs-of-staff will fly back to Washington tomorrow afternoon, after a 10-day survey of western European defense needs.

Signs along the Tullan-Vienna highway criticized the presence of the American military leaders but there were no demonstrations by communists or any other critics in Vienna.

Reds Decline

Austrian leaders who met the Americans included Chancellor Leopold Figl, Foreign Minister Karl Gruber and Interior Minister Oskar Helmer. The Russian high commissioner and his deputy were invited but sent regrets. Lt. Gen. Geoffrey Keyes, U. S. high commissioner to Austria, was host.

No formal talks are scheduled with Austrian political or military leaders because Austria is not one of the nations which signed the Atlantic Pact. Despite this fact and denials by various American sources that the U. S. is trying to bring Austria into the treaty, communists here have been insisting the government is trying to sell Austria out to American "imperialists and warmongers."

The three U. S. military leaders flew in from Paris today to Tullan, American base 15 miles from Vienna in the Russian-occupation zone, in President Truman's plane, the Independence. They are Gen. Omar N. Bradley, chief-of-staff for the Army; Adm. Louis Denfield, Navy chief of operations; and Gen. Hoyt Vandenberg, Air Force chief.

Some of the critical signs along the Tullan-Vienna highway, which American authorities said probably were painted by communists last night, read:

"Out with the American warmongers."

"Austrian boys will not fight for you."

"Bradely go home. No job for you in Austria."

The Soviet newspaper Oesterreichische Zeitung said the American high command was in Europe "to inspect cannon fodder and get rid of surplus war-material."

The staff chiefs have no conferences scheduled with Austrian Government leaders. Austria is not a member of the North Atlantic alliance.

Some top Austrian officials, however, attended a cocktail party and dinner given tonight by Lieut. Gen. Geoffrey Keys, American High Commissioner to Austria.

Austrian leaders who met the Americans included Chancellor Leopold Figl; Karl Gruber, Foreign Minister, and Oskar Helmer, Interior Minister. The Russian High Commissioner and his deputy were invited but sent regrets.

Tribute To Unknown Soldier

Before leaving Paris, the staff chiefs laid a huge wreath of yellow roses and blue asters on the tomb of the French Unknown Soldier at the Arch of Triumph. David K. E. Bruce, United States ambassador, and high French officers attended. A French army band played the two national anthems.

Briefings on the United States Army of Occupation in Austria were arranged for the chiefs, who are flying back to Washington tomorrow. They will not visit the United States occupation zone.

General Vandenberg said the group had had a fine exchange of ideas with the chiefs of staff of the Atlantic treaty nations during their visits to Frankfurt, London and Paris.

Talks Avoid Strategic Issue

He said there was no discussion of military assistance in any form nor any discussion of the strategic concept of the treaty.

For General Gruenther today's visit marked a sort of homecoming. He was Gen. Mark W. Clark's chief of staff when the American occupation of Vienna began in September, 1945. ADD

2 Italian Labor Groups Join Against Communists

Rome, Aug. 7 (AP)—Italy's two anti-Communist labor unions are planning to unite forces against the big leftist-led General confederation of labor (CGIL).

Leaders of the Free Labor Confederation (LCGIL) and the independent Italian Labor Federation (FIL) met here yesterday to map the unification, it was announced. They hope to achieve unity within a year.

Together, the two unions represent some 3,000,00 workers. CGIL has 5,000,000 to 6,000,000.

POLISH PEOPLE FETE PRIMATE

AUG 8 1949

Churches Praise Archbishop On 25th Anniversary

L. ALLEN

Warsaw, Poland, Aug. 7 (AP)—Catholic churches throughout Poland celebrated today the Twenty-fifth anniversary of the ordination of Archbishop Stefan Wesyznski, the Polish Primate.

The churches were packed.

Parishioners of at least one priest were urged in a sermon to "pray for the Pope and the nation."

[Most Poles are Catholics. Their Government is run by Communists. A Vatican decree July 13 ordered the excommunication of Catholics who are militant Communists.]

"We Fully Realize . . ."

"We meet with so many attempts to discredit the priests and the Pope," said this priest, who may not be identified by name because authorities might regard his sermon as hostile. "We fully realize where such accusations come from and why and who is spreading them.

"We are told we are not patriotic.

"Who proved their patriotism better than we Catholic priests durinng the German occupation when our priests were ordered to cease religious practices, when they were told to speak against all that is holy?

"We are accused of practicing politics and using pulpits for political purposes. We were not sent here to play politics. That is not why the church was established.'

Press Praises Decree

Editorials in the Polish press praised a seventeen-article decree newly passed by the Government ordering penalties up to death for anyone violating a citizen's "freedom of conscience."

Among other things it provides: "He who misuses the freedom of creed by refusing to let another person participate in religious ceremonies because of political, social or scientific activities or opinions is liable to imprisonment up to five years."

The *Trybuna Ludu*, organ of the United Workers (Communist) party, said: "The decree puts an end to the assumption of a lack of religious freedom in Poland. It opposes the intentions of all who tried to thwart such freedom or abused it."

Spanish Prelate Sees Cause Of War In East

Seville, Spain, Aug. 7 (AP)—Pedro Cardinal Seguray Saenz, archbishop of Seville, today said Communist persecution of Catholics in Eastern Europe should be considered a cause for war.

Speaking to a gathering in front of his palace, the prelate said the Western powers must regard the cases of Josef Cardinal Mindszenty and other Catholic leaders in Communist countries as *casus belli* (a cause of war).

Berlin Lovelorn Ads As Usual

AUG 8 1949

Berlin, Aug. 7 (AP)—Soviet-licensed newspapers in east Berlin published voluminous marriage advertisements as usual today without a hint of Russian displeasure.

Imposition of a ban similar to Czechoslovakia's would mean a severe loss of revenue for Communist newspapers.

REBELS BEATEN BACK, GREEK ARMY REPORTS

ATHENS, Aug. 7 — (AP) The Greek army today reported it is driving communist guerrilla forces out of fortified positions in a "successful series of engagements" opening the new offensive in the Grammos mountains.

The communique said 35 Greek soldiers were killed and 179 wounded by bitterly resisting guerrillas fighting from bases behind minefields. The army put guerrilla losses at 35 killed and 16 captured or surrendered, without mentioning any wounded.

The announcement said the toughest action is taking place in the Pyrsoyanni and northern Grammos areas, both east of Konitsa.

The Athens press was restricted to publication of the general staff communique without comment or detailed reporting from any other source.

Answer By Guerrillas

London, Aug. 7 (AP)—The Moscow radio today quoted Greek Communist guerrilla claims the Greek army had used artillery on its own men to halt a retreat in the Grammos Mountains battle.

The radio quoted a guerrilla broadcast, picked up in Prague, Czechoslovakia, to this effect:

"The enemy made an attempt to halt the withdrawal . . . and opened artillery fire on his own retreating troops, inflicting losses."

The guerrilla communiqué claimed Government troops were repulsed in three heavy attacks on western Mount Grammos Thursday and forced to retreat.

Synagogue Bombing Toll At Damascus Rises To 11

Damascus, Syria, Aug. 7 (AP)—The death toll from the synagogue bombing here Friday night rose today to eleven. Six persons were killed in the blast and the Government announced the death of five others from injuries.

Under orders from President Husni Zaim to get those responsible, police arrested many persons for questioning.

Informed non-Syrian sources said the Government feared the terrorist attack might disrupt the Arab-Israeli peace conference in Lausanne and was determined to make a quick cleanup.

Czechs Bar Marriage Ads, Call Them 'Capitalistic'

PRAGUE, Czechoslovakia, Aug. 7 —(AP) Marriage advertisements have been banned from Czechoslovakia's newspapers because they "made marriage a capitalistic business transaction," the Communist organ Rude Pravo said today.

But, ban or no ban, some lonely hearts are finding ways of meeting by employing such ruses as advertising for housekeepers, the paper added.

Not only has this got to stop, Rude Pravo asserted, but the next thing to be euminated will be the marriage bureau, where mates are selected from photographs.

"It seems," said Rude Pravo, "that not everbody is satisfied with the elimination of marriage advertisements. Editors keep getting letters from men as well as women complaining that now they have no chance to obtain mates.

"Now we think marriage is too serious a thing to be negotiated by advertisement. When the Soviet people heard about our marriage advertisements they were astonished that anyone could look for a partner or offer himself in this manner. This was a capitalistic practice which made a business transaction of marriage. Unfortunately some still get into the papers veiled as advertisements asking for or offering to become a 'housekeeper.'

"Another evil still existing here are marriage bureaus where doctors, directors or rich pensioners (factory owners have lost their attraction) on the one hand or women with suitable dowries, widows with furniture apply. They are given series of photographs from which to choose a partner. We can't correct everything at once, so this "free business" is still going on. But in our new society it has no right to exist and we shall do away with it."

BERLIN, Aug. 7 — (AP) Soviet-licensed newspapers in east Berlin published voluminous marriage advertisements as usual today, without a hint of Russian displeasure. Imposition of a ban similar to Czechoslovakia's would mean a severe loss of revenue for Communist newspaper managements and probably increase the demand for advertising space in anti-Communist west Berlin dailies.

Now the approved place for love to bloom and hearts to beat in true Marxist-Lenin tune is in the 'volunteer" work brigade, which hustles folks into the harvest fields and onto other work projects for the "new democratic society."

This was the suggestion of CSM (the Communist-led youth front), which said that not only could romance blossom but folks could also contribute some real work to the reconstruction of the "people's democratic republic."

Iran Premier Charges Allies Broke Promises Made at Tehran

TEHRAN, Iran, Aug. 7 — (AP) Premier Maraghei Mohammed Saed declared in an interview today the United States, Russia and Britain have not lived up to their promises in the Tehran declaration of 1943 to help Iran.

He said the United States had given no positive reply to an appeal for 200,000 tons of wheat to avert a threatened famine and, in the present situation, "200,000 tons of wheat is more valuable than 200,000 field guns."

Asked U. S. Loan

At the same time Foreign Minister Ali Asghar Hekmat told a news conference Iran has asked the United States for $129,000,000 under President Truman's proposals to aid in the development of backward areas.

He said this was the immediate urgent minimum need for agriculture, industry, health and education in Iran.

Meanwhile, Iran and Hashemite Jordan (Trans-Jordan) announced in a joint communique they have reached a complete understanding concerning political, economic and trade relations. Informed sources said the understanding probably will be formalized later in a signed treaty. The communique was issued as King Abdullah prepared to end his 12-day official visit here.

The communique said the two countries will cooperate in solving "differences between Islamic (Moslem) countries by friendly and peaceful means."

U. S. Furnishes War Surplus

Premier Saed declared in the interview that the only actual post-war help furnished Iran by the United States was the sale of arms and ammunition and that Iran was paying for that.

The U. S. has a small military mission here and is furnishing about $100,000,000 worth of surplus war supplies under a $26,000,000 loan agreement.

The premier added that he had approached the U. S. last year in a "friendly manner" requesting 200,000 tons of wheat this summer because of a food shortage and promising payment by installment or repayment in wheat later.

He said the United States treated the request "purely as a business proposition, not as an economic or political question as we expected."

He said Iran needed immediate food supplies to avert serious famine this coming winter because of poor crops, and because famine leads to panic, fear and anarchy.

Foreign Minister Hekmat said Iran's war-time allies, contrary to their promises, had furnished no effective economic help thus far. Russia, he said, not only had not helped, but still owes Iran a war-time debt of about 12 tons of gold and $19,000,000.

In the Tehran declaration of December, 1943, Britain, the United States and Russia recognized Iran's aid in the war effort and agreed that "any economic problem confronting Iran at the close of hostilities should receive full consideration along with those of other members of the United Nations by conferences of international agencies held or created to deal with international economic matters."

Saed said Iran was not aware of any present aggressive intentions on the part of Russia but was determined, if necessary, to defend her independence.

At present, he added, the danger of famine is greater than the danger of invasion.

Orthodox Denial Of Communist Ban

Istanbul, Turkey, Aug. 7 (AP)—High-ranking officials of the Orthodox Church today termed absurd a report that Patriarch Athena Coras had decided to excommunicate Orthodox Church members who support Communism.

The question came up in Moscow yesterday when Moscow Patriarch Alexei said in the course of a newspaper statement that no conflict exists between loyalty to the Soviet Union and loyalty to his church.

The statement was made in reply to questions put by a British journalist earlier.

Alexei was asked if he knew of a reported decision by Athenagoras, titular head of the Orthodox faith, to turn out of the church any who supported communism.

Alexei's reply, as printed in *Izvestia*, said: "On a decision of the Patriarch to issue such an order, there is nothing known to me and to the Synod of the Russian Orthodox Church" (an independent branch of the Greek Orthodox Church).

"In addition, we and the Synod do not permit the thought that from the side of the Orthodox Patriarch there could be such a decision which basically contradicts the basic principles of the Orthodox Christian faith."

odist missionary. Dr. Sherwood Eddy is an International Y.M.C.A. leader.]

At the same time, an article by Prof. I. N. Zhabatin in the *Orthodox Church Journal* declared "orthodoxy is the symbol of the struggle for peace in the whole world; catholicism is the banner of war."

The article said the Vatican was trying to take advantage of the Soviet rift with Premier Marshal Tito of Yugoslavia to "ruin the brotherly ties between the peoples of one faith."

[The Serbian Orthodox Church is the major faith in Yugoslavia.]

RUSSIANS RUSH HISTORY ORDER

Four 'Musts' On World War II Listed For Historians

Moscow, Aug. 7 (AP)—The magazine *Problems of History* has called on Soviet historians to produce, in the "shortest possible time," a history of World War II.

They are urged to "unmask any and all falsifiers of history."

The magazine said the historians must:

1. Show in all its scope the decisive role in the war of the U.S.S.R. and its armed forces.
2. The world-historical liberating role of the Soviet Union.
3. Soviet aid to the peoples under the yoke of fascism.
4. Reveal the "consistent honorable policy in relations among the allies of the anti-Hitlerite coalition and, on the contrary, the treacherous, egoistic and betraying policy of the Anglo-American imperialists in the war."

Excommunication Dictated By Myron Taylor, Reds Say

Moscow, Aug. 7 (AP)—Russia's *Literary Gazette* declared today that the Pope's decree excommunicating Communists and their supporters was dictated by Myron C. Taylor, President Truman's emissary to the Vatican.

The charge was contained in an article by Boris Zhirmov titled "Vatican Threatens Peace Supporters." It said also that there is a close connection between General MacArthur's administration in Japan and the papacy's plans to spread Christianity.

Zhirmov said the Japanese Christian leader, Toyohiko Kagawa, aspires to become Premier of Japan and during the last year spent 193 sleepless nights reading "Sherwood Eddy, Stanley Jones and other well-known Catholic missionaries."

[Dr. E. Stanley Jones is a Meth-

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CHINESE REDS FIGHT REBELS

AUG 8 1949

S. TOPPING

Deploy Troops As Guerrillas Spring Up Behind Lines

Nanking, China, Aug. 7 (AP)—The Chinese Communists are mobilizing to fight widespread guerrilla resistance that extends behind their lines from Manchuria into South China.

Thousands of Communist troops are reliably reported being moved north to augment Manchurian and North China garrisons. Their mission is to suppress guerrillas and dissidents opposing Communist officials in the countryside.

An editorial published in Nanking today by the official Communist New China News Agency calls for mobilization of large numbers of political workers and students to co-operate with the army in putting down "special bandits in liberated areas who are backed by Kuomintang — Nationalist — reactionaries and American imperialists." The editorial calls this an all-important campaign that must be given top priority.

Police Battle Underground

The police also are cracking down hard on the active underground in recently occupied cities. Hundreds have been rounded up in cities like Shanghai.

One highly placed Communist official said Nationalist agents in some cases had infiltrated into the rapidly expanding Communist party. He said these agents often posed to Left-wing extremists and thus sabotaged Communist government policies.

Neutral military observers do not regard the guerrilla movement as posing any immediate counter-revolutionary threat to the Red regime. They believe it is not coordinated by the Nationalists but is more of a localized resistance to the Communist tax collectors and to the Communist regime.

Extensive In Honan Province

These observers emphasize, however, that the Nationalists never were able to overcome a similar problem and that it is one the Communists must whip if they are to consolidate control of China.

While guerrilla resistance is officially acknowledged in Manchuria and several provinces of China proper, the most extensive resistance movement admitted by the Communists is in Honan Province. (This province is in North-Central China just south of the Yellow River.)

The Communist government of Honan two months ago began a six-month campaign against guerrillas.

The New China News Agency reports that so far it has inflicted 78,000 casualties on the guerrillas and captured huge stocks of war materials, including artillery.

Trade Pact With Soviet Protested

S. MOOSA

AUG 8 1949

Canton, China, Aug. 7 (AP)—The Chinese Nationalist Government strongly protested to Russia today against the recently announced Soviet trade pact with Communist Manchuria.

A note handed to Vladimir Vaskov, Soviet charge d'affaires, by George Yeh, acting Foreign Minister, charged the trade agreement violated the Russian-Chinese treaty of 1945. It said the Russian Government would be held responsible for all consequences.

The 1945 treaty gave Russia special privileges in Manchuria, but recognized Nationalist sovereignty over that huge northeast territory. Today's note said that under it Russia agreed to give support and aid solely to the Nationalist Government.

Violations Alleged

Yeh recalled that on August 25, 1948, the Nationalist Government had called Russia's attention to instances of asserted nonfulfillment and violation of obligations of the 1945 treaty. He said the new one-year trade agreement was a derogation of National sovereignty over Manchuria and was made with a "rebelious group attempting to overthrow by force the National Government of China."

[The Chinese Communist radio in Peiping reported the people of Manchuria were hailing the trade agreement in a series of rallies.

[The broadcast, heard in San Francisco by the Associated Press, quoted one speaker at a Mukden factory meeting as saying that under Nationalist rule, "large quantities of northeast soyabeans were sent to America in exchange for plastic belts and raincoats, but at present our soyabeans are sent to the Soviet Union in exchange for machinery to help our industrial construction.

"Our Good Friend"

["This proves that the Soviet Union is our good friend."

[Another Red broadcast said Manchuria was preparing to celebrate the Japanese surrender anniversary August 15. Quoting a directive of the Manchurian regime and the Manchurian Communist party, it attributed the Japanese defeat entirely to the Communists and to Soviet aid. It repeated approvingly the statement of Mao Tze-tung, Communist chairman:

["Internationally we belong to the anti-imperialist front headed by the Soviet Union and we can only look for genuine friendly aid from that front and not from the imperialist front."]

CHIANG, RHEE ASK PACT FOR PACIFIC

CHINHAE, Korea, (Monday), Aug. 8 — (AP) Chinese Generalissimo Chiang Kai-shek and Korean President Syngman Rhee today asked for a conference of Asian powers to frame a Pacific pact against communism.

The leaders of Nationalist China and the South Korean republic requested Philippine President Elpidio Quirino call the conference. In a joint statement, they said:

"We are strongly of the opinion that countries of the Pacific in general and far eastern countries in particular are facing a greater danger from international communism today than any other part of the world."

The request for the Pacific conference came as news dispatches from Manila and Washington indicated Quirino plans to drop Chiang and his nationalist regime from any Pacific allance.

Quirino is on his way to Washington to visit President Truman. The original foundation for a Pacific pact was laid last month by Chiang and Quirino. The Chinese nationalist flew to the Philippines for the talks. He flew here last week to confer with Rhee. AP

GOP Offers to Write Strong China Policy On Bipartisan Basis

AUG 8 1949

MARTIN ATTACKS WHITE PAPER AS 'ORIENTAL MUNICH'

J. HIGHTOWER

Republican Leader Warns of Danger in Maintaining Present View

KOO HITS REPORT

Ambassador Says Acheson Did Not Give Chinese Side of Situation

AUG 8 1949

WASHINGTON, Aug. 7 (AP) A Republican offer to work out a strong China policy for this government on a bipartisan basis was extended today to the administration.

It came through Rep. Joseph W. Martin of Massachusetts, House GOP leader and former speaker. He said it was the feeling of "most Republicans."

It followed close on a China pronouncement by Senator Vandenberg (R-Mich), GOP foreign policy leader, which showed his thinking on China paralleled in important ways that of Secretary of State Acheson.

Koo Hits Report

Two-party cooperation in foreign policy in meeting the Red menace in Europe has not extended to China.

The State department's publication of the China "white paper" on Friday was characterized, meanwhile, by Chinese Ambassador V. K. Wellington Koo as "an unusual step, especially at this time when my country is engaged in a desperate struggle to check the communist aggression and to preserve her independence as a nation."

It was the first official reaction from nationalist government representatives here to the diplomatic summary of U. S.-Chinese relations. Observers said it was probably unprecedented in the severity of its criticism of the Chinese government, a friendly nation.

"The big volume represents mostly the American view of the picture," Dr. Koo said in a statement. "There is, of course, a Chinese side to it. The Chinese government is studying its contents and will express its view."

Commenting that errors of judgment were not confined to China alone, Dr. Koo said he was glad that Secretary of State Acheson does not take a pessimistic view of the situation in China.

"I am glad that a new and constructive American policy is now under study and formulation," he continued.

Fighting Same Battle

"The situation calls for not only self-help on China's part but also aid and assistance from other freedom-loving nations. For a free China is indispensable to a free Asia and a free Asia is vital to the existence of a free world."

Dr. Koo said the U. S. and China are fighting the same battle against communism and he hopes that his country "may succeed in winning a better understanding from the United States x x x and in securing fully its moral and material support."

Meanwhile, far eastern talk of a non-communist regional pact was spotlighted by preparations for tomorrow's arrival of President Elpidio Quirino of the Philippines. State department officials displayed new interest in the suggestions.

Quirino has been one of the principal advocates of such a grouping of nations in the western Pacific and southern Asia. Contrary to earlier indications it now seems possible that he may discuss his ideas with President Truman. He may get a more sympathetic response than has been indicated to date in administration public statements.

(In Manila a reliable source said that shortly before Quirino's departure a message was received from the State department, lauding his effort to cement a non-military union in southeast Asia.

May Drop Chiang

(The warmer State department attitude was attributed in Manila to quiet but decisive steps by Quirino to drop Generalissimo Chiang Kai-shek of nationalist China as an active partner in a revised version of a Pacific union).

Martin's statement was directed at the State department's "white paper" review of China policy. Along with it, Acheson had blasted the nationalist regime of Chiang Kai-shek as a failure but proposed to support the Chinese people against communism.

The State department now is intensively at work on development of a new far eastern move expected by some officials to include aid to underground or other anti-Communist forces opposing the Red sweep.

Martin said the white paper "is a confession of inexcusable failure." He said that "our desertion of China at Yalta" is fully admitted.

After the Republican 80th Congress stepped in to revive China aid, the administration procrastinated in sending aid until after Manchuria and North China had fallen, Martin said.

The document amounts to "an oriental Munich," Martin said. Then, turning to the subject of future policy, he said he saw no intention of the State department to work out China policy on bi-partisan lines such as have been successful on the European front.

GOP Will Work Alone

"If this should continue to be the State department's attitude," Martin said, "no course will be left to the Republican party but to pursue the China question alone and in a fashion which we can only pray will awaken our government and our people to the inherent dangers in the position now taken by our government.

"x x x I think that I speak for most Republicans when I say that we stand ready to join the administration in the formulation of a strengthened China policy for peace.

"x x x We extend this offer of cooperation in the deep conviction that unless our government's course undergoes radical change the disaster that will be reaped will mean destruction for most of the globe."

Vandenberg's white paper comment yesterday made no mention of a possible bi-partisan approach. He said it must be made clear that we are backing the Chinese people, dealing with realities and refusing to accept the results of aggression.

The talk of a southeast Asian treaty is one angle of the broad problem of dealing with communism in the Pacific. The appearance of interest in it here results from a new statement by Quirino of his own position on the proposed pact, which might eventually include the United States.

Arouses Interest

This new statement was made in a letter to Ambassador Carlos P. Romulo recently ordering Romulo home to take charge of developing the proposed new convenant.

Quirino's new statement of his concept has aroused considerable interest among department officials mainly on three points:

1. Indirectly at least the Philippines leader has minimized the role which China's President Chiang Kai-shek in his opinion should play in such an undertaking. Secretary of State Acheson evidently took a dim view of the meeting several weeks ago between Chiang and Quirino in the Philippines. There appears to have been some feeling among officials here that by promoting Quirino's Pacific alliance ideas jointly with his own, Chiang was trying to enlist new commitments in support of the Chinese nationalists.

2. Emphasis is placed on what Quirino calls "forging a closer union among the people of southeast Asia" rather than on development of an over-all Asiatic-American alliance spanning the Pacific as the Atlantic alliance spans the Atlantic. Acheson has publicly taken the position that the area is not yet ready for a military treaty as all-inclusive as the Atlantic Pact.

3. The proposed regional treaty as Quirino presents it in his letter would be "essentially an act of common faith on the economic, political and cultural level x x x and x x x would involve no military commitments."

KNOWLAND WANTS M'ARTHUR'S VIEWS ON AID TO CHINA

AUG 8 1949

Senator Demands 'Immediate' Return of General for Data on Far East

HEARINGS OPEN TODAY

Would Share Foreign Arms Funds with Anti-Red Nationalists

WASHINGTON, Aug., 7 — (AP) Senator Knowland (R-Calif.) today called for the "immediate" return from Japan of General Douglas MacArthur to testify on the foreign arms aid program.

Knowland and 12 other senators are trying to get $175,000,000 of the proposed $145,000,000 fund earmarked for military aid to non-communist China.

Knowland also requested that Vice Admiral Oscar C. Badger, Commander of the U. S. Naval forces in the China area, be returned with the far eastern Army chief to testify before the Senate's Foreign Relations and Armed Services committees.

Acheson to Testify

The committees open their joint hearings tomorrow with Secretary of State Acheson as the first witness on the bill intended to cool off any Russian aggressive ideas.

The House Foreign Affairs committee has some 13 witnesses lined up on the same bill including Brig. Gen. Bonner Fellers, a former MacArthur aide.

The controversial measure now contains $1,160,000,000 for North Atlantic Pact nations; $261,000,000 for Greece and Turkey, and $27,000,000 for Iran, Korea and the Philippines.

Many lawmakers argue the overall amount is too large.

Fathers Chinese Aid Plan

Knowland is a member of the Armed Services group and the author of the plan to set aside $175,000,000 of the arms bill for China.

Knowland, writing to Acheson and Defense Secretary Johnson, observed that the joint U. S. chiefs of staff will not have time to make the same kind of survey in the east that they have been making in Europe.

In view of this, he "strongly urged" the two secretaries to order back MacArthur and Badger to testify "on the far eastern phases of a problem which is global in character."

The joint chiefs—General Omar Bradley, Admiral Louis Denfield and General Hoyt Vandenberg—are due to report on their European trip to the combined committees Wednesday.

Knowland acknowledged to reporters that numerous attempts have been made unsuccessfully in the past to bring MacArthur back to testify before congressional committees.

But he said the situation "is at a very critical juncture" and he is "hopeful that under the circumstances" MacArthur will consent to leave Japan temporarily.

Knowland's amendment would provide military assistance to communist foes in China provided an American mission was given authority to advise the nationalist government as to its "effective use."

Knowland Sees Support

"I think I'm going to get some very substantial support for the amendment from some unexpected places," Knowland said.

The China problem is only one of several questions raised in connection with the arms measure.

In addition to widespread dissatisfaction with the size of the $1,450,000,000 figure, there are indications that Vandenberg and Senator Dulles (R., N.Y.) want an understanding that the program is only a stop-gap affair, and geared into the defense mechanism to be set up under the North Atlantic pact.

FOREIGN AID BILL FACES NEW HURDLE IN SENATE TODAY

AUG 8 1949

WASHINGTON, Aug. 7 — (AP) Billions for the ECA and U.S. Army occupation forces face one more hurdle in the Senate tomorrow.

Senator Lucas (Ill.), the Democratic leader, hopes the chamber will vote before nightfall on the foreign aid bill that it began debating July 22.

But before the final balloting, Senator Kem (R-Mo) intends to press a controversial amendment. It would withhold recovery aid from any nation which nationalized a basic industry in the future. Kem's main target is any further nationalization in England or France.

Ruled Out of Order

Senator Tydings (D-Md), who was presiding when Kem brought up the amendment Friday, ruled it out of order on the ground that it contained policy-making law in violation of Senate rules. Kem appealed the ruling to the Senate, which will decide by a simple majority vote whether Tydings is right. Should the vote go against him, Kem intends to ask the senators suspend their rules in order to act on the amendment. This would require a two-thirds majority and probably mean more debate.

Administration leaders say they are confident of killing the nationalization ban. They contend it would be an improper interference in foreign nations' domestic affairs.

As it now stands, the senate bill provides:

$3,628,300,000 to finance the economic cooperation administration to July 1, 1950.

$150,000,000 for ECA loans.

Less Than House Bill

$1,074,000,000 to pay for ECA operations during last April, May and June.

$900,000,000 for army occupation costs in Germany, Austria, Japan and the Ryukyu islands.

$45,000,000 in aid for Turkey and Greece.

$344,000 for a congressional watchdog committee staff to check on foreign spending.

The Senate bill carries about 10 per cent less than the appropriation passed previously by the House. Senate passage will send the measure to a conference for adjustment of differences.

PROBERS SEEK BAN ON 5 PERCENTERS

AUG 8 1949

Hoey Says Committee Will Offer Bill to Improve U. S. Buying Methods

WASHINGTON, Aug. 7. — (AP) Senate "five percenter" probers said tonight they are trying to help the small businessman get government contracts without feeling he needs "a peddler of influence."

"One of the aims of the subcommittee," Chairman Hoey (D-NC) said, "is to attempt to improve methods" of government buying. It is already at work on legislation.

Just before throwing the inquiry open to the public in hearings beginning tomorrow, Hoey declared in a policy statement that abuses and improper influences won't be tolerated in government contract letting.

Checks Favoritism

The subcommittee set out to check whether favoritism has figured in activities of agents who help get contracts for others.

Recognizing the problem of the businessman in coping with the maze of government agencies, Hoey said:

"The subcommittee wants to acknowledge at the beginning that business both large and small is entitled to legitimate representation in dealing with the government.

"We are not critical of the practice itself but merely of some of the abuses which occur in the practice and it is these abuses which the subcommittee hopes to curtail.

"In some considerable measure, businessmen, especially small businessmen, due to red tape and the inherent bigness of present day government sometimes feel they must hire a peddler of influence in desperation.

"One of the aims of the subcommittee is to attempt to improve methods of procurement and to make it easier especially for the small businessmen to do business with the government."

Have Tentative Bill

The subcommittee, he said, has a bill in tentative form aimed at correcting the situation.

Secretary of Defense Johnson will be the lead-off witness at hearings expected to last at least two weeks. The subcommittee has asked Johnson to outline what the military establishment is doing concerning the activities of commission men in helping get contracts for a fee, often five per cent.

The secretary will be followed to the witness stand by Paul Grindle, Massachusetts furniture manufacturer whose statements touched off the investigation which quickly led to the suspension of two Army major generals.

Subcommittee members have reported that businessmen have testified privately that John Maragon, a key figure in the inquiry, was able to help them out with contracts by getting in touch with White House personnel. Maragon has denied any improper dealings or being a "percenter."

Maragon, a former Kansas City bootblack who once had a White House pass, is on the list of witnesses to be called for public testimony.

Will Read Statement

Hoey plans to read the subcommittee's policy statement at the start of the hearings.

"The function of this subcommittee," he said in the statement, "is to seek means to improve the efficiency and the economy of government. It is important not only that we have good government, but that the public have confidence in the integrity and the decency of its government.

"Forces which tend to create the belief that our government functions with favoritism or by conniving should, if possible, be eliminated.

"The purpose of this hearing is to consider x x x what safeguards Congress can take to prevent or minimize improper influences."

Hoey said the subcommittee plans to:

1. "Acquaint itself with specific

examples which will highlight certain abuses needing correction."

2. "Serve notice on others engaged in committing like abuses that they will not be tolerated."

Hunt Denies Charge

The Senate investigation was touched off by Grindle's story that he paid $1,000 to James V. Hunt, a former Army officer and War Assets Administration employe, to help seek a government contract. Grindle also said Hunt claimed friendship with the two Army procurement officers who since have been suspended pending further investigation. They are Maj. Gen. Alden H. Waitt, chief of the Chemical corps, and Herman Feldman, the Quartermaster general.

Hunt contends his work is legitimate and has denied that he ever attempted to sell influence.

Secretary of the Army Johnson in relieving Waitt and Feldman from duty said they failed to exhibit judgment "expected of persons in their positions."

Both Waitt and Feldman are expected to testify at the hearings. The subcommittee wants Hunt to appear, but he underwent an operation last week and his doctor has not said whether he will be able to testify.

BERLIN, AUG.7-(AP)-THE AMERICAN MILITARY GOVERNMENT INFORMED GI CAMERA FANS TODAY THEY CAN TAKE SNAPSHOTS ON ARMY-CONDUCTED TOURS IN THE SOVIET SECTOR OF BERLIN.

THE ANNOUNCEMENT SAID THE AMG HAD BEEN ASSURED BY THE RUSSIANS THAT THIS WAS ALLOWED. EXCLUDED ARE ONLY SOVIET MILITARY INSTALLATIONS.

PREVIOUSLY THE AMG ITSELF HAD ASKED THAT NO CAMERAS BE TAKEN TO THE SOVIET SECTOR ON CONDUCTED TOURS TO AVOID POSSIBLE INCIDENTS.

MD71 2PD

IN THOSE DAYS HE FREQUENTLY PLAYED TENNIS WITH SOVIET COL. GEN. ALEXI SHELKOV, WHO IS STILL DEPUTY RUSSIAN HIGH COMMISSIONER IN AUSTRIA. VIENNA - XXX 1945.

GEN. SHELKOV TOLD AN AMERICAN OFFICER LAST WEEK THAT GEN. GRUENTHER "CAN NO LONGER BE MY FRIEND BECAUSE HE IS TRYING TO GET AUSTRIA TO JOIN THE ATLANTIC PACT NATIONS."

(NO PICKUP).

GH1111AED

AUG 8 1949

LDN - FOLO ATHENS - XXX RETREAT.

THE GUERRILLAS CLAIMED GOVERNMENT CASUALTIES FOR THE FIRST THREE DAYS OF THE OFFENSIVE TOTALED 365 TROOPS KILLED AND 990 WOUNDED.

PREVIOUSLY, THE GOVERNMENT AT ATHENS HAD REPORTED SUCCESSES IN THE NEW OFFENSIVE, GIVING ARMY LOSSES AS 35 KILLED AND 179 WOUNDED. GUERRILLA LOSSES WERE PUT AT 35 KILLED AND 16 CAPTURED.

JK630PED

LONDON, AUG.7-(AP)-SGT.URBAN SINGLETON'S INFANT SON IS OFF TO A FLYING START. THE U.S. AIR FORCE TOOK CARE OF THAT FOR THE SERGEANT, WHO IS ON DUTY IN ENGLAND WITH A SUPERFORTRESS UNIT.

SINGLETON WAS UNABLE TO FIND SPACE IN AN ENGLISH HOSPITAL FOR HIS WIFE, MARGARET, WHEN THEIR BABY WAS DUE.

THE AIR FORCE FLEW HER TO AN AMERICAN HOSPITAL IN GERMANY. THERE THE SON, JOHN MICHAEL, WAS BORN 11 DAYS AGO.

FRIDAY MAJ.GEN.LEON JOHNSON'S CONVERTED FLYING FORTRESS LANDED AT NORTHOLT AIR FIELD FROM GERMANY. ITS ONLY PASSENGERS WERE SINGLETON, HIS WIFE AND BABY.

"I JUST MENTIONED TO ONE OF MY OFFICERS THAT MY WIFE WAS IN GERMANY," SAID SINGLETON. "THE NEXT THING I KNEW I WAS ON MY WAY TO PICK THEM UP IN THE GENERAL'S OWN PLANE."

SINGLETON IS FROM COLORADO SPRINGS, COLO. (STREET ADDRESS UNAVAILABLE).

AUG 8 1949

BD449PED

STRASBOURG--FIRST ADD COUNCIL (A10), X X X ANOTHER FICTION."

AMONG THE FIRST TO ARRIVE FOR THE COUNCIL MEETING WAS BRITISH FOREIGN SECRETARY ERNEST BEVIN. HE ARRIVED TONIGHT WITH MRS.BEVIN BY AUTOMOBILE FROM EVIAN, SWITZERLAND, WHERE HE HAS BEEN RESTING.

MD703PED

VIENNA,AUSTRIA, AUG.7-(AP)-THE U.S. MILITARY JOINT CHIEFS OF STAFF ARRIVED BY AIR FROM PARIS TODAY FOR A BRIEF VISIT WITH AMERICAN OCCUPATION OFFICIALS.

WINDING UP A 10-DAY SURVEY OF WESTERN EUROPEAN DEFENSE NEEDS, THEY ARE SCHEDULED TO FLY BACK TO WASHINGTON TOMORROW. THE STAFF CHIEFS ARE ARMY GEN. OMAR N.BRADLEY, AIR FORCE GEN. HOYT VANDENBERG AND ADM. LOUIS DENFELD OF THE NAVY.

THE PLANS, PRESIDENT TRUMAN'S SILVER AND BLUE INDEPENDENCE, LANDED AT NOON AT THE TULLN AIR FIELD, THE AMERICAN BASE 15 MILES FROM VIENNA IN THE RUSSIAN-OCCUPIED ZONE.

THE STAFF CHIEFS HAVE NO CONFERENCES SCHEDULED WITH AUSTRIAN GOVERNMENT LEADERS. SOME AUSTRIANS, HOWEVER, WERE TO ATTEND A COCKTAIL PARTY AND DINNER GIVEN TONIGHT BY LT.GEN. GEOFFREY KEYS, AMERICAN HIGH COMMISSIONER TO AUSTRIA.

BEFORE LEAVING PARIS, THE STAFF CHIEFS LAID A HUGE WREATH OF YELLOW ROSES AND BLUE ASTERS ON THE TOMB OF THE FRENCH UNKNOWN SOLDIER AT THE ARCH OF TRIUMPH. U.S. AMBASSADOR DAVID E.K.BRUCE AND HIGH FRENCH OFFICERS ATTENDED. A FRENCH NATIONAL ANTHEMS.

ML916AED

AUG 8 1949

PRECEDE WARSAW DAY

LONDON, SUNDAY, AUG.7-(AP)-COMMUNIST-LED POLAND DECREED PENALTIES UP TO DEATH TODAY FOR ANYONE VIOLATING A CITIZEN'S "FREEDOM OF CONSCIENCE." THE ACTION OBVIOUSLY WAS AIMED AT THE ROMAN CATHOLIC CHURCH.

THE VATICAN ORDERED THE EXCOMMUNICATION OF ALL MILITANT COMMUNISTS ON JULY 13. TWO WEEKS LATER THE POLISH GOVERNMENT FORBADE CATHOLIC PRIESTS FROM ENFORCING THE VATICAN DECREE AND DENOUNCED IT AS AN "ACT OF AGGRESSION." THE LATEST POLISH ACTION WAS SEEN AS PUTTING TEETH INTO THE ENFORCEMENT ORDER.

THERE WERE 17 ARTICLES IN THE POLISH DECREE, WHICH WAS PASSED BY

THE COUNCIL OF STATE AND MINISTERS COUNCIL ON FRIDAY. PAP, THE POLISH PRESS AGENCY, DISCLOSED THE ARTICLES IN AN ENGLISH LANGUAGE BROADCAST HEARD HERE. PAP SAID THE DECREE WENT INTO FORCE TODAY.

ONE ARTICLE SAYS: "HE WHO MISUSES THE FREEDOM OF CREED BY REFUSING TO LET ANOTHER PERSON PARTICIPATE IN RELIGIOUS CEREMONIES BECAUSE OF POLITICAL, SOCIAL, OR SCIENTIFIC ACTIVITIES OR OPINIONS IS LIABLE TO IMPRISONMENT OF UP TO FIVE YEARS."

THE LANGUAGE OF THE ARTICLES AS BROADCAST BY PAP DID NOT SINGLE OUT PRIESTS OR OTHER CATHOLIC CHURCH OFFICIALS BY NAME BUT THE BROADCAST SAID THE VATICAN'S POLICY HAD BEEN THE SUBJECT OF AMNY MEETINGS OF WORKERS AND PEASANTS THROUGHOUT POLAND.

"MANY CATHOLIC BELIEVERS OF BOTH PARTY AND NON-PARTY MEMBERS STRESSED AT THESE MEETINGS THAT THE VATICAN DIDN'T DEFEND THE CHURCH IN POLAND WHEN IT WAS PERSECUTED BY THE NAZI INVADERS BUT ON THE CONTRARY BLESSED THE PERSECUTORS.

"IT WAS ALSO POINTED OUT THAT AS THE PEOPLE'S GOVERNMENT PROTECTS RELIGION, THE STRUGGLE WAGED IN POLAND AGAINST THE CLERGY ENGAGED IN POLITICAL ACTIVITY IS FULLY JUSTIFIED."

POLAND IS PREDOMINATELY CATHOLIC.

OTHER IMPORTANT PARTS OF THE DECREE INCLUDED AN ARTICLE WHICH PROVIDED:

"HE WHO PUBLICLY INSULTS, BERIDES OR HUMILIATES A PERSON OR GROUP OF PERSONS BECAUSE OF THEIR CREED, RELIGIOUS OPINION OR LACK OF RELIGIOUS AFFILIATION IS LIABLE TO IMPRISONMENT UP TO FIVE YEARS.

"THE SAME PENALTY WILL BE INCURRED BY A PERSON WHO VIOLATES THE CORPORAL INTEGRITY OF ANOTHER PERSON BECAUSE OF HIS CREED, RELIGIOUS OPINIONS OR LACK OF RELIGIOUS AFFILIATION.

"HE WHO COMMITS ANOTHER CRIME AGAINST A PERSON OR GROUP OF PERSONS BECAUSE OF THEIR CREED, RELIGIOUS OPINIONS OR LACK OF RELIGIOUS AFFILIATION IS ABLE TO IMPRISONMENT.

"IF THE CRIME DESCRIBED IN PARAGRAPH THREE RESULTS IN DEATH OR SERIOUS INJURY, OR IF THERE HAS BEEN A DISTRUBANCE OF NORMAL PUBLIC LIFE OR DANGER TO PUBLIC SAFETY, THE PERSON IS LIABLE TO IMPRISONMENT OF NO LESS THAN THREE YEARS AND UP TO LIFE OR THE DEATH PENALTY."

WD818PED

WARSAW,POLAND,AUG 7-(AP)-NINETEEN AMERICAN BOYS AND GIRLS ARE LIVING IN TENTS ON THE GROUNDS OF THE WARSAW CITADEL WITH 1,600 OTHER FOREIGN MEMBERS OF YOUTH BRIGADES.

DANNY KOHL, A CALIFORNIA UNIVERSITY STUDENT FROM GAINESVILLE,FLA., SAID TODAY THE GROUP IS ENROUTE TO ATTEND THE WORLD FEDERATION YOUTH CONFERENCE AT BUDAPEST.

HE SAID THE EIGHT GIRLS AND 11 YOUTHS LEFT NEW YORK ON THE LINER VOLLENDAM AT THE END OF JUNE AND HAD BEEN WORKING AT RUBBLE CLEARANCE HERE. THEY PREVIOUSLY HAD VISITED FRANCE, SWITZERLAND AND CZECHOSLOVAKIA.

KOHL SAID THE PARTY WAS LEAVING WARSAW TONIGHT FOR A FIVE-DAY TOUR OF POLAND WITH FINNISH, DANISH AND CZECHOSLOVAK GROUPS.

MOST OF THE PARTY CAME FROM NEW YORK STATE AND CALIFORNIA BUT REFUSED TO IDENTIFY THEMSELVES PERSONALLY.

NATIONAL GROUPS IN THE CITADEL FOR RUBBLE-CLEARANCE WORK INCLUDED NORWEGIANS, FINNS, DANES, CZECHOSLOVAKS, AUSTRIANS AND SWEDES. A CAMP OFFICIAL SAID THE FRENCH GOVERNMENT REFUSED TO LET THE FRENCH YOUTH BRIGADE COME HERE TO HELP CLEAN UP. A BRITISH BRIGADE IS EXPECTED SOON. OTHERS MAY COME FROM BELGIUM, HOLLAND AND LUXEMBOURG.

JK649PED

OSLO, NORWAY, AUG. 7-(AP)-A MEMORIAL TO 12 AMERICAN PARATROOPERS KILLED IN ACTION AGAINST THE GERMANS IN CENTRAL NORWAY IN 1945 WAS UNVEILED TODAY.

THE MEMORIAL IS ATOP A MOUNTAIN IN THE SNAASA AREA, WHERE A PLANE WITH THE PARATROOPERS CRASHED.

SOME 300 PERSONS BRAVED A TRIP OF 25 MILES THROUGH ROADLESS WOODLANDS TO HONOR THE AMERICANS. THE MEMORIAL WAS UNVEILED BY A NORWEGIAN COLONEL.

MAJ.GEN.WILLIAM J.DONOVAN, WARTIME CHIEF OF THE OFFICE OF STRATEGIC SERVICES, WAS THE PRINCIPAL SPEAKER COMMEMORATING THE 12 AIRMEN. MAJ.-GEN.WILLIAM E.COLBY, WHO COMMANDED A GROUP OF PARACHUTISTS WHO LANDED IN NORWAY IN 1945, WAS AMONG THOSE PRESENT.

THE 12 PARATROOPERS WERE LIEUTENANTS BLAINE E.JONES, WILLIAM H. HUDSON, LEON G.DIBBLE JR., RICHARD A.BOSCH AND ARTHUR J.BARDKNECHT; SERGEANTS GILBERT H.MAGRUDER, FAYETTE SHELLEDY, JACK H.SPYKER, ANGELO SANTANI AND ROBERT H.ANDERSON, AND CORPORALS KNUT J.FALCK AND BERNHARD N.IVERSON.

(EDITORS: HOMETOWNS UNAVAILABLE).

VS820PED

BY ENDRE MARTON

BUDAPEST, HUNGARY, AUG.7-(AP)-THE NATIONAL ASSEMBLY HAS BEEN CALLED TO MEET WEDNESDAY TO APPROVE A NEW CONSTITUTION FORMALLY DECLARING HUNGARY A PEOPLE'S REPUBLIC.

(UNTIL NOW HUNGARY, ALTHOUGH UNDER COMMUNIST DOMINATION, HAS HAD A GOVERNMENT LEGALLY DEPENDING ON A PARLIAMENTARY MAJORITY.

(THE BUDAPEST RADIO, HEARD IN TRIESTE, SAID THE CONSTITUTION DECLARES THE STATE'S POWER IS DERIVED FROM THE WORKING CLASS AND THAT "ALL THE RESOURCES AND MEANS OF PRODUCTION OF THE COUNTRY ARE THE PROPERTY OF THE STATE." PRIVATE PROPERTY IS RECOGNIZED ONLY WHEN IT DOES NOT CONFLICT WITH "THE GENERAL INTERESTS" OF THE STATE. WRITTEN INTO THE CONSTITUTION, SAID THE BROADCAST, WAS PRAISE OF RUSSIA FOR "THE LIBERATION OF HUNGARY.")

THE DRAFT OF THE NEW CONSTITUTION, PUBLISHED IN ALL NEWSPAPERS TODAY, SETS UP THE NATIONAL ASSEMBLY AS SUPREME AUTHORITY. AT THE FIRST SESSION OF EACH ASSEMBLY A PRESIDIUM, WHICH ASSUMES MOST OF THE FUNCTIONS OF A PRESIDENT, WOULD BE NAMED. IT WOULD CONSIST OF A PRESIDENT, TWO VICE-PRESIDENTS, A SECRETARY AND 17 MEMBERS, ALL CHOSEN FROM THE ASSEMBLY. NO ACTIVE MINISTER COULD BE A MEMBER.

THE DRAFT CONSTITUTION DECLARES FOR FREEDOM OF THE PRESS, ASSEMBLY, OPINION AND RELIGION, FREE AND SECRET ELECTIONS, SECRECY OF THE MAIL, PROTECTION OF THE HOME, FREE CHOICE OF WORK, FREE HEALTH SERVICE, FREE EDUCATION, PAID HOLIDAYS, EQUALITY BEFORE THE LAW AND EQUAL RIGHTS FOR WOMEN. IT DECLARES FOR THE RIGHT OF ASYLUM FOR FOREIGN CITIZENS PERSECUTED FOR THEIR BELIEFS ABROAD.

THE DRAFT PROPOSES THAT HUNGARY'S TRADITIONAL COAT OF ARMS BE CHANGED TO ONE CONTAINING A GARLAND OF WHEAT AND, IN A BLUE FIELD, A HAMMER AND AN EAR OF CORN ON WHICH IS SUPERIMPOSED A RED STAR.

LS431PED

TEL AVIV, ISRAEL, AUG.7-(AP)-A GROUP OF FOREIGN JEWISH WAR VETERANS, DEMONSTRATING FOR "JOBS AT ONCE" OR PAID PASSAGE HOME, CLASHED WITH ISRAELI MILITARY POLICE HERE TODAY AND SEVERAL WERE INJURED. MOST OF THE DEMONSTRATORS WERE FROM MOROCCO.

LS249PED

JERUSALEM, AUG.7-(AP)-THE FIRST ISRAELI TRAIN FROM TEL AVIV PUFFED INTO FLAG-DECKED JERUSALEM AT NOON TODAY.

TRACKS LINKING THIS ANCIENT CITY WITH THE COAST THROUGH ARAB TERRITORY WERE BLOWN UP IN THE EARLY STAGES OF FIGHTING IN 1948.

ISRAELI ARMY VICTORIES AND THE ARMISTICE TREATY WITH HASHEMITE JORDAN (TRANS-JORDAN) WON A CORRIDOR AND THE LINE NOW RUNS ENTIRELY THROUGH ISRAELI TERRITORY.

THE STATION PLATFORM WITHIN THE SHADOW OF MOUNT ZION AND IN VIEW OF ARAB LEGIONNAIRES WAS PACKED WITH CHEERING CROWDS AS PRIME MINISTER DAVID BEN-GURION STEPPED DOWN FROM THE PARLOR CAR AND FACED A BAND BLARING WELCOME, AN HONOR GUARD PRESENTING ARMS AND AIRCRAFT CIRCLING.

THE PREMIER WAS BITTER IN HIS SPEECH OVER ENEMIES WHO BOMBARDED JERUSALEM LAST YEAR. HE CRITICIZED CHRISTIANS FOR NOT INTERCEDING.

"WHAT THE FASCISTS AND NAZIS DIDN'T DARE DO DURING THE GREAT WAR, THE ARAB INVADERS WHOSE SOLDIERS WERE COMMANDED BY CHRISTIAN OFFICERS DID--SHELLING WITH BARBAROUS VANDALISM THIS CITY WHICH IS HOLY TO THREE RELIGIONS (JEWISH, CHRISTIAN, MOSLEM)," BEN-GURION TOLD THE CROWD. "THE CHRISTIAN WORLD DIDN'T LIFT A FINGER TO SAVE JERUSALEM."

THE PREMIER SAID BOTH ENDS OF THE RAILROAD WOULD BE ISRAELI TERRITORY, THUS PREDICTING THAT JEWISH JERUSALEM WOULD BE FORMALLY INCORPORATED INTO HIS STATE.

THE FUTURE OF JERUSALEM IS THE BASIS OF A CONTROVERSY AS TO WHETHER IT SHOULD BE KEPT APART UNDER INTERNATIONAL RULE AS PRESCRIBED IN A UNITED NATIONS PLAN OR SHOULD BE AWARDED TO ISRAELI AS THE ISRAELIS DEMAND.

LS213PED NM

AUG 8 1949

BAGHDAD, IRAQ, AUG.7-(AP)-DR. FADHIL JAMILI, FOREIGN MINISTER, ANNOUNCED TODAY THAT AGREEMENT HAD BEEN REACHED WITH IRAN TO ESTABLISH A COMMISSION TO DRAW A FINAL DEMARKATION LINE FOR THEIR JOINT FRONTIER.

THE TWO COUNTRIES AGREED TO APPOINT COMMISSIONERS WHO WILL WORK WITH THE ASSISTANCE OF A NEUTRAL PARTY.

THE FRONTIER DEMARKATION HAS BEEN A MAJOR POINT OF DIFFERENCE BETWEEN THE TWO COUNTRIES FOR A QUARTER OF A CENTURY.

LS253PED

RANGOON, BURMA, AUG.7-(AP)-RAILWAY CREWS RETURNING FROM UPCOUNTRY TODAY REPORTED SERIOUS FIGHTING BETWEEN GOVERNMENT TROOPS AND A COMBINED FORCE OF ARMY DESERTERS AND COMMUNISTS 25 MILES NORTH OF RANGOON. THEY SAID THE CENTER OF FIGHTING IS TANTABIN VILLAGE.

SUNDAY NEWSPAPERS WERE PLAYING UP REPORTS OF PEACE PARLEYS BEGINNING IN THE DELTA COUNTRY OF LOWER BURMA BETWEEN REBEL KAREN TRIBESMEN AND THE BURMA ARMY HIGH COMMAND.

PUBLISHED REPORTS SAID THE KARENS ARE WILLING TO CEASE FIRE IF THEY CAN KEEP THEIR ARMS. THE ARMY REFUSES TO AGREE BUT IS PROMISING FULL PROTECTION TO THOSE QUITTING THE REBELLION AGAINST THE GOVERNMENT, THE NEWSPAPERS SAID.

A RANGOON COMMUNIQUE SAID GOVERNMENT FORCES AT DHWEMYO, MIDWAY BETWEEN THE CENTRAL BURMA TOWNS OF PYINMANA AND YAMETHIN, KILLED 40 REBELS WHILE REPULSING A COMMUNIST ATTACK.

LS251PED

AUG 8 1949

ALEY, LEBANON, AUG.7-(AP)-MAYOR GEORGE W. WELSH OF GRAND RAPIDS, MICH., SAID TODAY 1,000,000 ARABS HAVE BEEN DRIVEN FROM THEIR PALESTINE HOMES INTO CAMPS "WHERE THEY ARE BREEDING GROUNDS FOR COMMUNISM."

HE SAID PUBLIC INFORMATION AGENCIES IN THE UNITED STATES HAVE FAILED TO PRESENT THE STORY OF THE REFUGEES ADEQUATELY.

MAYOR WELSH MADE THE STATEMENT AFTER HE AND 39 OTHER PROMINENT AMERICANS VISITED THE CAMPS WHILE ON A WORLD TOUR SPONSORED BY THE RADIO PROGRAM, TOWN MEETING OF THE AIR.

"THE AVERAGE AMERICAN DOES NOT KNOW ANYTHING ABOUT THESE VICTIMS OF THE PALESTINE WAR," HE SAID." JEWISH REFUGEES FROM EUROPE CAME TO PALESTINE AND MADE NEW REFUGEES---FOR A MILLION ARABS LIVING THERE WERE DRIVEN FROM VILLAGES INTO REFUGEE CAMPS."

AT A ROUND TABLE DISCUSSION WITH ARAB LEADERS AT THIS SUMMER CAPITAL OF LEBANON LAST NIGHT, THE AMERICANS HEARD ARAB CHARGES THAT THE "PRO-ISRAEL" POLICY OF THE UNITED STATES WAS INDIRECTLY RESPONSIBLE FOR THE REFUGEES' PLIGHT. VARIOUS ARAB SPOKESMEN ASKED FOR AMERICAN FINANCIAL AID TO RESETTLE THE ARABS. THEY ALSO ACCUSED AMERICAN INFORMATION ORGANS OF FAILING ADEQUATELY TO PRESENT THE STORY OF REFUGEES, LIVING IN RAGGED TENTS ON A SUSTENANCE DIET PROVIDED BY THE UNITED NATIONS.

SAID HIMADEH, PROFESSOR OF ECONOMICS AT THE AMERICAN UNIVERSITY IN BEIRUT, TOLD THE AMERICANS IT WOULD TAKE $2,000,000,000 (B) TO RESETTLE LEBANON'S 140,000 REFUGEES ALONE.

WB410PED

SHANGHAI, AUG. 7-(AP)-NEITHER THE OFFICIAL CHINESE RADIO AT PEIPING NOR THE RED PRESS IN SHANGHAI HAVE MENTIONED THE U.S. WHITE PAPER ON CHINA.

HOWEVER, THE HANDFUL OF FOREIGNERS IN SHANGHAI INFORMED OF THE POLICY STATEMENT INTERPRETED IT AS "A FINAL WRITING-OFF OF THE NATIONALISTS AS A HOPE FOR A FREE CHINA."

(IN CANTON, A RASH OF STATEMENTS CONCERNING THE WHITE PAPER BROKE OUT. GENERALLY, THE REACTION WAS THAT TOO MUCH BLAME FOR COMMUNIST SUCCESSES WAS PLACED ON THE CHINESE AND TOO LITTLE ON THE U.S. STATE DEPARTMENT'S OWN POLICIES.)

IN SHANGHAI NEITHER THE CHINESE PRESS NOR THE REMAINING FOREIGN PUBLICATIONS CARRIED ANYTHING -- NEWS OR COMMENT -- ON THE STATE DEPARTMENT PRONOUNCEMENT.

LW316APS

AUG 8 1949

(SHANGHAI DISPATCHES ARE CENSORED BY THE COMMUNIST MILITARY)

BY FRED HAMPSON

SHANGHAI, AUG.7-(AP)-THE HANDFUL OF FOREIGNERS IN THIS COMMUNIST CITY WHO HAVE HEARD ABOUT THE UNITED STATES WHITE PAPER ON CHINA DESCRIBED IT TODAY AS A FINAL WRITING-OFF OF THE NATIONALISTS AS A HOPE FOR A FREE CHINA.

THE COMMUNISTS HAVE MADE NO COMMENT ON THE DOCUMENT, AND THE NEWSPAPERS HAVE CARRIED NOTHING WHATEVER, EITHER OF NEWS OR COMMENT.

COMMENT ON ANYTHING CONTROVERSIAL ALWAYS AWAITS WORD FROM THE HIGH RED COUNCILS IN PEIPING.

(IN CANTON A RASH OF STATEMENTS BROKE OUT, ALONG THE GENERAL LINES THAT THE AMERICAN WHITE PAPER PLACED TOO MUCH BLAME ON THE CHINESE AND TOO LITTLE ON U.S. POLICY.

(THE HIGHEST OFFICIAL TO COMMENT WAS GEN. CHEN CHENG, NATIONALIST GOVERNOR AND COMMANDER OF FORMOSA. HE SAID, "IN THE PAST WE HAD A PSYCHOLOGY OF A SUBJECT COLONIAL PEOPLE AND RELIED ON THE FOREIGNER FOR EVERYTHING. THE AMERICAN WHITE PAPER HAS AWAKENED US. WE MUST NOW START ON THE ROAD OF SELF-HELP. HENCE, PUBLICATION OF THE WHITE PAPER WILL NOT CAUSE US HARM."

(WU TEH-CHEN, FORMER FOREIGN MINISTER, SAID THE WHITE PAPER WAS AN EFFORT TO CONFUSE THE AMERICAN PUBLIC IN THE FACE OF GROWING PUBLIC OPINION FOR MORE AID TO CHINA.)

SHANGHAI FOREIGNERS WHO WERE AWARE OF THE WHITE PAPER GENERALLY AGREED WITH ITS BROAD INDICTMENT OF THE NATIONALISTS. HOWEVER, MOST WHO HAD HOPED FOR BETTER THINGS UNDER THE REDS ADMITTED THEY HAD BEEN DISAPPOINTED SO FAR. MANY ARE READY TO ABANDON BUSINESSES AND LEAVE CHINA WHEN POSSIBLE, BUT THERE IS LITTLE APPETITE FOR A RETURN OF THE NATIONALISTS.

MOST FOREIGNERS REMAINING IN SHANGHAI BELIEVE CHINA IS DOOMED TO GO THROUGH A PERIOD OF TRAVAIL AND TROUBLE BEYOND ANYTHING YET EXPERIENCED SINCE THE JAPANESE INVASION. MOST OF THEM FEEL IT IS APT TO BE A GENERATION BEFORE CHINA CAN HOPE TO GET ON HER FEET AGAIN.

A STORY FROM LONDON SAYS THAT THE BRITISH FOREIGN OFFICE ADMITS THE POSITION OF BRITISH FIRMS IN CHINA IS BECOMING EXTREMELY DIFFICULT. TO SHANGHAI THIS IS JUST AS SIGNIFICANT AS THE AMERICAN WHITE PAPER.

BECAUSE OF THEIR HEAVY INVESTMENTS IN CHINA, THE BRITISH HAVE BEEN DOGGEDLY TRYING TO RIDE OUT THE STORM. THEY HAVE PRETENDED--SOMETIMES TO AN ALMOST CHILDISH EXTENT--THAT THINGS ARE NOT AS BAD AS THEY SEEM.

ONE BY ONE, HOWEVER, THE BRITISH ARE LOSING HEART AS THE (NATIONALIST) BLOCKADE DRAGS ON; AS MORE AND MORE MONEY HAS TO BE REMITTED INTO SHANGHAI FROM ABROAD TO PAY WAGES FOR EMPLOYES WHO ARE NOT WORKING; AND AS LAND TAXES REACH TOWARDS CONFISCATORY LEVELS.

"IF WE'RE NOT CAREFUL, WE'LL GO COMPLETELY BANKRUPT TRYING TO PROTECT OUR INVESTMENTS," SAID ONE BRITON.

THE COMMUNISTS APPEAR DETERMINED TO GO THROUGH WITH THEIR PROGRAM TO MAKE CHINA SELF-CONTAINED. MOST HARD-HEADED ECONOMISTS DON'T THINK THEY CAN DO IT, BUT IT ALMOST CERTAINLY WILL RING THE DEATH KNELL FOR THE SEAPORTS WHERE FOREIGN INVESTMENTS ARE CONCENTRATED.

EXPERTS SAY THAT IF CHINA TRIES TO LIVE WITHOUT TRADE FROM ABROAD, MILLIONS WILL HAVE TO STARVE. PERHAPS WITH CAREFUL PLANNING AND CAUTIOUS EXECUTION, AND PLENTY OF HELP FROM ABROAD, SHE MIGHT WITHIN A GENERATION OR TWO FINALLY BECOME SELF-SUFFICIENT, BUT SHE CANNOT DO IT NOW. SHE CANNOT DO IT ALONE, AND SHE CANNOT LOOK TO RUSSIA FOR THE KIND AND AMOUNT OF HELP SHE NEEDS.

IN THE EYES OF WESTERNERS HERE, THE ENORMOUS DIFFICULTIES FACED BY THE REDS SEEM TO GROW GREATER WITH EVERY SQUARE MILE THEY CAPTURE.

FROM THIS POINT OF VIEW, COMMUNISM IN CHINA FACES A DESPERATE HOLDING ACTION.

REVOLUTIONISTS ARE USUALLY NOT VERY GOOD AT THE GRUBBY PRACTICAL PROBLEMS WHICH THE HATED IMPERIALISTS AND BUREAUCRATIC CAPITALISTS HANDLED IN THE PAST. AS THEY HAVE TO SWING FROM MILITARY OFFENSE TO AN ECONOMIC HOLDING ACTION, THERE IS EVIDENCE GALORE THAT THEIR EARLY REVOLUTIONARY ZEAL IS LAGGING.

FROM THIS TORTURED TRADE GATEWAY TO HALF OF ASIA, THE SPREAD OF COMMUNISM SEEMS NOT SO DEPENDENT ON AMERICAN POLICY AS ON THE SUCCESS OR FAILURE OF THE REDS IN THE PRACTICAL JOB THEY HAVE SO AUDACIOUSLY TAKEN ON AND FOR WHICH THEY SO OBVIOUSLY ARE NOT EQUIPPED.

JS1107APS

HONG KONG, AUG.7-(AP)-THREE STEAMERS FROM CANTON ARRIVED IN HONG KONG TODAY AFTER A RUNNING GUN FIGHT WITH PIRATES IN WHICH ONE CHINESE PASSENGER WAS KILLED AND ANOTHER WOUNDED.

THE WUHSIEH, CHIHMAN AND YUNGHSING WERE SAILING TOGETHER FOR PROTECTION. SHIPS' OFFICERS SAID THE PIRATES ATTACKED FROM THE BANKS OF THE PEARL RIVER EIGHT MILES FROM CANTON SHORTLY AFTER MIDNIGHT. GUARDS ABOARD REPLIED AND THE SHIPS QUICKLY STEAMED OUT OF RANGE.

JS1033APS NM

(IN SAN FRANCISCO, A SPOKESMAN FOR THE PHILIPPINE PRESIDENT SAID THERE WAS NO COMMENT ON THE JOINT STATEMENT ISSUED BY CHIANG AND RHEE. HE ADDED QUIRINO WILL MAKE NO STATEMENT ON ANY PHASE OF THE PACIFIC ALLIANCE PLAN UNTIL HE TALKS WITH MR. TRUMAN.)

THE STATEMEN SAID: CHINHAE FORFA -XXX RHEE

"WE BOTH RECOGNIZE THE MENACE OF INTERNATIONAL COMMUNISM, INCOMPATIBLE WITH HUMAN FREEDOM AND NATIONAL INDEPENDENCE, MUST BE ERADICATED AND TO COMBAT THIS COMMON THREAT WE MUST FIGHT COLLECTIVELY AS WELL AS INDIVIDUALLY. SECURITY CAN ONLY BE STRENGTHENED BY SOLIDARITY."

THERE WAS NO REFERENCE TO THE UNITED STATES WHITE PAPER ON CHINA ISSUED LAST WEEK. IT WROTE OFF CHIANG'S NATIONALIST REGIME AS A FAILURE IN THE CIVIL WAR AGAINST THE CHINESE COMMUNISTS.

CHIANG, THROUGH AN INTERPRETER, SAID "NO COMMENT AT THIS TIME" ON THE WHITE PAPER. SHORTLY AFTERWARD THE GENERALISSIMO TOOK OFF. HIS DESTINATION WAS NOT ANNOUNCED BUT PRESUMABLY HE WAS RETURNING TO HIS HEADQUARTERS ON FORMOSA.

THE U.S. HAS REMAINED ALOOF FROM ANY PACIFIC COUNTERPART TO THE ATLANTIC ALLIANCE. HOWEVER, SECRETARY OF STATE ACHESON HAS GIVEN AMERICAN BLESSING TO AN ANTI-COMMUNIST PACIFIC PACT IF ASIAN NATIONS DESIRE TO FRAME THEIR OWN.

THE CHIANG-RHEE STATEMENT CONTINUED:

"...WE HAVE ARRIVED AT FULL AGREEMENT CONCERNING THE IDEA OF A UNION AS SET FORTH IN THE JOINT STATEMENT ISSUED BY PRESIDENT QUIRINO AND GENERALISSIMO CHIANG KAI-SHEK ON 12 JULY, 1949 AT BAGUIO, THE PHILIPPINES.

"WE BOTH AGREED FURTHER THAT THE PRESIDENT OF THE REPUBLIC OF THE PHILIPPINES SHOULD BE REQUESTED TO TAKE ALL NECESSARY STEPS TO BRING ABOUT THE BIRTH OF THE PROPOSED UNION.

"FOR THIS PURPOSE WE ARE ASKING PRESIDENT QUIRINO TO CONVENE IN THE IMMEDIATE FUTURE AT BAGUIO A PRELIMINARY CONFERENCE TO DEVISE CONCRETE MEASURES FOR ITS ORGANIZATION."

IN MANILA, MEANWHILE, BIPARTISAN PHILIPPINE SUPPORT WAS DEMANDED FOR THE PACIFIC UNION PLAN BY BRIG. GEN. CARLOS P.ROMULO, PHILIPPINE AMBASSADOR TO THE UNITED NATIONS. HE RETURNED TO MANILA AT QUIRINO'S REQUEST TO PROMOTE THE PACT.

ROMULO SCHEDULED A LUNCHEON CONFERENCE TODAY WITH DR. JOSE P.LAUREL PRESIDENTIAL NOMINEE OF THE NACIONALISTA PARTY. HE IS THE MAN QUIRINO MUST BEAT IN THE NOVEMBER ELECTIONS.

ROMULO INSISTS ON FULL SUPPORT FOR THE PACIFIC UNION IN THE PHILIPPINES BEFORE INVITING OTHER SOUTHEAST ASIA COUNTRIES TO JOIN.

THE PHILIPPINES DECLINED TO TAKE PART IN THE CHINHAE CONFERENCE BETWEEN CHIANG AND RHEE.

ONLY TWO DAYS BEFORE THE AMERICAN WHITE PAPER WAS ISSUED ON CHINA, QUIRINO ISSUED NEW INSTRUCTIONS ON HIS CONCEPT OF THE PACIFIC UNION. HE LEFT CHIANG ENTIRELY OUT OF THE PICTURE. INSTEAD HE EMPHASIZED A POLITICAL AND ECONOMIC ALLIANCE OF THE FREE NATIONS OF SOUTHEAST ASIA.

NOTHING DEFINITE WAS KNOWN IN MANILA ON HOW QUIRINO WILL APPROACH THE PACIFIC UNION QUESTION WITH MR.TRUMAN. INFORMED PHILIPPINE QUARTERS ASSUME THE MATTER WILL BE DISCUSSED BUT NOT ON THE OFFICIAL AGENDA.

THERE WERE INDICATIONS IN MANILA THAT THE U.S. WAS WARMING UP TO THE PACIFIC PACT IDEA BUT IT WAS FIRMLY BELIEVED QUIRINO WOULD NOT PRESS FOR AMERICAN PARTICIPATION OR ENDORSEMENT.

WR732P

TOKYO, AUG 7-(AP)-AN AMERICAN ARMY OFFICER AND HIS JAPANESE "PEN PAL" MET FOR THE FIRST TIME TODAY.

THEIR CORRESPONDENCE BEGAN 12 YEARS AGO WHEN THE AMERICAN ADVERTISED IN A TOKYO NEWSPAPER FOR SOME ONE TO WRITE TO HIM ABOUT JAPAN.

THE AMERICAN IS CAPT.HAROLD P.G.H. THOMAS OF HAGERSTOWN, MD.; THE JAPANESE, TOSHIYA MORI OF TOKYO.

THOMAS CAME TO JAPAN IN APRIL LAST YEAR. MORI, WHO WAS A LIEUTENANT IN MANCHURIA, WAS REPATRIATED LAST YEAR FROM SIBERIA AND NOW IS AN ELECTRICAL APPLIANCE SALESMAN. THOMAS TRIED TO LOCATE HIM LAST YEAR BUT THE MORI HOME HAD BEEN BURNED AND HIS WHEREABOUTS WERE UNKNOWN. MORI MEANWHILE WROTE TO MARYLAND AND THE TWO FINALLY LEARNED EACH OTHER'S WHEREABOUTS.

TODAY THEY CHATTED AMIBALY IN A MIXTURE OF ENGLISH AND JAPANESE, EACH HAVING STUDIED THE OTHER'S LANGUAGE. AFTER POSING FOR JAPANESE PHOTOGRAPHERS, THEY WENT FOR A RIDE IN THOMAS' CAR.

P544PCS

FORT ST.JOHN, B.C., AUG. 7-(AP)-CANADA'S LARGEST PEACETIME AIR AND LAND MANEUVERS ALONG THE FIRST 50 MILES OF THE STRATEGIC ALASKA HIGHWAY ENDED TODAY.

THEY PRODUCED BOTH LESSONS AND WARNINGS FOR CANADIAN DEFENSE. THE THREE DAY "EXERCISE EAGLE" INVOLVED 1,400 ARMY AND AIR FORCE OFFICERS AND MEN WHO GATHERED FROM ALL OVER WESTERN CANADA TO TEST ABILITIES TO COPE WITH AN AIRBORNE ENEMY ATTEMPT TO SEIZE FT.ST.JOHN AIR FIELD.

THE TWO CHIEFS CALLED THE EXERCISE "ONE OF THE BEST THINGS THAT HAS HAPPENED TO THE FORCES SINCE THE WAR." BOTH MAJ.-GEN.M.H.PENHALE AND AIR VICE-MARSHAL HUGH CAMPBELL, WESTERN CANADA ARMY AND AIR FORCE LEADERS, MADE THAT STATEMENT TO SCORES OF OFFICERS.

THE EXERCISE WAS DESIGNED TO TEST CANADA'S FIRST REGULAR AIRBORNE BATTALION, THE PRINCESS PATRICIA'S CANADIAN LIGHT INFANTRY, IN AN ASSAULT ROLE, TO EXERCISE THE ROYAL CANADIAN AIR FORCE IN SUPPORT, TO TEST STAFF WORK THAT HAS BEEN SIX MONTHS IN PREPARATION AND TO CHECK THE ABILITIES OF THE AIR FORCE TO DEFEND THEIR BASE HERE.

VS1029PED

HALIFAX, N.S., AUG. 7-(AP)-BRITISH VICE ADMIRAL R.V.SYMONDS-TAYLER (CORRECT) SAID TODAY COOPERATION AMONG THE NAVIES OF THE ATLANTIC PACT COUNTRIES IN CASE OF WAR WOULD BE A "CAST-IRON FACT."

U.S. AND BRITISH NAVAL OFFICERS DISCUSSED COOPERATION AMONG THE FLEETS, AS 14 WARSHIPS OF THEIR TWO COUNTRIES AND CANADA STOOD BY IN PREPARATION FOR CANADA'S NAVY WEEK WHICH OPENS TOMORROW.

ADMIRAL SYMONDS-TAYLER TOLD A NEWS CONFERENCE SUCCESS OF THE RECENT BAY OF BISCAY EXERCISES BY UNITS OF FOUR WESTERN PACT POWERS WAS "SUBSTANTIAL PROOF" THAT THEY WOULD STAND TOGETHER IN TIME OF WAR.

THE ADMIRAL, WHO IS COMMANDER-IN-CHIEF OF THE AMERICA AND WEST INDIES STATION OF THE BRITISH NAVY, SAID THE EXERCISES SHOWED COORDINATION IS "QUITE EASY WITH A LITTLE COOPERATION AND TRAINING COMBINED WITH STANDARDIZATION OF SIGNAL BOOKS."

ADMIRAL W.H.P.BLANDY, CHIEF OF THE U.S. ATLANTIC FLEET, SAID HE DID NOT KNOW WHAT SPECIFIC JOINT MILITARY COOPERATION WOULD DEVELOP FROM THE ATLANTIC PACT BUT IT WAS IMPORTANT THAT ENOUGH POWER SHOULD BE GATHERED EITHER TO PREVENT ANOTHER WAR OR WIN IT.

THE NEWS CONFERENCE TOOK PLACE ON THE DECK OF ADMIRAL BLANDY'S FLAGSHIP, THE HEAVY CRUISER NEWPORT NEWS. OTHER UNITS IN THE U.S. FLEET HERE INCLUDE THE AIRCRAFT CARRIERS MIDWAY AND KEARSARGE AND THE DESTROYERS G.K.MACKENZIE, E.G.SMALL AND GLENNON.

ADMIRAL SYMONDS-TAYLER ARRIVED ABOARD HIS FLAGSHIP, THE 9,100-TON CRUISER GLASGOW.

VS1021PED

CHICAGO,AUG.7-(AP)-A LITTLE WISP OF AN ENGLISHWOMAN WHO MADE A WARTIME HOME AWAY FROM HOME FOR MANY A LONELY GI WAS MADE TO FEEL AT HOME HERSELF TODAY IN CHICAGO.

SHE'S MRS.ADELAIDE GILBERT, 76, OF KING EDWARD'S ROAD, SOUTH HACKNEY, LONDON, WHO LOST HER SON IN THE WAR AND FOUND 200 MORE IN AMERICAN UNIFORMS.

TO ALL OF THEM SHE'S "MUM"--WHO GAVE THEM THE RUN OF HER 16-ROOM HOUSE AND HELPED THEM TO REMEMBER WHAT FEATHER BEDS, CLEAN SHEET AND HOME-COOKED FOOD WERE LIKE.

THE DAY BEFORE HER SON, MICHAEL, WAS KILLED IN A CHEMICAL BLAST WHILE A PRIVATE IN A GAS EXPERIMENTAL STATION, HE TOLD HER ABOUT THE TRIALS OF SWITCHING FROM HOME TO BARRACKS LIFE.

AND SO WHEN SHE SAW A NEWSPAPER STORY ABOUT THE SHORTAGE OF HOUSING FOR AMERICAN GIS "IT JUST STRUCK ME XXX THAT MICHAEL WOULD LIKE ME TO TAKE THEM IN."

SHE DID JUST THAT.

NOW SHE'S IN THE UNITED STATES "TO VISIT AS MANY OF MY BOYS AS POSSIBLE." SINCE SHE ARRIVED ON THE BRITANNICA JUNE 11 SHE'S SEEN A SCATTERING OF HER "BOYS" IN 11 STATES.

RIGHT NOW SHE'S VISITING THE PARENTS OF ONE OF THE FORMER SERVICEMEN SHE SHELTERED--MR. AND MRS.EEVIN KODAT OF 3431 W. 54TH PLACE. THEIR SON, EX-STAFF SGT.LE ROY KODAT, 23, WAS ONE OF THE 200 AMERICAN AND 50 CANADIAN SOLDIERS SHE GAVE A TEMPORARY HOME.

IN RECOGNITION OF HER KINDNESS TO AMERICAN GIS, PRESIDENT TRUMAN GRANTED "MUM" THE SPECIAL PRIVILEGE OF ENTERING THE UNITED STATES WITHOUT AN AFFIDAVIT FROM AN AMERICAN CITIZEN GUARANTEEING HER AS A VISITOR.

AND THE CANADIAN GOVERNMENT HAS GIVEN HER RECOGNITION FOR DISTINGUISHED SERVICE IN HOUSING SOME OF ITS YOUNG SOLDIERS.

BUT "MUM" SAYS THE FINEST TRIBUTE SHE HAS RECEIVED IS THE LETTER SHE RECEIVED FROM THE MOTHER OF ONE OF HER "BOYS."

SCRAWLED ON A LARGE PIECE OF WHITE PAPER WAS THIS ONE LINE:

"IF YOU WAS GOOD TO MY SON, I THANK YOU."

AJ322PCD

WASHINGTON, AUG.7-(AP)-SAVA N.KOSANOVIC, THE YUGOSLAVIAN AMBASSADOR, TOOK ISSUE TODAY WITH THE TRANSLATION OF A SPEECH BY PREMIER MARSHAL TITO WHICH QUOTED HIM AS PROMISING TO HELP BULGARIA AND ALBANIA REMOVE "WHATEVER INDIVIDUALS" HAVE PUT OBSTACLES IN THE PATH OF FRIENDSHIP WITH YUGOSLAVIA.

HE SAID THE CORRECT VERSION WAS IN THE OFFICIAL YUGOSLAVIAN COMMUNIST NEWSPAPER.

LITERALLY TRANSLATED, THE AMBASSADOR SAID, WHAT MARSHAL TITO PROMISED WAS TO HELP THE TWO COUNTRIES REMOVE "ALL THAT WHICH TODAY INDIVIDUALS HAVE PLACED AS OBSTACLES" TO FRIENDSHIP.

TITO HAS BEEN TILTING FOR SOME TIME WITH THE MOSCOW-LED COMINFORM (COMMUNIST INTERNATIONAL INFORMATION BUREAU). IN HIS ADDRESS AT SKOPLJE ON AUGUST 2, TO WHICH AMBASSADOR KOSANOVIC REFERRED, HE FORECAST THAT BULGARIA AND ALBANIA WOULD QUIT THE COMINFORM.

VH740PED

(ADVANCE)-WASHINGTON,AUG 7-(AP)-THE INTERNATIONAL REFUGEE ORGANIZATION SAID TODAY 1,356 DISPLACED PERSONS WILL ARRIVE IN NEW YORK TUESDAY ABOARD THE GENERAL HOWZE, ONE OF 40 SHIPS CHARTERED BY THE IRO FOR SUCH DUTY.

DESTINATIONS OF THE HOWZE'S PASSENGERS BY STATES INCLUDE:

NEW YORK, 342; ILLINOIS, 130; PENNSYLVANIA, 125; NEW JERSEY, 88; MASSACHUSETTS, 85; MICHIGAN, 73; MARYLAND, 70; OHIO, 61; MINNESOTA, 54; INDIANA, 50; WISCONSIN, 41; CALIFORNIA, 39; CONNECTICUT, 34; VIRGINIA, 32; IOWA, 19; MONTANA, 17; WASHINGTON STATE, 17; NORTH CAROLINA, 13; DISTRICT OF COLUMBIA, 9; VERMONT, 9; WEST VIRGINIA, 8; NEBRASKA, 6; NORTH DAKOTA, 6; NEW HAMPSHIRE, 6; RHODE ISLAND, 6; LOUISIANA, 4; TENNESSEE, 3; DELAWARE, 3; MAINE, 3; MISSISSIPPI, 2; AND MISSOURI, 1.

(END ADVANCE FOR USE AT 6 P.M.,EASTERN STANDARD TIME TODAY AUG. 7)

GG436PED

DENVER, AUG. 7-(AP)-THERE IS LITTLE POSSIBILITY OF AN IMMEDIATE INTERNAL BREAKDOWN IN RUSSIA, DR.GEROID (CQ) T. ROBINSON SAID TODAY.

ROBINSON, A FACULTY MEMBER OF COLUMBIA UNIVERSITY, NEW YORK CITY, SPOKE AT THE OPENING OF A PRESS-RADIO SEMINAR OF THE INSTITUTE FOR THE STUDY OF THE SOVIETY UNION AT DENVER UNIVERSITY.

HE HAS LIVED IN RUSSIA AND WAS WAR-TIME CHIEF OF THE USSR DIVISION OF THE OFFICE OF STRATEGIC SERVICES.

AMERICANS UNDERRATE THE POWER OF PROPOGANDA, HE SAID, AND THE EFFECTIVENESS OF FORCE IN THE MAINTENANCE OF CONTROL. HE ASSERTED THERE IS A HIGH STATE OF UNITY IN THE COMMUNIST PARTY AND THE COMMUNISTS HAVE THE POWER TO CONTINUE THEIR LEADERSHIP.

ROBINSON SUMMED UP HIS PERSONAL FINDINGS IN THREE MAJOR POINTS:

1. "AS FAR AS THE DOMESTIC SITUATION IS CONCERNED IN RUSSIA, THE SOVIET GOVERNMENT HAS TO A HIGH DEGREE THE ABILITY TO EMPLOY THE TOTAL POWER OF THE COUNTRY IN SUPPORT OF ANY FOREIGN POLICY IT MAY CHOOSE TO PURSUE."

2. "UNDER THE CONDITIONS OF THE 'CONTINUING PEACE' THERE IS NOT VISIBLE IN THE FORESEEABLE FUTURE ANY STRAIN ON SOVIET LEADERSHIP AND CONTROL NEARLY AS SEVERE AS THE STRESSES IT HAS SURVIVED IN THE PAST."

3. "UNDER THE CONDITIONS OF A FUTURE WAR, IT WOULD PROBABLY REQUIRE STRAINS MUCH MORE SEVERE THAN THOSE IMPOSED BY WORLD WAR II TO PRODUCE ANY DOMESTIC BREAKDOWN OF SOVIET CONTROL."

BC1021PMS

End of August 7 1949

Foreign Aid Measure Voted by Senate, 63-7 After 2-Week Debate

BILL APPROVED BY HOUSE IS CUT NEARLY 10 PCT

Combined Group Is Expected to Reach Compromise Without Difficulty

ENDS BITTER BATTLE

Move to Ban Nations with Nationalized Industry Defeated 50-21

WASHINGTON, Aug., 8 — (AP) The Senate passed tonight a huge $5,797,724,000 money bill to run the European recovery program and pay U. S. occupation costs abroad during the coming year. The vote was 63-7 on final passage.

Final action came after more than two weeks of wearying debate.

The bill now goes to a conference with the House, which had voted about 10 per cent more. Senate-House conferees are expected to reach a quick compromise.

Amendment Beaten

Final passage came shortly after the Senate had knocked down, by a vote of 50 to 21, an amendment designed to withhold recovery funds from any nation which in the future nationalizes an industry.

It was aimed frankly at Great Britain.

The major point of difference between the House and Senate bills lies in the money figure.

The House voted $3,568,470,000 to the ECA for the current year—but agreed the money could be spent in 10 and one-half months if necessary.

The Senate voted a full 12-month program with no authority to spend the money in a shorter period. The Senate bill figure for the European recovery program is $3,628,380.

The bill also carries:

(1) $150,000,000 for Economic Cooperation Administration loans to Europe.

(2) $1,074,000,000 for ECA's April-May-June operations.

(3) $900,000,000 for Army occupation costs in Germany, Austria, Japan, and the Ryukyu islands.

(4) $45,000,000 for Greece and Turkey.

(5) $344,000 for a congressional watchdog committee to check on foreign spending.

On the final rollcall, the only senators to oppose the bill were Republicans Jenner and Capehart of Indiana, Kem of Missouri, Langer of North Dakota, Malone of Nevada and Williams of Delaware and Democrat Olin Johnston of South Carolina.

Long Senate debate had stymied action on a number of other government money bills totalling billions of dollars.

Spain Loan Barred

In its struggle with the bill, the Senate had defeated proposals (1) to earmark $500,000,000 for a loan to Spain, and (2) to require the ECA and the Army to earmark $2,000,000,000 for surplus U. S. farm products.

The bill as passed by the Senate earmarks $4,000,000 of unused China-aid funds to pay the expenses of about 4,000 Chinese students in this country. They are without funds because of the civil war.

The money will come out of the funds appropriated by Congress last year—and does not increase the total of the bill.

Another section provides $25,000 to finance a re-check of 365 German industrial plants now marked for dismantling or destruction. Senators believe they should be kept in Germany to aid Europe's recovery.

Controversy over the Kem amendment had lasted throughout the day, prolonging a final decision on the big money bill.

Kem frankly aimed his amendment primarily at the program of nationalization being carried out in Great Britain by the labor government.

He lost the first skirmish last week—a ruling that the amendment would be policy-making legislation in a money bill. He then appealed to the Senate to overturn the ruling and approve his amendment.

A number of Senators urged its adoption.

Ferguson Backs Kem

Senator Ferguson (R-Mich) said he was "pleading with the British people not to go down the road to socialism," which he called a great evil which will finally lead to dictatorship.

He said he is convinced the American people "do not understand socialism or Marxism, or they would be paying more attention to this amendment."

Senator Wherry of Nebraska, the GOP floor leader, also argued for Kem's amendment. He said U. S. recovery funds are now being used to subsidize socialism in England.

"I tell you, you are investing in a socialist government that will go further to the left unless it is halted," Wherry shouted.

Administration leaders and others have objected to the amendment on grounds that it would be an interference with the internal affairs of Europe.

Wherry said under that theory they should not also oppose ECA aid to Spain "because they don't like the kind of government Spain has."

Senator McClellan (D.-Ark.) told his colleagues there is lack of mutual confidence between Congress and the State department on the European recovery program.

"We are simply dissipating the economic strength of America," McClellan declared. "We are weakening our economic structure without helping them."

Senator Mundt (R.-S. D.) said he thinks the State department has departed from its original objective of trying to stop communism everywhere in the world.

"We find ourselves in the position of strengthening the Iron Curtain countries by making it possible for western European countries to send them things they need," he said.

The current debate on the big money bill was the Senate's second. It first came up July 22, only to be sent back to the appropriations committee on July 28 on a point of order that it contained policy legislation. Appropriations bills are not supposed to under Senate rules.

Senators Press Aid Battle

Washington, Aug. 8 (AP)—Senate leaders today began their third week of trying to get quick approval of a multi-billion dollar foreign recovery bill.

They face a stack of delayed appropriations and other necessary legislation.

Majority Leader Lucas (D., Ill.) urged senators to get the foreign funds measure out of the way before their quit for the day. But Senator Kem (R., Mo.) and others were pushing for an "anti-socialism" rider.

Aimed chiefly at England and France, the Kem amendment would bar foreign aid funds for any country that nationalized a major industry in the future.

Appeals To Senate

Kem lost his first skirmish by a ruling that the provision amounted to legislation in an appropriation bill, which is against the rules. He has appealed to the Senate.

Senator Butler (R., Neb.) said he wants to say something about nationalization and socialization of industries before the vote. Several other critics of the British Labor Government's program of taking over major industries also may speak, including Senators Wherry (R., Neb.), Jenner (R., Ind.) and McClellan (D., Ark.).

Sponsors of the European Recovery Program, which will get the big bulk of funds in the bill carrying more than $5,500,000,000, say the Kem provision amounts to telling other nations what their government policies should be.

Cites Marshall Plan

Kem agrees, contending the entire Marshall plan is "a gigantic interference" in the internal affairs of other governments.

Once the Kem proposal is out of the way, passage of the bill should come quickly. The Senate began debate on it July 22, sent it back to the appropriations committee to remove legislative provisions July 28, and resumed the current consideration August 2.

MILITARY CHIEFS FAIL TO AGREE ON DEFENSE STRATEGY

LONDON, Aug. 8 — (AP) Varying conceptions on defense strategy have cropped up among military chiefs of the western European Union, the French commander of the union's land forces admitted tonight.

The admission was made by Gen. Jean de Lattre de Tassigny as American chiefs of staff of Army, Navy and Air Force completed their 10-day tour of Atlantic Pact countries and U. S. occupation forces in Germany and Austria.

Tentative Plan Approved

Diplomatic officials said the three U. S. chiefs of staff were flying back to Washington with tentative European approval of a plan to set up a four-power high command for Atlantic defense

Although de Tassigny admitted differences in the western European Union setup, he denied press reports that Field Marshal Lord Montgomery, the British supreme commander of the Brussels powers' defense forces, favored withdrawal across the channel to England in event of an attack.

The de Tassigny statement was distributed here by the headquarters of the permanent commission of the Brussels Pact powers—Britain, France, Belgium, the Netherlands and Luxembourg.

The commission said the statement was in reply to questions concerning recent press reports "concerning differences of opinion said to have come to light at Fontainebleau."

Fontainebleau, outside Paris, is headquarters of the Brussels Pact Defense committee.

De Tassigny said:

"x x x Statements implying that Field Marshal Montgomery's idea is to withdraw the defense outside the continent are completely without foundation

Differences Revealed

"Of course some varying conceptions have been brought to light, a thing which is quite natural, but it can definitely be stated that all the members of our committee and its chairman (Montgomery) have always unanimously regarded their task as being the achievement of an effective defense of all the territories of the Brussels Pact nations."

Several London newspapers said Sunday there had been serious clashes between Montgomery and de Tassigny over both defense strategy and training of western European troops. Lord Beaverbrook's Sunday Express said "shrewd observers" believed Montgomery would not be supreme commander much longer.

The U. S. chiefs of staff, Army Gen. Omar Bradley, Air Force Gen. Hoyt Vandenberg, and Navy Adm. Louis Denfeld were believed to have studied means of reaching air-tight military unity among the 10 European members of the Atlantic Pact during their tour.

En Route to U. S.

Questions which they took up in their European conversations may have concerned whether the west should stand at the Elbe in Germany the Rhine or behind the English channel, and how much and what type of military equipment America should send to bolster European forces.

The three chiefs left Vienna in President Truman's plane, the independence, at 3:37 p.m. (10:37 a.m. E.S.T.) today and expected to reach Washington at 6 a. m., Eastern Standard Time, tomorrow after stops at Shannon, Ireland, and Gander, Newfoundland.

They left Shannon at 4:30 p.m., E.S.T., for Washington.

Before leaving, Gen. Bradley said military organization was so far advanced that there should be no difficulty in setting up the committee of defense called for by the Atlantic alliance.

He said he and his colleagues found military leaders of the alliance "all thinking along the same general lines."

He carried all queries concerning strategy and supply with the reply, "those questions were not discussed."

He said the tour was purely for fact-finding purposes and that the chiefs would make up their minds later concerning "the things we have learned in Europe."

Plan Defense Council

Diplomatic officials said, however, that the U. S. chiefs and European military leaders generally approved a plan to set up a supreme defense council composed of the United States, Britain, France and Canada to give broad direction to strategy and defense policy. A

12-nation defense committee would advise the council.

Any such plan would have to be approved by the foreign ministers of all 12 powers in the alliance. The ministers are expected to meet in Washington in a month or two.

During the tour the three Americans conferred with Montgomery, and Norwegian, Danish, French, Portuguese, Dutch and Belgian military chiefs and delegations here and in Paris.

U.S. Defense Chiefs End Tour Of Europe

London, Aug. 8 (AP)—America's top military planners today concluded a tour of Atlantic pact countries, aimed at cementing them into a solid defense wall.

In ten conference-packed days, Chief of Naval Operations Admiral Louis Denfeld, Army Chief of Staff Gen. Omar Bradley and Air Force Chief Gen. Hoyt Vandenberg covered western Europe by air.

They appeared mainly to be studying means of reaching air-tight military unity among the ten pact members—unification of strategic planning and of the command and functions of their pooled forces.

Inspect Forces In Germany

They inspected the United States Army of Occupation in Germany. They met with British, Norwegian and Danish military chiefs in London and conferred with French, Portuguese, Dutch and Belgian military delegations in Paris.

They rounded off these secret meetings with a long discussion with Field Marshal Viscount Montgomery, chairman of the Western European Union's five-nation military committee, representing Britain, France, Belgium, Holland and Luxembourg.

The trip ended in Vienna yesterday with an inspection of American forces in Austria.

Today they are heading back to Washington. What they report will influence the course of President Truman's $1,450,000,000 arms-for-Europe program before Congress.

"No Decisions Made"

At each stopover the military leaders emphasized "no decisions were being made." But Denfeld speaking for the group in Paris said the talks had resulted in "great unanimity of opinion on almost all questions."

They left the world guessing about the specific nature of these questions:

Would a large, pooled army or a small mobile force backed by planes numerous enough to control the air be better strategy?

Where should the West stand fast in the event of an attack: On the Elbe in Germany? On the Rhine? or behind the English Channel?

Where should the defense line begin and end?

Question Of Equipment

How much military equipment will America send to western Europe until her economically hard-pressed countries get squared away?

What type of armament will it be? And how soon will it come?

How will each country, having its own peculiar defense problems, weaknesses and strengths, fit into the overall strategy?

If these questions were taken up, the American leaders were not saying so. They would go no further at news conferences than to say that only matters of military organization under the Atlantic Pact were discussed.

Denfeld added he believed the supreme defense council foreseen under the Atlantic Pact could be set up by the end of this year.

Heckled By Reds

As the chiefs sped from capital to capital, they were heckled by the Communist press and Communist leaders, who charged they were planning for war.

In Paris, however, a Communist demonstration fizzled out in the face of a Government ban.

Anti-American signs which United States authorities said were probably painted by Austrian Reds appeared overnight in Vienna.

an inspection of United States occupation forces in Germany and Austria.

Speaking for the group, Gen. Omar Bradley, Army Chief of Staff, said the military organization of the pact is so far advanced that there should be no difficulties in setting up a committee of defense when the governments work on the problem.

Bradley said he and his colleagues found the military leaders of the treaty nations "all thinking along the same general lines" during discussions in London and Paris.

The American chiefs took off in President Truman's plane, the Independence. They are expected to arrive in Washington at 7 A. M. tomorrow. To reach the Tullin air base, where the Independence awaited them, the American chiefs traveled twenty miles through Russian-occupied territory in the private train of Lieut.-Gen. Geoffrey Keyes, American High Commissioner.

committee of Ministers of the Council. They may be compared to the government of Europe, if a federated Continent comes into being.

Consultative Assembly

Wednesday, the Council's first consultative assembly meets. The assembly is a parliament. It is made up of delegations from the parliaments of the member countries.

The Council is prepared to extend its frontiers into southeastern Europe with the formal addition of Greece and Turkey to the present membership.

British official sources said the Foreign Ministers Committee, the Council's executive arm, will approve membership for the two applicants at its first sitting this afternoon.

Both new countries will be allotted seats in the consultative assembly—eight for Turkey and six for Greece—bringing the Assembly's roster up to 101 deputies.

Churchill Expected

The Council brings together in

European Council Ready For Its First Session

Strasbourg, France, Aug. 8 (AP)—The flags of ten nations bedeck this little city on the Rhine to welcome representatives of those countries who today begin the first session of the Council of Europe.

The Foreign Ministers of Britain, France, Italy, Belgium, Holland, Luxembourg, Sweden, Norway, Denmark and Ireland, the charter members, meet today at the medieval Strasbourg City Hall, in a step toward a federated Continent.

Today's conferees comprise the Committee of Ministers and the Assembly half a dozen organizations that work for European unity and individual leaders of almost every political cast, except the extremes of fascism and communism.

The most colorful figure in the assembly will be Britain's war-time leader, Winston Churchill, postwar enthusiast for welding together the victor and the vanquished as one strong unit.

Churchill is expected to arrive Wednesday from Lake Garda, vacation spot in the Italian Alps.

Ernest Bevin Arrives

Churchill may make the assembly his platform for another strong appeal against the danger of Soviet expansion.

Britain's Foreign Secretary Ernest Bevin and his wife arrived today by car from Evian, Switzerland, where he has been resting.

Bevin, who represents official British policy, is more cautious in his approach than Churchill.

Three of the most enthusiastic supporters of European union are the Foreign Ministers of France, Italy and Belgium. Norway also favors such a project.

U. S. Staff Chiefs Flying Home

Take Off in Truman's Plane After Ten Days of Conference With Pact Nations.

Vienna, Austria, Aug. 8 (A. P.).—The American joint chiefs of staff left by plane for Washington today after expressing pleasure with the progress made in organizing the military strength of the Atlantic pact nations.

They made a ten-day tour of Altantic Alliance countries and

U.S. Medical Officers Meeting British Chiefs

London, Aug. 8 (AP) — Twelve medical officers from the new Medical Services Division of the United States Department of Defense are meeting their British opposite numbers today.

They flew in aboard an Air Force C-54 last night on a week's tour of Europe to look over United States service medical installations and trade ideas with American and Allied medical chiefs.

Among them are Dr. Raymond B. Allen, director of the Medical Services Division: two surgeons general, Rear Admiral Clifford A. Swanson, of the Navy and Maj. Gen. Malcolm C. Grow, of the Air Force, and Maj. Gen. George E. Armstrong, Army deputy surgeon general.

4 U.S. Subs At British Port

Portsmouth, England, Aug. 8 (AP). Four United States submarines arrived here today for a week's visit. They are the Corsair, Cochino, Toro and Tusk.

Marshall-Aid Countries Plan Trade Fair In U.S.

Paris, Aug. 8 (AP)—European countries getting Marshall aid are thinking of holding a trade fair next year to show their products in the United States.

Detroit, Philadelphia, New York, Washington and Atlantic City are being considered as the site.

SCHACHT TO AGAIN FACE DENAZIFICATION COURT

STUTGART, Germany, Aug. 8—(AP)—Dr. Hjalmar Schacht, former Reichsbank president, was ordered today to face another denazification court.

The Ministry of Liberation wiped out a court decision which nullified an eight-year prison sentence imposed against Schacht. The ministry said the court decision was based on "erroneous judicial opinion."

It ordered him to appear for trial before a denazification court of appeals at a date to be set.

Schacht can be tried in this American zone city only if he voluntarily appears or if he is handed over by the British. He is now living near Lueneburg in the British zone. Denazification officials of the British zone state of lower Saxony have announced that he will be tried there also.

Jobs Show Rise In West Germany

Frankfurt, Germany, Aug. 8 (AP) Unemployment in West Germany declined last month after hitting a postwar peak, the Bizonal Labor Office reported today.

During the last two weeks of July, the number of jobless dropped 9,812. It was the first sizeable decrease reported in more than a year. The total of unemployed at the end of July was 1,254,450.

Czechs Train Women For Security Police

Prague, Czechoslovakia, Aug. 8 (AP)—Czechoslovakia is training scores of women recruits for the state security police, the Communist government annouced today.

The women, selected mostly from factories, are being given "moral and political education" as well as training in police technique. Their job, the government said, will be to "protect the rights of the working class."

The force, training at a camp set up by the interior ministry near Karlovy Vary (Karlsbad) will be patterned after women's police units in the Soviet Union, Poland, Bulgaria and Hungary. Some women also are being trained as traffic police.

RUSSIA RENEWS EFFORTS TO BAN ATOMIC WEAPONS

GENEVA, Switzerland, Aug. 8 (AP)—Russia renewed her efforts today to persuade a 60-nation humanitarian conference to outlaw atomic weapons.

The conference has been meeting since April to draw up new conventions on the rules of war. The conventions are intended to mitigate human suffering in a possible future war by regulating the treatment of prisoners-of-war and of wounded soldiers and sailors and by protecting non-combatant civilians.

Thrown Out by Committee

A proposal to outlaw atomic weapons was submitted by the Soviet

delegation last month to a committee drawing up the convention for the protection of civilians. The proposal was then thrown out by the committee on the grounds that it was beyond the committee's competence.

No agreement on outlawing atomic weapons has been reached after several years' debate in the United Nations Atomic Energy commission.

The Chief Soviet delegate, Nicolai Slawine, gave notice today that he would put the same resolution before a plenary session of the conference tomorrow.

A plenary session of the conference approved a resolution today suggesting that an international body might be set up in peacetime to fulfill the functions hitherto carried out by neutral protecting powers.

Red Objection Beaten

The suggestion was originally made by Georges Cahen-Salvador, of France. He said in a future war there might be no neutral power to protect prisoners-of-war and ensure the observance of the Geneva conventions. Slawine objected to the proposal on the grounds that it was based on "an artificial assumption," but the conference nevertheless accepted it by 32 votes to eight, with four abstentions.

A Mexican resolution to be put before the conference tomorrow expresses a hope that the conventions drawn up by the conference would never have to be used:

"The conference wishes to affirm to all the peoples of the world that its work has been guided solely by humanitarian aims, and for that reason expresses the hope that it may never become necessary to apply these conventions.

"Its greatest wish is that the powers, great and small, shall always find some means of adjusting their differences by international cooperation and comprehension, so that peace shall prevail on earth for ever."

Pravda Hits Truman As Warmonger

Moscow, Aug. 8 (AP)—*Pravda* accused President Truman today of fanning war hysteria and poisoning the international atmosphere.

The attack, written by Commentator M. Marinin, occupied almost a full page in the Communist party newspaper.

"History teaches us ruin is the inevitable fate of every policy based on risk-taking," Marinin wrote. "Such failure also awaits the policy of President Truman and his friends.

"The warmongers continue t rush about, for they feel time i against them. The powerful cam of peace goes forward to meet tc morrow, confident of its strengtl in its truth and in the deep reality of its purposes."

Marinin said President Truman is "incapable of harkening to the voice of fact," and is following a policy dictated by warmongers.

"This policy is one of artificially playing on nerves, poisoning the international atmosphere and speculating on fear, lack of confidence and alarm," it said. "In his message Truman sounds hysterical notes: 'Don't lose time! Pass (the arms for Europe program) in the shortest possible time!'"

Fire From Albania Is Greek Report

Athens, Aug. 8 (AP)—An army communiqué said today Greek troops fighting in the Grammos Mountains were under artillery fire from Albania. This was the second time the claim has been made since the new offensive began Saturday.

The communiqué said an artillery barrage came in all day from the Albanian village of Bozigrad west of Kastoria.

The communiqué added that fierce fighting was continuing and that rebel strongpoints had been taken. Guerrilla counter-attacks were repulsed, the report said.

The Greek Army reported yesterday it was driving the rebels out of their fortified positions, but encountering fierce resistance.

[A broadcast from Radio Tirana, mouthpiece of the Communist Albanian Government, charged that Greek Government troops have invaded Albanian territory, the Italian news agency Astra reported.]

ISRAELI, ARAB TRUCE IS REPORTED NEAR

HAIFA, Israel, Aug. 8—(AP) An informed source said here today that a peace agreement between Israel and the Arab nations may be reached within two months.

Reliable reports earlier today in Tel Aviv had said that chances of a final Arab-Israeli peace are "not unfavorable."

These reports were to the effect that Israeli's offer to accept 100,000 Arab refugees had been received favorably by President Truman and that the U. S. government was urging both sides to come to terms soon in the conferences at Lausanne, Switzerland.

There were reports here that the United Nations truce and armistice personnel will leave Israel by the end of September. The UN staff sent to Lausanne will not return here, these reports said.

James McDonald, U. S. ambassador to Israel, is expected to discuss latest Palestine developments when he arrives in Washington for a vacation.

Some U. S. State department officials believe the Israeli offer to accept Arab refugees should be increased. This has not been received favorably in Israeli government circles.

INDIA ASSUMES BHUTAN DUTIES

MAP—PURDUE

Succeeds British As Protector Of Himalayan Kingdom

New Delhi, Aug. 8 (AP)—India today took over a "white man's burden" formerly carried by the British.

The transfer was effected by the signing of a treaty of perpetual friendship with the Himalayan kingdom of Bhutan. It gives India control over Bhutan's foreign relations and pledges noninterference with Bhutan's domestic affairs.

The relationship is similar to the treaty links Britain had with 600-odd Indian princes before the British ended their rule over India two years ago.

Bhutan is a remote area of 18,000 squares miles and 300,000 people in the "lost-horizon" country between Tibet and Indian Assam.

The treaty signed at Darjeeling, hill-station capital in Upper Bengal, gives Bhutan 32 square miles of disputed territory which she claimed, provides freedom of trade and transport and gives Bhutan $150,000 as an annual subsidy.

The former British rulers of India never paid more than $60,000 tribute a year under the good-behavior clause of their treaty with Bhutan.

China, India, Tibet and the Kingdom of Nepal have tried to win control of Bhutan but the Victorian empire-builders from Britain slipped in with a treaty in 1866 and took over Bhutan's relations with the world outside. That arrangement lasted 83 years.

Tibet Cultural Source

Bhutan's Mongoloid, Buddhist people continue, however, to look on Tibet as the fountainhead of their religion, culture and language. Their spiritual head is the Dalai Lama at Lhasa, the Tibetan capital.

China in the distant past exchanged gifts with Bhutan, using the Oriental way of intended diplomatic conquest, but never able to take over. Nepal's invasion of 1792 was turned back with Chinese aid.

Britain invaded Bhutan in 1774 in pursuit of freebooters who had kidnapped the Maharajah of Cooch Behar, India, and his brother. This time, Tibet interceded with a good-will mission.

Production for export never seemed to justify the military and diplomatic scrambles for control of the remote highland country. The principal products range from grains to elephants, from fine steel swords to muzzle-loading muskets.

The ruler is Maharajah Jig-me Wang-chuk.

Shah Of Iran Will Visit U.S.

Tehran, Iran, Aug. 8 (AP)—The Shah of Iran, Mohammed Reza Pahlevi, will visit the United States late in November to inspect American farming and industrial methods.

He said yesterday he planned to stay in the United States two or three weeks and to stop at Washington, New York, Detroit, Los Angeles and other major cities.

The Shah said he hoped to induce some automobile manufacturer, possibly General Motors, to set up a plant in Iran.

The Iranian ruler also said he planned to inspect projects such as the TVA and Boulder Dam, and was interested in looking into American agricultural techniques in the wheat regions of the mid-West.

The Shah said he was interested in improving the condition of Iranian peasants who form three fourths of the country's population.

Chinese General Shifts Men To Guard Flank Near Canton

5 MOOSA

Canton, China, Aug. 8 (AP)—Trustworthy reports from the Chinese war front north of Canton said tonight Gen. Pai Chung-hsi was shifting large numbers of his forces to meet a Red threat to his western flank.

Pai was said to be acting to prevent the Reds from cutting off his escape route southwestward into his native Kwangsi Province. From Pai's headquarters city of Hengyan, one railway leads south 265 miles to Canton, and other southwest into Kwangsi.

[Throughout the present campaign there has been considerable speculation on the Nationalist side whether Pai eventually would fall back into Kwangsi or would choose to defend Canton, provisional capital of the Nationalist Government.]

Defends Shaoyang

An army spokesman said Pai was firmly defending Shoyang, 60 miles west of Hengyang. (North of the railway to Kwangsi, it would be a good point from which to defend or threaten that route.)

The spokesman said troops defending Shaoyang included the 14th army, which refused to stay with the turncoat Gen. Chen, Ming-Jen, when he handed the Reds the fortress of Changsha last week.

A previous Canton dispatch had said Chen, deputy commander of the whole Nationalist defense front, was obviously familiar with Pai's troop dispositions. This would be another reason for the current shifting of forces.

Civilians Evacuated

On the Kansu Province front more than 700 miles to the northwest, the Kansu Government was reported to have ordered its civilian employés and their families to move from Lanchow, the capital.

Although the Communists were last reported 140 miles from Lanchow, the civilian employés were told to move 110 miles west to Sining, capital of Tsinghai Province, within five days.

Kanu's governor, the famed Moslem Gen. Ma Hung-kwei, is in Canton. Informed quarters said he would return to Kansu after arranging for delivery of money and arms promised him by Generalissimo Chiang Kai-shek.

Lanchow Evacuation Move Is Ordered

Canton, Aug. 8 (AP)—The Kansu provincial government has ordered evacuation of all its civilian employés and their dependents from Lanchow. The order reflects successes of the Communist drive in Moslem Northwest China.

The civilians have been told to move within five days to Tsining, capital of Changhai, 110 miles west of Lanchow.

Gen. Ma Hung-kwei, governor of Kansu, is in Canton. Informed sources said he would go to Kansu as soon as details for the transfer of silver dollars and arms promised by Generalissimo Chiang Kai-shek have been worked out.

Situation Serious

Communist gains in the Northwest and Central China have made the Nationalist situation grave.

The old China-Russian highway has been cut by the Reds at Tienshui (Heaven Weater) 140 miles southeast of Lanchow.

In the province of Hunan in Central China, the Communists are confronting National Gen. Pai Chung-hsi with the danger of slamming shut his native province of Kwangsi.

Need Shaoyang

This danger developed with the Communist outflanking of Hengyang, pivotal point in Pai's defense system in Central China.

The Reds have only to take Shaoyang, 60 miles west of Hengyang, to offer a serious threat to the Hunan-Kwangsi railroad escape route.

Shaoyang, also known as Poacheng, is now under attack by Reds who crossed the Siang River south of Changsha. This maneuver was made easy by treachery of Pai's turncoat deputy Gen. Chen Ming-jen.

If the Reds cut the Hunan-Kwangsi railroad, Pai's only remaining avenue of escape would be into Kwangtung province along the Canton-Hankow railroad. But Red danger to this line is developing.

Chiang Requests Conference Of Asia Powers

W. MOORE

Chinhae, Korea, Aug. 8 (AP)—The leaders of Nationalist China and the Korean Republic called today for a conference of Asian powers in the immediate future to draft a Pacific alliance against communism.

The request came in a joint statement by Chinese Generalissimo Chiang Kai-shek and President Syngman Rhee of South Korea after a two-day conference here. They asked President Elpidio Quirino of the Philippines, to summon the nations.

Quirino, in San Francisco en route to visit President Truman, had no comment. He and Chiang laid the foundation for a Pacific pact last month in a similar conference at Baguio in the Philippines.

New Developments

Since the Chiang-Quirino meeting, the picture has been changed by these developments:

1. Quirino recast last week his entire concept of the projected Pacific union and eliminated all reference of Chiang and his crumbling Nationalist regime in China.

2. The United States issued its White Paper on China two days later and labeled the Chiang Government a failure in the civil war against the Chinese Communists.

A spokesman for the Philippine President said last night, that Quirino would make no statement on any phase of the projected alliance until he had talked with Mr. Truman.

In their call for a conference, Chiang and Rhee said:

"We are strongly of the opinion that countries of the Pacific in general and Far Eastern countries in particular are facing a greater danger from international communism today than any other part of the world.

Solidarity Need Stressed

"Solidarity and concerted action among these countries is more urgently needed than elsewhere. It is our firm belief that the world cannot be free if Asia is to go under and mankind cannot afford to be

divided into half free and half slaves."

They suggested Quirino set the conference for Baguio.

After issuing the statement, Chiang boarded his plane and left, presumably for his holdout bastion of Formosa. He declined "comment at this time" on the American White Paper.

The Chiang-Rhee statement said: "We have arrived at full agreement concerning the idea of a union as set forth in the joint statement issued by President Quirino and Generalissimo Chiang Kai-shek on July 12, 1949, at Baguio. . . ."

No Reference To Change

There was nothing noting that Quirino's concept of the pact since that time had left Chiang out of the picture. Neither was there any reference that the Philippines had declined to attend the Chinhae conference.

Quirino has been represented as believing Chiang and his regime must be dropped from the pact plans if British Commonwealth nations are to be won over to the idea. These nations are considered essential to the success of any Pacific alliance.

The rub, as seen by informed quarters in Manila, is that the commonwealth nations would not care to be identified with any project that commits them to support of the Chinese Nationalists, for instance, both Malaya and Burma are having their own Communist trobules. And the Chinese Communists constitute a threat to the British colony of Hong Kong.

U.S. Attitude

The United States, too, has been cold to the idea of a Pacific counterpart of the Atlantic alliance. Secretary of State Acheson has told the Asian nations, however, they should go ahead if they desire without American participation.

Since Quirino came out with his new non-Chiang slant, dispatches from Manila and Washington have indicated that the United States is warming up to the alliance plan.

SHANGHAI JOBLESS PUT AT 1,000,000

F. HAMPSON

Shanghai, Aug. 8 (A. P.).—Shanghai's unemployed total 1,000,000 persons, the Communist Military Control Commission announced today.

Of these 250,000 are industrial workers, 650,000 are "paupers" and the others are classified by the Communists as "land owners, wealthy farmers and lawless elements," who fled to Shanghai from the interior and are not employed. Thus the city's unemployed population numbers a sixth of its inhabitants.

The commission said those with homes elsewhere would be sent to them. Those without homes are to be sent to north Kiangsu and north Anhwei provinces to be settled on new farm areas. Only the destitute are to have their transportation paid.

The Communists, who appear to think the Nationalist blockade will last indefinitely, say they hope ultimately to move 3,000,000 persons out of Shanghai to farm areas to ease the burden caused by the loss of sea commerce. Without trade it is doubtful that Shanghai could support half its present population. The question in many minds is whether the interior is in a position to absorb such a mass of urban population.

Acheson Plans To Push New China Policy

J. HIGHTOWER

Washington, Aug. 8 (AP)—Secretary of State Acheson expects to begin consultations with congressional foreign-policy committees before the end of this session on the development of a new American policy toward China and the Far East.

Officials said today that he expects to have China studies well advanced this summer. It still seemed unlikely that they would result in any requests for legislation before Congress adjourns.

Representative Martin of Massachusetts, Republican floor leader, said yesterday that Republicans "stand ready to join with the Administration in the formulation of a strengthened China policy for peace."

New Lines Of Attack

Other developments bearing on the general problem of trying to recoup the anti-Communist position and chart new lines of attack on communism in Asia include:

1. The visit of Philippines President Elpidio Quirino beginning here today seems likely to give new force to Quirino's plans for promoting a nonmilitary regional organization of countries in the Southeast Asian area. State Department officials were reported to be interested in Quirino's plans, although they would regard with disfavor any effort to form a Pacific military alliance including Nationalist China.

2. American Ambassador John Leighton Stuart and other diplomats from the Communist area of China are due here Wednesday. They will give Acheson and other policy makers reports and advice on what this country may do to accomplish anything against the Communist regime inside China.

3. Raymond Fosdick, former president of the Rockefeller Foundation, is due here tonight to begin his work with Ambassador Philip Jessup, Acheson's No. 1 trouble shooter on the new China policy. Those two will be joined soon by President Everett Case of Colgate University.

4. The State Department expects soon to receive reports from Shanghai and other Communist area cities telling how many Americans want to leave China at once.

Most Want To Leave

Indications have been that a large number of the 3,000-odd citizens (official and nonofficial) have decided there is no possibility of doing business under Communist rule and want to get out fast.

If this proves to be the case, the State Department will arrange for a relief ship to be sent to China.

If the withdrawal of Americans is as complete as some diplomatic authorities here expect, there will be little pressure from the American side to do business with the Communists. Thus one of the forces which could work against the security of the Communist regime in China might be brought into play.

That is the power, traditionally exercised by the western nations, either to help China by providing consumer goods on a large scale or to make China's supply problems difficult by permitting trade to languish.

West Help Held Reds' Need

Many experts here believe that the Communists cannot hope to solve China's economic problems without the aid of the West. These persons say that if the United States, Britain and other countries will co-operate in planning their relations with Chinese Communists they can practically control that aspect of the situation.

The extent of Communist dependence on trade with the West is one of the facts which Acheson has directed his policy survey experts to nail down as fully as possible.

Another point on which he wants full information is the extent to which local generals and war lords in the still uncommunized section of southern and western China can be depended upon to put up a prolonged anti-Communist resistance which might justify American help.

U.N.'S LEADER HAILS WORLD'S PEACE STRIDES

M HARRELSON

Lie Credits Accord On Berlin And Efforts Of His Organization

Lake Success, N.Y., Aug. 8 (AP). Trygve Lie, secretary-general of the United Nations tonight hailed the last twelve months as a "year of progress toward a more peaceful world."

In his fourth annual report, he told the 50 member nations the fear of war had definitely decreased despite big-power differences. The 159-page report was the most optimistic yet issued by the secretary-general.

In a speech delivered a few hours earlier at Bergen, Norway, Lie expressed confidence that in five more years war may become old-fashioned.

He recalled that Franklin D. Roosevelt once said it might take five years to win the war and afterward ten years to win the peace.

Cites Mediation Efforts

In his report, Lie credited the ending of the Berlin blockade with doing the most to ease world tension, but added:

"United Nations action in other parts of the world has also contributed to the progress made toward a more peaceful world by either preventing or ending wars involving 500,000,000 people."

This was a reference to United Nations mediation efforts in Palestine, Kashmir and Indonesia.

He conceded the United Nations still had not been able to resolve the differences which have caused the cold war between Russia and the western powers. He said, however, "the conflict has been kept within peaceful bounds and the way prepared for further progress toward a settlement."

The secretary-general advanced a six-point program which he said could reduce the danger of war and strengthen the United Nations. The major point is continued consultations among the big powers on such problems as the German, Austrian and Japanese peace treaties, atomic control and creation of an international police force.

Calls Negotiation Essential

"It is essential," he said, "for the great powers to keep in contact, to talk things over, and seriously to negotiate with one another."

Other points proposed by Lie were:

1. A direct United Nations trusteeship over the former Italian colonies, with an administrator responsible only to the Trusteeship Council, during an interim period before the colonies reach independence.

2. High priority to the Middle East in the United Nations program of technical assistance for economically backward areas.

3. Taking full advantage of United Nations machinery in tackling world economic problems.

4. Admission of all fourteen countries whose applications for United Nations membership are pending.

5. Creation of a United Nations field service of 300 uniformed men to aid United Nations truce, plebiscite and other peace missions around the world.

Questions Regional Agreements

Lie touched indirectly on the North Atlantic treaty, but he did not mention it by name. He said it was important "to understand that it is impossible to obtain lasting security from war by any arrangement that leaves out any of the great powers."

"While regional-security arrangements may sometimes redress the balance of power in the world," Lie said, "collective security can be achieved only by working out means by which all the great powers may live peacefully together under the charter, however long this process may take.

Held More Essential

"The events of the past four years and the existence of great

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power differences make the United Nations more essential, rather than less so."

In his Bergen speech he made the reservation that while regional co-operation may sometimes be welcomed under the United Nations Charter, "the supremacy of the United Nations is absolutely clear."

sult. The world has cause to be thankful for the constructive statesmanship of the great Powers that made possible the agreement reached by the United Nations representatives at Headquarters after several months of United Nations efforts at conciliation. This agreement has re-

of Israel in Palestine without a major war is one of the epic events of history, coming, as it does, at the end not merely of thirty years, but of 2,000 years of accumulated sorrows, bitterness and conflict. For Christian, Jew and Moslem alike Palestine symbolizes historic forces beside

tary-General appealed to the great Powers under this resolution to seek once again to reach agreement on the Berlin question. A committee of currency experts of the non-permanent members, appointed by the President of the Security Council, in which a representative of the

Introduction to Fourth Annual Report by Secretary General Trygve Lie on Work of U. N.

Special to THE NEW YORK TIMES.

LAKE SUCCESS, Aug. 8—Following is the introduction to the annual report of Secretary General Trygve Lie on the work of the United Nations, for July 1, 1948, to June 30, 1949, made public today:

The year between 1 July 1948 and 30 June 1949 covered in this, my fourth annual report on the work of the United Nations, has been, on the whole, a year of progress toward a more peaceful world.

It is true that the world has had its full share of crises and alarms. The rival claims in an ideological conflict have been pressed as though they were the only issue of our times, while the great Powers have continued their efforts to strengthen their relative positions before the situation is brought nearer to stability by the conclusion of peace treaties. Although overshadowed by the great Power differences, movements of national independence and social upheavals in many parts of the world have unavoidably contributed to international tensions. These conditions, which have persisted since the war ended, continue to cause widespread anxiety among the peoples of the world as to the prospects for world peace and the ability of the United Nations to prevent a third world war.

Because of the great Power differences, no progress has been made during the year towards providing the Security Council with armed forces to enable it to take enforcement action, and there has been little progress towards agreement on the control of atomic energy, of other weapons of mass destruction, and of conventional armaments.

Progress Toward a More Peaceful World

Nevertheless, the fear of war has decreased since my last report was made. The breaking of the Berlin deadlock has been a main factor in achieving this re-

sulted in a promising renewal of negotiations on Germany and Austria.

United Nations action in other parts of the world has also contributed to the progress made toward a more peaceful world by either preventing or ending wars involving 500,000,000 people. This action—in Palestine, in Kashmir and in Indonesia—did not involve the use of military or police force; indeed the Security Council has no such force at its disposal. The only force used by the United Nations has been its moral force and its power of persuasion toward reasonable compromise and peaceful settlement. In each case setbacks have been experienced from time to time, but the influence of the United Nations through the processes of mediation and conciliation has always reasserted itself and has, thus far, prevailed.

It is noteworthy that in the cases mentioned above, involving almost one-quarter of the total population of the world, the Security Council has operated with considerable success under its rule of unanimity in the most critical period of great Power tension. I do not mean to suggest that there have been no difficulties over the application of the unanimity rule. Nevertheless, so much has been said about the alleged paralysis of the Security Council and the consequent inability of the United Nations to prevent war that attention should be called to the record of the Security Council in these and in some other disputes.

It is true that the conflicts in Palestine, Kashmir and Indonesia are in some ways peripheral to the defferences over a European settlement which have almost monopolized the world's attention. But though they may be peripheral to the European conflict, they certainly are not peripheral to the welfare of the human race or to world peace.

The establishment of the State

which the present ideological conflict appears to be a transitory phenomenon.

When India and Pakistan agreed to a United Nations cease-fire in the State of Kashmir, the 400,000,000 people of these two great countries, both newly independent, were spared the worst of all disasters—religious and communal warfare. In Indonesia, the United Nations has played a decisive part in efforts to secure a peaceful settlement of the conflict between the Netherlands and Indonesia, and a peaceful transition to national independence of 70,000,000 Indonesians. More people live in these countries than in the whole of Europe, the continent on which such concentrated attention has been directed since the war ended.

The United Nations a Powerful Influence for Conciliation and Mediation

In these disputes, as in the great Power conflict itself, the United Nations has demonstrated that it can exert powerful influences for conciliation and mediation. Nothing better illustrates this than a comparison of the relationships between the great Powers before and after the Berlin dispute was brought to the United Nations as being a threat to the peace.

When three of the great Powers brought the Berlin question to the Security Council last September in a complaint against a fourth many people feared that this crisis would break up the United Nations and even lead to a new world war.

Neither of these things happened. Instead, moderating and conciliating forces were set in motion immediately. The nonpermanent members of the Security Council, under the leadership of its President, sought to bring about great Power agreement on a solution of the deadlock. The General Assembly adopted a resolution calling upon the great Powers to renew their efforts to compose their differences, and the President of the General Assembly and the Secre-

Secretary General participated, then sought to break the deadlock by means of a plan for a single currency for Berlin.

None of these efforts brought immediate results, but their effect was greatly to moderate the tension, reduce the danger of war, and gain time for other factors tending to a settlement to make themselves felt. In the end, the result was the resumption of great Power negotiations on the peace treaties after seventeen months of complete stalemate during which the Council of Foreign Ministers did not meet.

It is important that we should not miss opportunities for further progress towards peace in the months ahead because of any misunderstanding of the role of the United Nations in the prevention of war or in the face of "East-West" differences. Such misunderstanding, coupled with over-emphasis on immediate as against long-range considerations, could lead to a succession of acts, or of failures to act, that would end by relegating the United Nations to a second-class role in world affairs. I do not refer here to regional or bilateral pacts or alliances as such, the effect of which depends upon the spirit in which they are concluded and the spirit in which they are carried out. What I have in mind is, rather, a false conception of the role of the United Nations—a conception which, however it may manifest itself, will have the result of weakening the United Nations. Failures to live up to the obligations of the Charter or to use the machinery of the United Nations fall in this category; genuine efforts to carry out the Charter and to make full use of the machinery it provides can but strengthen the organization.

It is important to recall once more the basic premises of San Francisco. At San Francisco the founders of the United Nations agreed that peace could be maintained only by a universal organization founded on a universally accepted Charter. They rejected

the idea that anything less would do. They therefore laid the foundations of the United Nations in such a way as to include within it all the major forces at work in all parts of the world, not just in one part or another.

Contrary to misconceptions that have arisen since, it was never contemplated at San Francisco that the United Nations would or could abolish differences of interest and ideology such as we see in the world today. It was not believed that the great Powers would always act in unity and brotherhood together. What the founders of the United Nations did believe was that the United Nations would make it possible to keep disputes between both great and small Powers within peaceful bounds, and that without the United Nations this could not be done. Finally, they rejected the idea of an irreconcilable conflict that could be settled only on the field of battle, and proclaimed on the contrary the principle that all conflicts, no matter how fundamental, should and could be settled by peaceful means.

The record of the United Nations during the past twelve months has clearly confirmed the wisdom of the San Francisco concept, rather than cast doubt upon it.

The United Nations has not been able to resolve great Power differences, but the conflict has been kept within peaceful bounds and the way prepared for further progress toward a settlement.

The Leadership of the United Nations

In the meantime, the work of the United Nations has gone right ahead; it has stopped wars in different parts of the world; it has developed international cooperation in almost every field of human activity on a scale never before attempted.

The United Nations has been called upon to act in most of the troubled areas of the world. Besides the participation of the organization in the problems of Berlin, Palestine, Kashmir and Indonesia, there is a United Nations Special Committee on duty in the Balkans, and a United Nations Commission on duty in Korea. Because the great Powers failed to settle the future of the Italian colonies, the United Nations has been called upon to decide the matter.

The United Nations has proclaimed the first Universal Declaration of Human Rights in history; the history-making Conven-

tion on the Prevention and Punishment of the Crime of Genocide has been approved unanimously and member states have been asked to sign and ratify it.

Through the machinery provided by the Charter, and in particular through the International Trusteeship System, the United Nations is assisting the progress of dependent peoples toward self-government or independence.

The foundations of a world rule of law are being built by the decisions and advisory opinions of the International Court of Justice, by the work of the International Law Commission and by the recommendations and conventions adopted by the General Assembly.

In spite of all political and ideological differences, the United Nations is developing an economic and social program aimed at raising the standards of living of the less-developed countries of the world and at increasing the sense of responsibility of the community of nations for the welfare of each of its members.

Through United Nations procedure of regional economic cooperation, effective assistance is being given to the countries of Europe, of Latin America, of Asia and the Far East toward the reconstruction and development of their economies.

Through the planning and execution of comprehensive programs, both in the economic and in the social fields, the providing of fellowships, the sending of missions and advisers, the organization of regional seminars, the United Nations has begun to make an effective contribution to placing the knowledge of the more advanced nations at the disposal of the less advanced.

One of the most heartening events of the year was the impetus resulting from the initiative taken by the United States of America for an expanded program of technical assistance for the economic development of the underdeveloped areas of the world, to be carried out wherever possible through the United Nations and the specialized agencies. At the request of the Economic and Social Council I prepared a report on this matter in consultation with the heads of the specialized agencies. I hope that the expanded program of assistance that is proposed in that report will be carried out, and I believe that active support by the members of the United Nations for such a program can greatly assist the peaceful transition to a more prosperous world order.

Wherever acute sufferings have resulted from international developments, the United Nations has endeavored to bring speedy re-

lief through all the means at its disposal, particularly to those unable to rely for assistance and support on any single national community, such as the refugees and displaced persons in Europe, in Palestine and in the Far East.

Although the economic and social work of the United Nations and the specialized agencies is in its initial stages, millions of people in all parts of the world are already better off than they were before, because of the work done on problems of labor, health, nutrition, agriculture, education, refugees, child welfare, economic development and stability, finance and trade, control of narcotic drugs, and on many other related questions by the specialized agencies and commissions of the United Nations.

Without the United Nations, most of these activities could not have been undertaken, nor could the benefits from them be realized. Few of them have been seriously impeded, still less paralyzed, by the conflict between the great Powers. Finally, the tensions and other ill effects of that conflict have been greatly alleviated by many of these United Nations activities.

The Problem of Unanimity of the Great Powers

It is in connection with the problems of implementing Article 43 of the Charter, of controlling atomic energy and other weapons of mass destruction, and of regulating and reducing other armaments, that great Power differences have blocked any substantial progress. It is precisely here that unanimity of the great Powers is essential. This unanimity would be just as necessary if there were no power of veto in the Security Council. There is no solution for such problems except by agreement among all the great Powers.

I think we must now recognize that in the past a somewhat misleading emphasis has sometimes been placed on the enforcement functions of the Security Council. These functions are important, and it is a great disappointment that Article 43, which provides for the placing of armed forces at the disposal of the Security Council, has not yet been put into effect. So long as this Charter obligation remains unfulfilled the authority of the United Nations cannot be as great as it should be.

Nevertheless, it should be recognized that the experience of the past year has demonstrated that the primary instruments in the preservation of peace are those of peaceful settlement. In the words of the Charter these are "negotiation, inquiry, mediation, conciliation, compromise, arbitration, judicial settlement, resort to regional agencies or arrangements." In the use of such instruments the United Nations has already achieved substantial success.

In so far as the great Powers are concerned, these instruments of peaceful settlement are the only ones that the Security Council can, in practice, employ. The unanimity rule applies to all decisions for enforcement action and even if there were no such rule, the situation would not be changed in substance. Enforcement action against a great Power would not be police action, it would be war—in fact a new world war.

A new world war, conducted with the means now available, would bring the world only to destruction. No one system or ideology could prevail afterwards, because there would be neither victors nor vanquished. There would be complete chaos.

To prevent a new world war from breaking out is the main reason for the existence of the United Nations.

It is important for the peoples of the world to face these facts and to understand that it is impossible to obtain lasting security from war by any arrangement that leaves out any of the great Powers. While regional security arrangements may sometimes redress the balance of power in the world, collective security can be achieved only by working out means by which all the great Powers may live peacefully together under the Charter, however long this process may take.

The events of the past four years and the existence of great Power differences make the United Nations more essential, rather than less so. The only way of resolving these differences peacefully is my making the United Nations work effectively within the full range of its Charter responsibilities.

Other developments of our times are adding to the importance of the United Nations with each year that passes. Two developments to which I wish particularly to refer are the rise of many peoples in Asia and Africa from a position of dependency toward one of equality, and the growing strength of the movement to extend the observance of human rights everywhere in the world.

If the importance of these developments were correctly assessed, I believe that the world would find it possible to approach the present "East-West" difficulties with less hysteria, for they would be more easily seen in their true perspective. I believe that the rise of dependent peoples and the human rights movement will, in the long run, have far more significance and give rise to greater events in the second half of the twentieth century than will the present ideological struggle.

The Rise of Dependent Peoples

India, Pakistan, Burma and Ceylon, all formerly dependent parts of the British Empire, have achieved independence by pacific transition since the United Nations was founded, due mainly to the high degree of statesmanship exercised by the Governments of those countries and of the United Kingdom. In my report last year I noted the striking increase in the independent representation of the nations of Asia and Africa in the United Nations since the San Francisco conference. Israel has now become the fifty-ninth member of the organization. The application of four more countries of Asia—the Mongolian People's Republic, Ceylon, Nepal and Korea—are pending. Indonesia may be expected to apply after existing difficulties there are settled. The debate in the General Assembly on the Italian colonies revealed that the majority of the members expect to welcome Libya as an independent member in a few years, and Somaliland perhaps somewhat later. We can be certain that, in time, other countries in Asia and Africa will become members. There should be others, for over half the people of the world live on these continents.

The days of dependency or inferior status are fast coming to an end in Asia. Its peoples are the inheritors of some of the world's greatest cultures; they are building their own new worlds on the foundations of the old. Their influence in the affairs of the United Nations is growing. Given time, and the necessary development of their economic resources, their influence will be more nearly commensurate with their population than it is today. The idea that all this vast diversity of ancient peoples stirring to new life and power could ever become the mere reflection of any form of society in other parts of the world is unrealistic.

In Africa the movement forward is slower. There the International Trusteeship System can play an especially important role, and the beneficial effect of United Nations' supervision of the administration of the Trust Territories will be felt throughout the much wider area of the Non-Self-Governing Territories. The effects of the Trusteeship System will certainly give new impetus to the economic, social and educational advancement of the peoples of these Territories and to their progress toward self-government or independence.

The Human Rights Movement

In the struggle to extend the observance of human rights in the world the past year has seen one of the most potentially significant developments of history in the proclamation by the General Assembly of the Universal Declaration of Human Rights. This is the first time that such a declaration has been written for the whole world.

It is true that this declaration is not a law, but neither have been many of the most influential documents of history. The United States' Declaration of Independence, and France's Declaration of the Rights of Man were not laws when they were proclaimed.

Nevertheless, the Universal Declaration of Human Rights has behind it the force of public opinion, and public opinion is at the source of all law whether it be national or international. The declaration sets a standard for governments to live up to. Its power for good is incalculable wherever people are deprived of freedom because of their beliefs, wherever there is discrimination because of the color of a man's skin or for any other reason, wherever people do not have a fair opportunity to enjoy a decent living standard, education for their children and security in times of illness, accident and old age.

The declaration, furthermore, is only the first, although the most important, of the steps being taken by the United Nations to extend respect for human rights more widely in the world.

The essential role of the United Nations in these great developments is now becoming more clearly defined.

On the one hand, the United Nations is assisting the movements toward greater equality of opportunity beween the peoples of Asia and Africa and the peoples of the Western World, and between the more highly developed countries and those which are less developed. It is also giving a powerful impetus to winning human rights for all peoples, wherever they live. On the other hand, the United Nations is making it possible for these fundamental changes to be carried out with far less violence than would otherwise be the case. Wherever the United Nations intervenes, it intervenes to promote peaceful development, and all its influence is exerted toward moderating the intensity of the conflicts involved and conciliating opposing views.

Evolution of the General Assembly as a Force for Peace

There has been another development in the evolution of the United Nations in its formative years which I regard as an important reason for the growing strength of the United Nations. This is the evolution of the General Assembly into one of the strongest forces for peace that the world has ever seen.

There are three main causes for this evolution:

First, because all nations are represented equally, and because many of the small nations have from the first spoken with great independence, the General Assembly has tended to act as a conciliating and moderating influence on the conflicts of the great Powers.

Second, because the attention of the world is focused on the General Assembly as on no other international body, its sessions have become the supreme testing ground of the policies of member nations. There, as nowhere else, those policies are subjected to the searching scrutiny and judgment of world public opinion. Evidence is already accumulating that when national policies do not pass this test for justice and fair dealing, they will have to be modified or changed, if not immediately, then in the long run.

Third, the General Assembly has demonstrated that it can apply the powers granted it by the Charter for conciliation and peaceful adjustment as a powerful complement to the work of the Security Council in the prevention of war.

I do not subscribe to criticisms of the General Assembly as a powerless debating society or as a propaganda forum. Most of the Assembly's recommendations are helping to build the foundations of world law and to prevent war. Whenever a government uses the rostrum of the Assembly for propaganda purposes, that government is submitting itself to the judgment of mankind. Nevertheless, I agree that the procedures of the General Assembly can be improved and that a great deal of time can be saved, mainly by the exercise of self-restraint on the part of the members in debate.

We can be certain that the degree of security against war that is attained in the world will be in proportion to the support that is given to the United Nations by the member governments. In so far as they relegate the United Nations to an auxiliary role, the danger of war will be increased. In so far as they make the United Nations the cornerstone of their foreign policies and support both by word and action the supremacy of the Charter and the universality of the organization, security against war will be strengthened.

Strengthening the United Nations

The member governments can reduce the danger of war by so acting as to strengthen and to use the United Nations in a number of ways in the months ahead. In this connection I have certain suggestions which I offer for their consideration.

Great Power Relations

The United Nations cannot force a settlement of the present conflict between the great Powers, but it has already demonstrated that it can help to conciliate the conflict, moderate it and keep it within peaceful bounds. It is essential for the great Powers to keep in contact, to talk things over, and seriously to negotiate with one another. To refuse such consultations as futile is to deny the whole concept of the United Nations. Now that the Western Powers and the Union of Soviet Socialist Republics have resumed discussions in the Council of Foreign Ministers and have expressed their intention of continuing them at the time of the coming session of the General Assembly, I hope that they will not again break off their efforts to settle their differences.

Sooner or later there must be peace settlements for Germany, Austria and Japan. There must be agreement on the provision of armed forces to the Security Council, on the control of atomic energy and other weapons of mass destruction and of conventional armaments. It is necessary to keep on trying for progress in these directions, no matter how discouraging the prospect may appear to be at any particular moment or how many years it may take to complete the task.

I hope that the practice of consultation between the great Powers will become the rule and not the exception in those matters that come before the United Nations, and especially before the Security Council, as well as in matters outside the organization. The good offices of the Secretary General are always available to facilitate such consultations.

United Nations Field Service

With a view to strengthening the work of mediation and conciliation I suggested to the last session of the General Assembly the establishment of a United Nations Guard. This Guard would have no military duties but would assist United Nations missions on their peaceful errands to the world's troubled areas. In the light of suggestions made by member governments I have modified that proposal. I

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have now suggested to the Special Committee established by the General Assembly to examine this matter of the establishment of a uniformed United Nations Field Service of three hundred men, who would be seconded or otherwise made available, on a basis of geographical distribution, fro the services of member governments for a period of from one to three years for protective and technical duties both at Headquarters and in the field. I have also suggested the creation of a Panel of two thousand men who could be called upon for truce observation and plebiscite duties by the competent United Nations organs as the need arises. None of the men in the Field Service would carry arms, except sidearms for self-protection when this was deemed necessary. Under the revised plan the cost to the organization would be kept to a minimum, while the advantages of the original proposal would be retained. The Secretariat, which has been steadily improving its efficiency, thus would be given the means that it needs to meet its increasing responsibilities, and the power and prestige of the United Nations in the peaceful settlement of disputes would be strengthened.

ITALIAN COLONIES

The General Assembly at its third regular session did not reach an agreement on the disposition of the former Italian colonies. The question will come before the fourth regular session of the General Assembly this autumn.

The debate on this question at the second part of the third session was significant in several ways. It reflected the growing influence of the nations of Asia and Africa. Those nations played a decisive part in preventing the adoption of a compromise proposal which they felt was unsatisfactory to a majority of the inhabitants of the territories concerned. The debate also brought forth considerable support for the concept of a direct United Nations trusteeship, a proposal originally suggested by the United States Government at the first London meeting of the Council of Foreign Ministers.

I recognize the political and practical difficulties involved in a direct United Nations trusteeship for the territories during the relatively brief period that may precede their independence. Nevertheless, I believe that statesmanship on the part of the Governments could lead to such a solution of the problem, and that the political difficulties could be dealt with if the practical difficulties could be overcome. The best solution, in my opinion, would be a direct United Nations trusteeship with an administrator responsible solely to the Trusteeship Council. It is, of course, for the member governments to decide, but I feel sure that such a bold forward step would help the peoples of the territories concerned to follow the peaceful path toward self-government or independence, and that it would strengthen the confidence of dependent peoples all over the world in the United Nations and in the member governments who would have made such a solution possible.

PEACE AND ECONOMIC DEVELOPMENT FOR THE NEAR EAST

The Near East presents a challenging opportunity to the United Nations to combine political and economic action in the cause of lasting peace.

An armistice has been achieved in Palestine, and the terms of a peaceful settlement are being negotiated. Nine hundred thousand Arabs are receiving assistance from the United Nations; many of them must be resettled or repatriated. The new State of Israel has yet to establish its economic viability. Both Israel and the Arab States need a substantial, coordinated effort in economic development to raise their living standards.

I believe that this area should be given high priority in the proposed United Nations program of technical assistance for underdeveloped countries. This would make it possible for comprehensive plans to be worked out for regional economic development on a large scale in the whole area; these plans might include river valley developments, such as the Tennessee Valley Authority in the United States, in respect of the valleys of the Tigris, the Euphrates and the Jordan, and of the further development of the valley of the Nile. The first step is technical assistance, the next is financial investment. By carrying out both steps through the United Nations the burdens as well as the benefits can be shared equitably among participating countries.

Whatever is done in the Near East should not, of course, impede or delay similar programs for technical assistance and economic development in other parts of Asia and Africa and in Latin America.

ACTION TO MEET ECONOMIC DIFFICULTIES

Although there have been considerable improvements in many aspects of the world economic situation the basic conditions for economic stability and orderly development have not yet been established.

Of particular importance is the continued and persistent disequilibrium in international trade and payments. Little progress has been made toward a solution of this grave problem. The consequences have been particularly harmful for the weaker and less favored countries.

Moreover, if the recent slackening of economic activity in some countries were permitted to continue, it would cause large-scale unemployment in those countries, and at the same time would aggravate the existing economic maladjustments in the world as a whole. Another world-wide economic crisis would be a tragedy that can be prevented, if the governments of the world find a common basis for concerted action. A solution for these immensely complicated problems cannot be found by single countries acting in isolation nor by any limited group of nations.

Fortunately, the member governments have, in the United Nations and the specialized agencies, the international machinery that makes it possible for them to take the necessary concerted action. It is urgent that they use this machinery to come to grips with these pressing economic problems.

UNIVERSALITY OF MEMBERSHIP

The applications of fourteen countries for membership in the United Nations are pending. These are, in the order of their applications: Albania, Mongolian People's Republic, Jordan, Portugal, Ireland, Hungary, Italy, Austria, Rumania, Bulgaria, Finland, Ceylon, Korea and Nepal. Most of these countries have been waiting for more than two years to be admitted.

Member governments are familiar with my views on the desirability of moving as rapidly as possible toward universality of membership. I have expressed them on several occasions during the past three years. I am well aware of the objections that have been raised against the admission of these states, but I believe that such objections could be better dealt with if the applicants were inside the organization rather than outside it. The applicants can in any event reasonably be considered as meeting the requirements of membership. Whatever may be said regarding the Governments of the countries concerned, their peoples, and the world as a whole, would certainly benefit if all the applicants were to be admitted to the organization at the next session of the General Assembly.

I commend to the member governments, and to the peoples of the world, the study of the full record of the United Nations during the twelve months ending 30 June 1949 as set forth in the chapters that follow. It is a record of achievement in the prevention of war and in the steady construction of the foundations of a more peaceful and prosperous world.

TRYGVE LIE,
Secretary General.

7 July, 1949.

SENATE HEARS SUBVERSIVES WORK FOR U.N.

McCarran Says Disloyal Persons Go Into Its Agencies

Washington, Aug. 8 (AP)—Senator McCarran (D., Nev.) asserted today that persons in authority on the United Nations staff have gone there "directly from fields of subversive activity" in this country. He cited what he called two typical examples.

The United Nations immediately retorted that one of them, a Polish national, holds an elected position and is not responsible to the international agency in any way.

The other, Norman Corwin, a radio writer, replied in New York that "I believe I am a vastly better patriot" than McCarran.

The Senator told his colleagues that Corwin, a member of the United Nation's radio division since last March, is or has been a member of a long list of Communist front organizations which the Attorney General has cited as subversive.

Denies He's Communist

Corwin denied, as he has in the past, that he is a Communist, and he added.

"I have worked at the job of helping to broaden an appreciation of American institutions, our democracy and our form of government. My sentiments have never been secret from anyone and are on record in print and on transcription for everyone to see."

The other person McCarran mentioned was Ludwig Rajchman whom he identified as director of the United Nations International Children's Emergency Fund.

The United Nations, in an official statement issued at Lake Success, said Maurice Pate is the UNICEF's executive director and that Rajchman is not employed by United Nations at all.

Elected Chairman

He is the Polish representative on the UNICEF's executive board, the United Nations said, and was unanimously elected its chairman by the 26 nations represented.

McCarran declared that during the war the United States State Department made "attempts to have the Polish Government, with which Rajchman was affiliated in this country, recall him because of his involvements in intrigues contrary to the interests of the United States."

He said that if the case of Corwin were an isolated one, it would not be disturbing. But he continued:

"It is unfortunately characteristic of a number of people who have been selected to serve in the secretariat of the United Nations. Included in this group are persons who have been disqualified from holding public office in the United States as a result of the loyalty investigations."

Attacks Price's Statement

McCarran is chairman of the Senate Judiciary subcommittee which recently made public testimony of an unidentified mystery witness to the effect that Communist agents have terrorized the United Nations staff.

He noted that Byron Price, acting secretary general of the United Nations, has protested to the State Department the release of what Price called "irresponsible and unfounded attacks."

McCarran said that before anyone "gives himself to irresponsible utterances attacking the investigation," he should examine State Department files on a number of individuals he has called to the department's attention.

M'CARRAN AGAIN HITS U. N. STAFF

Washington, Aug. 8 (A. P.).—Senator McCarran (D.-Nev.) told the Senate today that persons have gone "directly from fields of subversive activity" in the United States to positions of authority in the United Nations.

He declared "two typical examples" are Ludwig Rajchman, executive director of the U. N. International Emergency Children's Fund, and Norman Corwin. McCarran said Corwin's appointment as a member of the radio division of the U. N. Department of Information was announced by the international agency last March 8.

"If the case of Norman Corwin were an isolated instance," the Senator said, "it would not be so greatly disturbing. It is, unfortunately, characteristic of a number of people who have been selected to serve in the Secretariat of the United Nations. Included in this group are persons who have been disqualified from holding public office in the United States as a result of the loyalty investigations."

McCarran is chairman of a Senate Judiciary sub-committee which has been investigating the entrance of allegedly subversive persons into this country.

Jury Jobs At Red Trial Getting Monotonous

New York, Aug. 8 (AP)—The hours aren't at all bad and the pay is fair to middling.

At first the work had a certain variety and the people one met were lively and interesting. But lately the whole thing has settled down into monotonous routine, just as in many another job.

That's about the situation of the jurors in the conspiracy trial of eleven top leaders of the American Communist party.

Can't See The End

They now are in their fifth month of jury service in what surely is one of America's longest criminal trials. The end is nowhere in sight.

The fifteen jurors—there were sixteen at the start including four alternates but one was excused recently because of illness—have maintained poker faces from the day they began to hear the evi-

dence March 21.

But they have not let down in the close attention with which they follow the trial, even though much of the evidence now is repetitive.

Clashes Exciting

The clashes between Federal Judge Harold R. Medina and the defense lawyers have furnished most of the excitement in the trial. These sharpened so much in the past week that the judge began calling in marshals to put the attorneys in their seats when they defied his orders to quit talking.

But these rows, too, have been greeted by the jurors impassively. Medina has instructed them repeatedly to disregard such incidents.

He told the jurors when the trial began that calmness of mind was one of the most important things they could cultivate. Outwardly, at least, that is just what they seem to have done.

Financial Balance

Their jury service apparently has not meant direct financial sacrifice for the eight women and four men now in the jury box. In one case, the juror is ahead of the game.

Only two of the twelve had regular jobs when the trial began. One of these, James F. Smyth, an employé of the Bell Telephone Laboratories, is getting his regular salary in addition to the jury fees.

The company explains it has a policy of paying the full salary of a worker called for jury service up to a maximum of one month. Never before had the absence from work exceeded a month. When Smyth's case arose, the management decided to continue his salary for the duration.

One Gets The Difference

One of the women jurors, Mrs. Lillian Schlesinger, is a clerk at a Fifth avenue department store. The firm, in common with other New York stores, pays its employés who serve on juries the difference between their salaries and their Government fees.

The other ten include four housewives, three unemployed persons, a retired salesman, a widow and a theatrical producer and writer. The latter is able to continue his work outside of jury hours.

The jurors receive $10 a day in fees, or $50 for the usual week. Their pay checks come every two weeks. They also get mileage at the rate of 7 cents a mile, but must pay for their own lunches.

The Hours

The trial sessions begin at 10.30 A.M. each morning, Monday through Friday. The lunch hour is from 1 P.M. to 2.30 P.M. Quitting time is 4.30. There are ten-minute recesses in the middle of the morning and afternoon sessions.

Early in the trial, Medina adopted the policy of halting the trial Friday afternoons. So the jurors have long week ends.

They also have well-upholstered chairs which incline to comfortable angles. Air conditioning has kept the lofty courtroom cool in one of New York's hottest summers.

The jurors have set an exemplary attendance record. There have been only two instances of tardiness.

Businessman Tells Probers Of 'Five Per Cent' Deals

Witness Says James V. Hunt Took Fee for Landing Government Orders

WASHINGTON, Aug. 8 — (AP) James V. Hunt, a key figure in the Senate investigation of alleged five per centers, was quoted by a witness today as saying that his sole stock in trade was influence and that he had access to the White House at "any time."

Furniture maker Paul Grindle testified that Hunt boasted of warm friendship with President Truman's military aide and with two army generals, both now suspended.

Grindle, testifying before a special Senate subcommittee, quoted Hunt as telling him:

"I have only one thing to sell and that is influence. My influence is based on my reputation and that is impeccable."

Called Vaughan Close Friend

The Massachusetts manufacturer said Hunt called Maj. Gen. Harry H. Vaughan, Truman military aide, "one of his closest friends" and proclaimed himself "very close," also, of Secretary of Defense Johnson.

But Secretary Johnson spoke for himself. As first witness in the jammed hearing room, he vowed to help "get rid of unscrupulous men who prey on both government and business by peddling influence" in getting federal contracts for their clients.

Johnson said he was amazed at the "audacity" of such go-betweens. He has heard that their numbers are increasing, he said, and will cooperate fully to "break their power."

Grindle, 29, owns the C. W. Laing furniture company, Framingham, Mass. His target, Hunt, was a quartermaster lieutenant colonel and an official in the surplus disposal agency, and now is a "management counselor" in Washington.

Though roundly denied by Hunt, Grindle's charges, when published in June, set off the Senate inquiry and caused the Army to suspend temporarily Major Generals Herman Feldman and Alden Waitt, chiefs of the Army's Quartermaster and Chemical Corps, respectively.

The star witness lost no time in dealing out the sensations for which newsmen crushed into the hearing chamber, leaving room for only a handful of spectators and officials.

Told of $200,000,000 Deal

Grindle related how he engaged Hunt—for $1,000 down payment—to land a government contract. While negotiating with Hunt, he said, Hunt told him about "a $200,000,000 deal for airplane parts."

"He told me that it was a deal which would make the taxpayers' blood boil if they knew about it," the furniture man testified.

Hunt explained to him, he said, that the plan was to have plane parts declared surplus and then sold for $18 a ton to a syndicate which Hunt represented. The syndicate would then resell at a profit.

Hunt offered to get him a piece of a $3,500,000 government contract for furniture, Grindle said, and he came to Washington last April 2 to talk it over. Grindle wanted to know Hunt's background, and that led Hunt to speak of his connection with General Vaughan.

Vaughan supplied Hunt with brandy—the gift of a distiller to the White House—because Hunt's wife liked that type, Grindle quoted Hunt as saying. Vaughan also gave him boxes of cigars sent to the White House, it was said.

Mentioned Waitt, Feldman

In this conversation also Hunt mentioned his "close friends," Generals Feldman and Waitt. Hunt claimed access to their offices "at any time," Grindle related.

The witness went on: Hunt had told him that two White House parties had been given in his honor, and showed pictures of himself, his wife and General Vaughan to prove it. A song he had composed was played at one party.

According to the witness, Hunt quoted General Vaughan as stating there was "no reason" why Dorothy Draper of Washington, a Hunt client, shouldn't get a contract for interior decorating of the White House now being remodeled.

And there was no reason, Hunt allegedly added, why Grindle should not get a contract for woodwork in the White House job.

Johnson Vows Drive On 'Five Per Centers'

Washington, Aug. 8 (AP)—Secretary of Defense Johnson promised today to help "get rid of unscrupulous men who prey on both business and Government by peddling influence" in Federal contract-letting.

Johnson was the first witness at the Senate's special investigation subcommittee opened public hearings into the activities of so-called "five percenters"—those who arrange to get contracts for a fee.

Telling the subcommittee "you can count on our wholehearted cooperation," Johnson added:

"We are in entire sympathy with your determination to get rid of those unscrupulous men who prey upon both business and government by selling—rather I would call it peddling—influence."

Amazed At Audacity

Johnson said he has been hearing for some time that "the number of so-called five percenters has been on the increase in Washington and other cities where the dollar volume of Government procurement runs high." He added:

"I was amazed at their audacity and at the extent of their operations. When I became Secretary of Defense I vowed that I would break their power, and began to measure my sights on them almost as soon as I took office."

The Senate group wants to find out whether any of the contract agents have tried to influence Federal officials.

Grindle Is Summoned

The small hearing room was packed as Johnson took the witness chair. There were only about 35 chairs for Government officials and the public.

After Johnson's curtain-raiser testimony, the investigators plan to hear the man whose statements touched off the inquiry. He is Paul Grindle, a Massachusetts furniture manufacturer who has said he paid a middle man $1,000 for help in seeking a Government contract.

Scheduled after Grindle's testimony is a searching inquiry into the Tanforan race track case. The subcommittee wants to find out just how the track at San Bruno, Cal., got Government approval for use of scarce building materials shortly after the war.

The hearings are expected to run at least two weeks, capping six weeks of private preliminary investigation by the subcommittee.

2 Generals Suspended

The group has been looking into the activities of "five percenters"—persons who charge a fee for help in getting Federal contracts for others. Their commission usually is five per cent of the gross proceeds.

The subcommittee's probe already has led to the suspension of two army major generals—Alden H. Waitt, chief of the Chemical Corps, and Herman Feldman, the quartermaster general.

In relieving them from duty temporarily, Secretary of the Army Gray said they had failed to exhibit judgment "expected of persons in their positions."

Information Sought

The subcommittee is attempting to learn:

1. Whether anyone has tried to influence Government officials in charge of buying or the administration of Federal regulations.

2. Whether Government officials have gone out of their way to be helpful to anyone seeking favors.

In a statement setting forth the purpose of the inquiry, Chairman Hoey (D., N.C.) said the Senate group is trying to help the small business man get Government contracts without feeling the needs to turn to a five percenter for help.

"The subcommittee wants to acknowledge at the beginning," Hoey said, "that business both large and small is entitled to legitimate representation in dealing with the Government.

"We are not critical of the practice itself, but merely of some of the abuses which occur in the practice, and it is these abuses which the subcommittee hopes to curtail."

Manufacturer Testifies Before Senators in 5-Percenter Hearing.

VAUGHAN VERY CLOSE FRIEND'

Key Figure in Inquiry Also Quoted as Telling of Deal That Would Make People's Blood Boil.

Washington, Aug. 8 (A.P.).—Paul Grindle, a manufacturer, today quoted James V. Hunt, key figure in the Senate's five percenter inquiry, as having said: "I have only one thing to sell and that is influence."

Grindle, head of a Framingham, Mass., furniture company, also told the Senate's Investigating sub-committee that Hunt claimed Major-Gen. Harry H. Vaughan, President Truman's military aid, was "one of his closest friends" and that he (Hunt) "could and did go to the White House at any time."

Grindle's statements to a New York newspaper last June touched off the sub-committee's inquiry into claims of influence in the awarding of Government contracts.

Hunt, now a management counselor in Washington, once was a lieutenant-colonel in the Quartermaster Corps and worked

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for a while for the War Assets Administration, WAA was assigned the task of selling billions of dollars worth of war surplus goods.

Grindle said he engaged Hunt to help him land a Government contract. During the course of their talks, the furniture-maker testified, Hunt told him:

"I have only one thing to sell and that is influence. My influence is based on my reputation and that is impeccable."

A 200 Million Deal.

Hunt has denied that he ever attempted to sell influence, and he has said he knows no one in Government who could be influenced.

Grindle said that while he was negotiating with Hunt, the former Army officer told him he was working on "a $200,000,000 deal for plane parts."

Grindle quoted Hunt as saying the plan was to have plane parts valued at that amount declared surplus and then sold for $18 a ton to a syndicate Hunt represented.

"He told me," Grindle testified, "that it was a deal which would make the taxpayers' blood boil if they knew about it."

Grindle took the stand after Secretary of Defense Johnson promised the inquiry group he will help "get rid of unscrupulous men who prey on both business and Government by peddling influence."

Grindle said that Hunt in sketching his background told him two White House parties had been given in his honor. He said Hunt showed him a picture purportedly taken at one of the parties, showing Hunt, Mrs. Hunt and Gen. Vaughan.

'Very Close to Johnson.'

Grindle said the matter of repairing the White House came up in the course of one of his talks with Hunt, who, he said, told him that Vaughan had informed Hunt there was "no reason" why another client of Hunt's, Dorothy Draper of Washington, should not have the interior decorating contract. Hunt, Grindle testified, said that there was no reason why Grindle should not get a contract for woodwork in the renovation of the White House.

Recounting another conversation, Grindle said Hunt told him he was "very close" to Secretary Johnson. "He said he was one of the four persons who were present when Johnson was called to the White House and told he was going to be Secretary of Defense."

Grindle at another point quoted Hunt as saying: "I don't like to boast, but I am the most influential man in Washington with the Quartermaster Corps."

Grindle opened his testimony by outlining how he happened to meet up with Hunt. Grindle said Hunt offered to get him part of a $3,500,000 Government contract for furniture and he came to Washington last April 22 to talk the matter over with him. Grindle said he asked Hunt about his background and Hunt told him that Vaughan was "one of his closest friends."

Other 'Close Friends.'

Grindle said that Hunt confided to him that Hunt's wife was fond of a certain type of brandy which a certain distiller sent to the White House each month. He said Vaughan used to give him some of the brandy with instructions to take it home to his wife. He said Hunt also told him that Vaughan frequently gave him boxes of cigars which had been sent to the White House.

Other "close friends" mentioned by Hunt during the conversation, Grindle said, were Major-Gen. Herman Feldman, chief or the Army Quartermaster Corps, and Major-Gen. Alden Waitt, chief of the Army Chemical Corps, both of whom have been suspended by the Army pending outcome of the five percenter investigation.

In their case, Grindle said, Hunt told him he had access to their offices at "any time." Grindle said Hunt also told him that he could see Jess Larson, former War Assets Administrator and now head of the Government's new general services agency, whenever he wished.

Amplifying this point, Grindle said Hunt related that he was at the White House talking with Dr. John Steelman, presidential aid and was told that Larson was to be appointed to the WAA post.

Hunt, according to Grindle, said he argued with Steelman for an hour in opposition to the appointment, saying it would be "suicide for Larson to take the job in his present state of health."

Grindle said Hunt went on to say that he later talked to Larson, wo told him he "felt it his duty to accept the job."

Discussing a Contract.

Grindle said Hunt called him to Washington to discuss the furniture contract after an inspection tour of his plant by men whom he identified as J. Leonard Michelson, A. J. Conlon and Arthur Small. They discussed, he said, a proposed $13,000,000 Government contract for footlockers.

Grindle said that Conlon at one stage telephoned a Washington number which he later identified as Hunt's. Grindle said Conlon asked Hunt about the foot locker contract and was informed that it had already been awarded.

A couple of days later, Grindle said, Conlon telephoned from Washington and put Hunt on the telephone. Hunt, he said, told him he thought he could get him part of the furniture contract and suggested that Grindle come to Washington immediately. Grindle said he flew to Washington the next morning and went to Hunt's office.

Johnson said he has been hearing for some time that "the number of so-called 5 percenters has been on the increase in Washington and other cities where the dollar volume of Government procurement runs high," He added:

"I was amazed at their audacity and at the extent of their operations. When I became Secretary of Defense I vowed that I would break their power, and began to measure my sights on them almost as soon as I took office."

The Senate group wants to find out whether any of the contract agents have tried to influence Federal officials.

The small hearing room was packed as Johnson took the witness chair. About half the space was occupied by newsmen, leaving only about thirty-five chairs for Government officials and the public.

Kefauver Seeks 'Federal Union' Of 7 Nations

MAX HALL

Washington, Aug. 8 (AP)—Senator Kefauver (D., Tenn.), who wants seven democratic nations to join in a federal union something like our own union of 48 states, said today that "Congress is far behind the people on this subject."

On behalf of a group of twenty senators, Kefauver has introduced a resolution asking the President to invite Canada, Britain, France, Belgium, the Netherlands and Luxembourg to a "federal convention" to explore how far they can apply to themselves "the principles of free federal union" within the framework of the United Nations.

Likened To Our First Conclave

The sponsors see this convention as comparable to the constitutional convention held by the thirteen original American states in 1787.

The Daughters of the American Revolution, meanwhile, came out against proposals for world federation on the ground it would "sell our American sovereignty."

D.A.R. Opposes Trend

Mrs. Lola Lee ruington, executive secretary of the D.A.R. National Defense Committee, said in a statement that 84 patriotic organizations and others in opposition "to the present trend in world government thought" have formed a patriots' executive committee. Mrs. Bruington, elected head of the new committee, said:

"Since 22 states have already passed resolutions asking for some form of world government, and with many legislators accepting the views of small groups of idealists we believe it is time for an organized campaign to educate the American people and let them know the real facts about such federation."

Kefauver, in an interview, said that during the two weeks since the resolution was introduced, "interest has been increasing tremendously all over the country."

"But Not Quite That Far"

When asked whether he thinks the seven Atlantic nations can go as far in forming a federal union as the thirteen American states did, Kefauver replied:

"Not quite that far, to begin with. But I think they might set up a common foreign policy, common defense, common currency, postal system and trade relations."

Need "Something Beyond"

He said he and other Senators are convinced that a majority of the people are ready—if not for federal union—at least for "something else" beyond the Atlantic Pact, the Marshall Plan and the piecemeal "pouring out of money" to European countries.

The Kefauver resolution has been introduced also in the House by Representative Wadsworth (R., N.Y.) and others. It has outside backing from the Atlantic Union Committee, whose officers include former Supreme Court Justice Owen J. Roberts, former Secretary of War Robert P. Patterson and former Under Secretary of State Will Clayton.

For Greater Strength

It is one of several pending resolutions designed to bring nations closer together to get a firmer grip on world peace, either by strengthening the United Nations or by other methods.

One of these resolutions may be adopted by Congress next year. It may turn out to have as much influence as did the Fulbright "lasting peace" resolution of 1943, the Connally resolution of 1943, and the Vandenberg resolution of 1948.

Senator Elbert Thomas (D., Utah) has just been appointed chairman of a Foreign Relations subcommittee to study all the new proposals.

He told a reporter the subcommittee will spend the rest of 1949 getting ready and will open hearings in January.

3 Other Resolutions

Besides the Kefauver resolution, here are some of the major resolutions now pending:

1. A resolution by Thomas and Senator Douglas (D., Ill.) to strengthen the United Nations by eliminating the veto power and setting up a method by which a victim of aggression may be defended by the collective power of the other countries.

2. A one-paragraph resolution introduced by Senator Tobey (R., N.H.) for a group of nineteen senators, designed to strengthen the United Nations and "to seek its development into a world federation open to all nations with defined and limited powers adequate to preserve peace and prevent aggression through the enactment, interpretation and enforcement of world law."

Where Plans Differ

One of the main differences between this and the Kefauver resolution is that the Tobey "federation" would be open to all nations, but the Kefauver "federal union" would be open only to democratic countries—starting with the seven democracies that first sponsored the twelve-nation Atlantic pact. Other democracies could be invited to join by the original seven.

The Tobey resolution also has been introduced in the House with he claimed support of more than 00 representatives, and has the backing of United World Federalists.

3. A resolution introduced by Senator Sparkman (D., Ala.) for group of eleven senators, designed to strengthen the United Nations by removing the veto power and establishing "an effective but tyranny-proof international police force."

Armed Forces' Pay Roll Seen Resisting Cut

Washington, Aug. 8 (AP)—Senator Byrd (D., Va.) reported today that unification of the Army, Navy and Air Forces—voted nearly two years ago—has failed to reduce the number of civilian employés compared with men in uniform.

When unification first became effective in September, 1947, Byrd said there were ten civilians employed for every eighteen men in uniform. He said the ratio was identical at the start of the present fiscal year, July 1.

Hit Wartime Peak

During the peak of the war, there were 47 men in uniform for every 10 civilian employés, Byrd noted.

His report showed the National Military Establishment employed 884,728 civilians in June this year compared with 871,778 a year ago.

Although the army services have decreased by 42,842 civilians employed overseas, Byrd said they added 55,792 civilians in the continental United States during the past fiscal year.

For the Government as a whole there were 30,680 more regular employés at the end of June than a year ago. The total was 2,114,433. This does not include persons in the uniformed services nor those paid on an hourly or weekly basis.

Military Rule Puts New Curb On Interviews

Advance Approval Needed, but Reporters May Seek Stories 'on Their Own'

WASHINGTON, Aug. 8 (AP).—Advance approval of "all interviews" with Army, Navy and Air Force officials is required under a new order of the unified National Military Establishment.

At the same time, officials said today, reporters can try to get interviews on their own. Those who grant such interviews are asked to tell the department's press section about it so it can answer questions when the interview appears.

The press desks of the three services, all in one room under the reorganization, now have a form, "Request for Interview." This is to carry the reporter's name, organization and the "subject" of the requested interview. The requested time, the approved time and the name of the person who makes the arrangement are to be recorded. The advance approval must come from Lee Hargus, chief of the department's press branch.

William Frye, information director, said it was not an attempt to control news, but rather a method through which the department press section can keep informed of what is going on. He

Notables Called For Testimony On B-36

Washington, Aug. 8 (AP)—The House Armed Services Committee will begin public hearings tomorrow in its study of whether politics has mixed into national-defense policies and the B-36 bomber program.

The hearings will open with a star-packed witness list. It includes war leaders who expanded the United States Air Force, the present joint chiefs of staff, men who guide the Air Force now, big airplane manufacturers, scientists and research specialists.

Chairman Vinson (D., Ga.) of the committee announced the list over the week end. Joseph B. Keenan, special counsel for the investigation, said the witnesses have been instructed to bring in documents and records for many years.

Information Sought

This material, he explained, will cover defense policies on strategic air power, plane purchasing plans and schedules, "and any information that might relate to the use of political influence in the defense program."

The probe was ordered by the House two months ago after Representative Van Zandt (R., Pa.) said he had heard reports concerning the relations of defense leaders and political figures with plane manufacturers. The resolution authorizing the investigation is broad enough to include almost everything connected with the Air Force and purchasing of the B-36.

Lovett Is Summoned

The first witness will be Robert A. Lovett, Under Secretary of War for Air during World War II.

The war leaders to be called are Generals Dwight Eisenhower and Carl A. Spaatz, Admiral W. F. Halsey, and former Secretary of War Robert P. Patterson. A subcommittee may go to Sonoma, Cal., to question Gen. H. H. Arnold, wartime chief of the Air Force.

Others called include Secretary of Defense Louis Johnson, Secretary of Air Symington, Dr. Karl T. Compton, chairman of the Research and Development Board; Hugh L. Dryden, director of aeronautical research for the National Advisory Committee on Aeronautics, and George P. Baker, chairman of the Research and Development Boards Aeronautics Committee.

Martin Is Called

The military list is headed by the joint chiefs—Gen. Omar Bradley, of the Army; Gen. Hoyt S. Vandenberg, of the Air Force, and Admiral Louis Denfeld, of the Navy.

Topping the list of industrialists to be heard is Floyd Odlum, head of the Atlas Corporation. That is the company which controls the Consolidated Vultee Aircraft Corporation, which makes the B-36.

Also scheduled are Victor Emmanuel, chairman of the Aviation Corporation, which controlled Consolidated before Atlas; Glenn L. Martin, whose manufacturing firm also makes big planes; James H. Kindleberger, president of North American Aviation Company, and Robert Gross, president of Lockheed Aircraft Corporation.

"Disturbing Reports" Heard

Van Zandt, a reserve navy officer and a member of the House Committee, said that the Air Force had concentrated on the B-36 to the detriment of other phases of its purchasing program. He said he understood contracts with other firms have been canceled so more money could be spent with Consolidated on B-36's.

He also linked the names of Johnson, Symington and Odlum, and said he had heard "disturbing reports" about them. These reports involved plane purchasing, he added, and financing of the Democratic party's national campaign last year.

ECA TO AID METAL BUYING BY BRITAIN

Washington, Aug. 8 (A. P.),—Great Britain today was granted $17,006,000 to buy aluminum and copper from Canada under the Marshall plan.

Including this allocation, the Economic Administration approved new foreign aid spending totaling $46,710,000. Eleven European countries, Western Germany and Korea share in the transactions.

The Netherlands got $7,968,000. Most of it is earmarked for purchase of industrial metals and coal from the United States, Canada, and Latin America. Other allocations included:

Belgium-Luxembourg, $6,298,000 is for chemicals, non-ferrous metals, peanut oil, metal working machinery, machine tools, generators and motors, naval stores and buckwheat most of which will be purchased in the United States.

Italy, $3,012,000 for copper and electrical apparatus from the United States; Norway, $2,526,000 worth of non-ferrous ores and copper from the United States, Canada and Latin America; Denmark, $2,435,000 for copper, zinc and aluminum to be purchased largely in the United States, with $110,000 worth from Canada.

Turkey, $2,400,000 for crude oil and petroleum from Saudi Arabia and United States suppliers.

France and its overseas territories, $1,422,000 for industrial metals, crude oil and petroleum, coal and lumber and saw mill products from the United States, Canada and Latin America.

Sweden, $1,733,000 for industrial metals to be purchased in the United States and Canada.

Western Germany, $1,164,000 for copper and industrial chemicals from the United States; Ireland, $590,000 for U. S. construction and mining equipment and miscellaneous iron and steel manufacturers; Iceland, $156,000 to buy soybean oil, feeds and fodders.

Korea, $577,000 to purchase $500,000 worth of Japanese textile products with the balance for non-metalic minerals and industrial chemicals from the United States.

Paris, Aug. 8 (A. P.).—European countries getting Marshall plan aid are thinking of holding a trade fair next year to show their products in the United States. Detroit, Philadelphia, New York, Washington and Atlantic City are being considered as the site.

TOKYO ROSE TRIAL ENTERS 6TH WEEK

SAN FRANCISCO, Aug. 8.—(AP) The Tokyo Rose treason trial went into its sixth week today heading for a verdict some time in September.

Mrs. Iva Toguri D'Aquino, 33, Los Angeles-born, is on trial accused of treasonable wartime broadcasts from Tokyo. The government says the broadcasts, on the zero hour, were designed to shatter the morale of allied forces.

Defendent Rested

Mrs. D'Aquino appeared well and considerably rested. The trial recessed last Thursday after she became ill, and she was confined to bed.

Satoshi Nakamura, who says he now is a free-lance singer, was on the stand today as a government witness under cross-examination.

He was born in Vancouver, B. C., and went to Japan in 1940. He said he was master of ceremonies on the zero hour in 1944 and 1945, while Mrs. D'Aquino was broadcasting as "Orphan Ann."

Denies Coercion

He said that after the battle of Leyte Gulf, a news announcement was read on the program, stating the allies had lost many ships. Then, he said, Mrs. D'Aquino broadcast "hello, you boneheads of the Pacific, now that you've lost so many ships, how are you going to find your way back home?"

Nakamura declared the defendant was under no coercion, threat or duress.

On cross-examination he said he was under surveillance by police. He added he had never registered as a Japanese citizen and it was common knowledge that all foreign nationals were kept under surveillance.

THEY READ: "BRADLEY GO HOME, AUSTRIAN BOYS WILL NOT FIGHT FOR YOU" AND "OUT WITH THE AMERICAN WAR-MONGERS." "NEVER AGAIN DO WE WANT TO HEAR OF SUCH TALKS ON OUR SOIL," MAX REIMAN, WEST GERMAN COMMUNIST LEADER TOLD A MASS MEETING IN STUTTGART. HA530AED LONDON - STAFF CORR. VIENNA (AP) - the rev. william e. allen, self-described communist, resigned his pastorate of a small congregationalist church in suburban dulwich today because some members objected to his being a red.

AUG 9 1949

the pastor, who has been at the 600-member dulwich grove

congregational church for 12 years, told newsmen he intended to remain an ordained minister and "live in the faith in which i believe." he said he was a communist and chairman of the dulwich branch of the british soviet society.

many members of his congregation, according to a church officer, were not offended at his communist membership but some dissidents asked for his resignation.

a statement issued by church officers said allen had concluded that "ideals of christian society are realized in the scientific socialism of marx and lenin." the statement added:

""a great majority of the members are deeply grieved at the thought of losing so popular and conscientious a minister."

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AUG 9 1949

(ADVANCE)...WICHITA, KAS., AUG 6-(AP)-A $1,199,464 CONTRACT FOR LIFTS FOR THE AIR FORCE'S BIGGEST BOMBS--50,000 AND 22,000 POUNDS--WAS ANNOUNCED BY BOEING AIRPLANE CO. TODAY.

THE CONTRACT CALLS FOR THE LIFTS FOR 25-TON BOMBS AND SIX FOR THE 11-TONNERS.

AUG 9 1949

COMPLETION IS SCHEDULED BY MID-NOVEMBER, NEXT YEAR, WITH FIRST DELIVERIES SCHEDULED NEXT JULY.

ELECTRIC MOTORS, ACTUATING A HYDRAULIC SYSTEM IN THE 25-TON LIFT,

CAN HOIST THE FREE BOMBS TO 12 1/2 FEET, ROLL THEM 360 DEGREES IN EITHER DIRECTION, SHIFT THEM FOUR INCHES EITHER SIDE OF CENTER AND 10 INCHES FORE AND AFT, AND TILT THEM SIX DEGREES UP OR DOWN.

ONE MAN, OPERATING SIX LEVERS, THUS CAN HANDLE THE NUCLEONS WITH EASE.

BEHIND A JEEP OR TRUCK, AND CARRYING A 25-TON BOMB, THE LIFTS CAN BE TOWED AS FAST AS 20 MILES AN HOUR. THEY ARE DEMOUNTABLE FOR TRANSPORT BY AIR.

THE SMALLER LIFTS CAN DO ESSENTIALLY THE SAME WITH 12 1/2-TON BOMBS. BOTH HAVE BEEN UNDER DEVELOPMENT BY BOEING AND THE AIR FORCE SINCE EARLY 1947. SINCE THEN, UNDER PRIOR CONTRACTS, BOEING HAS BUILT TWO OF THE 50,000-POUND BOMB LIFTS, THREE FOR 22,000-POUND BOMBS AND 12 DOLLIES TO CARRY BOMBS WEIGHING UP TO 12,000 POUNDS.

THESE HAVE BEEN TESTED AT WRIGHT-PATTERSON, EGLIN AND MUROC AIR FORCE BASES.

WHEN CONTRACTED IN APRIL, 1947, TO DESIGN, ENGINEER AND BUILD THE 25-TONNER BOEING LIFT, IT ALSO CONTRACTED TO MODIFY A B-29 SUPERFORTRESS TO BE TO CARRY THE NEWLY-DEVELOPED 21-TON EARTHQUAKE BOMB. MODIFIED. IT HAS COMPLETED A SERIES OF TESTS. #

AUG 9 1949

NIGHT LEAD BRITISH

BY HAROLD K.MILES

LONDON,AUG.6-(AP)-BRITAIN'S SOCIALIST GOVERNMENT HAD A NEW WORRY TONIGHT ADDED TO ITS ECONOMIC WOES AND WASHINGTON'S DELAY IN APPROVING NEW DOLLAR AID.

AUG 9 1949

IT WAS THAT AMERICAN POLITICIANS WERE ATTEMPTING TO STICK A TENTATIVE FINGER--VIA THE MARSHALL PLAN--INTO BRITISH INTERNAL AFFAIRS.

A LABOR PARTY SOURCE EXPRESSED INDIGNATION AT THE PROPOSAL OF SENATOR KEM (R-MO) TO CUT OFF AMERICAN HELP FROM NATIONS WHICH NATIONALIZE BASIC INDUSTRIES. THE QUESTION OF NATIONALIZATION IS ONE OF THE HOTTEST POLITICAL SUBJECTS IN ALL ENGLAND.

"THAT WOULD BE A DIRECT VIOLATION OF AMERICAN HIGH-LEVEL PROMISES TO KEEP OUT OF THE INTERNAL POLICIES OF MARSHALL AID NATIONS," HE SAID.

AUG 9 1949

WELL INFORMED QUARTERS SAID THIS REACTION REPRESENTED THE OPINION OF BOTH THE LABOR PARTY AND THE SOCIALIST GOVERNMENT OF BRITAIN.

NATIONALIZATION IS THE HEART OF THE LABOR PARY'S PROGRAM. IT HAS ALREADY BECOME THE MAIN THEME OF PRE-ELECTION DEBATES BETWEEN GOVERNMENT SPOKESMEN AND THE CONSERVATIVE OPPOSITION.

"BRITAIN ENTERED THE MARSHALL PLAN PROGRAM WITH THE DISTINCT UNDERSTANDING FROM RESPONSIBLE AMERICAN LEADERS THAT AID WOULD NOT INCLUDE INTERFERENCE IN THE INTERNAL AFFAIRS OF THIS COUNTRY," THE PARTY SOURCE ADDED.

OFFICIAL GOVERNMENT SPOKESMEN, INCLUDING THE FOREIGN OFFICE, WERE SILENT ON THE MATTER OF KEM'S AMENDMENT TO THE MARSHALL FUND BILL. BUT USUALLY INFORMED SOURCES SAID BOTH WHITEHALL AND DOWNING STREET WERE AROUSED AT HIS ATTEMPTED INTERVENTION INTO THE TOUCHY POLITICAL PROBLEM HERE.

AUG 9 1949

THAT BRISTLING WAS NOT RESTRICTED TO THE SOCIALISTS.

THE WEEKLY "SPECTATOR" -- A CONSERVATIVE PUBLICATION -- SAID IN A DISPATCH FROM ITS WASHINGTON CORRESPONDENT.

AUG 9 1949

"MANY A BRITISH, TORY THROUGH ACCUSTOMED PUBLICLY TO DENOUNCE THE LABOR GOVERNMENT'S NATIONALIZATION PLANS, MAY WELL HAVE PRIVATELY BRISTLED AT THE IDEA THAT AN AMERICAN HOLDING PUBLIC OFFICE SHOULD RECOMMEND SUCH INTERFERENCE IN BRITISH DOMESTIC AFFAIRS."

THE KEM AMENDMENT CAUGHT BRITAIN AT A PARTICULARLY DELICATE TIME. CONSERVATIVES UNDER WINSTON CHURCHILL HAD JUST OPENED THEIR CAMPAIGN WITH PROMISES TO HALT THE LABOR GOVERNMENTS NATIONALIZATION PROGRAM, IF THEY WIN THE GENERAL ELECTIONS WHICH MUST BE HELD SOMETIME BEFORE NEXT AUTUMN.

LABORITES UNDER PRIME MINISTER ATTLEE TOOK UP THE CHALLENGE WITH A PROMISE TO PURSUE THEIR PROGRAM WHICH ALREADY HAS PUT RAILROADS, COAL MINES, AIRLINES, COMMUNICATIONS, THE BANK OF ENGLAND, GAS, AND ELECTRICITY UNDER GOVERNMENT OWNERSHIP. NATIONALIZATION OF THE STEEL AND IRON INDUSTRY IS INCLUDED IN A BILL ALMOST THROUGH PARLIAMENT AND SOCIALIST LEADERS PLAN TO MOVE IN ON SUGAR, CEMENT AND SOME TYPES OF INSURANCE.

ANOTHER AMENDMENT TO THE MARSHALL PLAN FUND BILL DREW FIRE FROM BRITISH OFFICIALS.

IT PROPOSED THAT ECA ADMINISTRATOR HOFFMAN NEGOTIATE WITH BRITAIN TO HAVE THIS COUNTRY EASE ITS PROGRAM OF DISMANTLING GERMAN INDUSTRIES.

AUG 9 1949

BRITISH SOURCES SAID THAT PROGRAM HAD THE PRIOR AGREEMENT OF BOTH THE UNITED STATES AND FRANCE AND HAD BEEN LONG DELAYED BY AMERICAN INDECISION ON A SAFE INDUSTRIAL LEVEL FOR POST-WAR GERMANY.

BRITISH SOURCES SAID THEY FELT THE SENATE AMENDMENT CAME TOO LATE. "OF 222 PLANTS IN THE BRITISH ZONE OF GERMANY MARKED FOR DISMANTLING ONLY 30 WERE STILL UNTOUCHD AT THE END OF JUNE," THEY SAID.

"REMOVAL OF SOME OF THOSE HAD DOUBTLESSLY BEEN STARTED. MOST OF THE OTHERS ARE ALREADY WELL DOWN."

BRITAIN IS WATCHING THE SLOW PROGRESS OF THE MARSHALL FUND BILL THROUGH CONGRESS WITH ANXIETY. BUT THE DELAY HAS NOT ADDED APPRECIABLE NEW ECONOMIC PROBLEMS TO THIS NATION, WHOSE 1949-50 DEFICIT MAY REACH $1,515,000,000 (B), OFFICIAL SOURCES SAID.

"WE ARE STILL RECEIVING MARSHALL PLAN SHIPMENTS AND COMMITMENTS ARE BEING MADE IN ANTICIPATION OF SOME AID FROM THE NEW ALLOCATIONS," SAID ONE SUCH SOURCE.

AUG 9 1949

FINANCIAL SOURCES SAID THEY EXPECTED "SOME FAVORABLE RESULT" FROM APPLICATION OF STEPS TO PROMOTE THE FREE FLOW OF TRADE BETWEEN EUROPEAN COUNTRIES.

TRADE OFFICIALS OF MARSHALL PLAN COUNTRIES, MEETING IN PARIS, HAVE DECIDED ON THE PROPER METHODS TO CUT BARRIERS TO COMMERCE. THESE WILL BE KEPT SECRET UNTIL NEXT WEEK'S MEETING OF THE ORGANIZATION FOR EUROPEAN ECONOMIC COOPERATION.

SOURCES HERE SAID THE HEART OF THE PROGRAM WOULD BE ELIMINATION OF LICENSING RESTRICTIONS WHICH WERE "LEFT OVER FROM WARTIME." THESE INCLUDE TRADE QUOTAS NO LONGER APPLICABLE TO EXISTING CONDITIONS, THEY SAID.

AUG 9 1949

M1333PED

LONDON, AUG. 6-(AP)-A BRITISH LABOR PARTY SOURCE EXPRESSED INDIGNATION TODAY OVER A PROPOSAL IN THE U.S. SENATE TO CUT OFF DOLLAR AID TO COUNTRIES THAT NATIONALIZE THEIR BASIC INDUSTRIES.

"IT WOULD BE A DIRECT VIOLATION OF AMERICAN HIGH-LEVEL PROMISES TO KEEP OUT OF INTERNAL POLICIES OF MARSHALL AID NATIONS," HE TOLD A REPORTER. THE SPEAKER REFUSED TO BE IDENTIFIED BY NAME.

HE REFERRED TO AN AMENDMENT BY SENATOR KEM (R-MO.) TO THE FOREIGN AID BILL IN THE SENATE. THE AMENDMENT WOULD DENY FUNDS TO COUNTRIES WHICH NATIONALIZE INDUSTRIES IN THE FUTURE.

RAILROADS, UTILITIES AND OTHER INDUSTRIES HAVE BEEN TAKEN OVER BY BRITAIN'S LABOR GOVERNMENT AND IT IS PUSHING A BILL THROUGH PARLIAMENT TO NATIONALIZE STEEL.

AUG 9 1949

THERE WAS NO OFFICIAL GOVERNMENT REACTION TO THE KEM PROPOSAL OR ON A PROPOSAL IN THE FOREIGN AID BILL TO STOP DISMANTLING INDUSTRIAL PLANTS IN THE WESTERN ZONES OF GERMANY, MAINLY THE BRITISH-CONTROLLED AREAS. OFFICIALS WERE REPORTED TO BE TAKING A DIM VIEW OF THE EFFORT TO STOP DISMANTLING PLANTS THAT ARE CONSIDERED WAR POTENTIALS.

A BRITISH INDUSTRIALIST, MEANWHILE, RETURNED FROM A TWO-WEEK VISIT TO NORTH AMERICA WITH THE REPORT THAT "THERE IS MUCH CRITICISM IN THE UNITED STATES AND CANADA OF THE LABOR GOVERNMENT."

THE STATEMENT WAS MADE TO REPORTERS BY SIR GRAHAM CUNNINGHAM, CHAIRMAN OF BRITAIN'S DOLLAR EXPORTS BOARD, MANUFACTURER, MEMBER OF THE GOVERNMENT'S ECONOMIC PLANNING BOARD AND CHAIRMAN OF ITS SHIPBUILDING ADVISORY COMMITTEE.

AUG 9 1949

"MANY AMERICANS," HE SAID, "FEEL THAT THEY ARE PROVIDING DOLLARS ONLY TO PAY FOR TEETH FOR THE BRITISH WORKING MAN."

BRITONS CAN GET FALSE TEETH FREE FROM THE NATIONAL HEALTH SERVICE, WHICH IS FINANCED BY WEEKLY CONTRIBUTIONS AND GENERAL TAXATION. THE GOVERNMENT HAS DENIED ANY OF THE COST OF BRITISH SOCIAL SERVICES IS ID WITH MARSHALL PLAN DOLLARS FROM THE UNITED STATES.

RP1234PED

BY ARTHUR GAVSHON

LONDON, AUG. 8-(AP)-PUBLIC AND OFFICIAL CONCERN IS MOUNTING HERE AT THE GROWING VOLUME OF COMPLAINTS IN THE UNITED STATES CONGRESS AND THE AMERICAN PRESS ABOUT BRITAIN'S RECOVERY EFFORTS.

OFFICIAL BRITISH SOURCES SAID PRIVATE TONIGHT THEY BELIEVE MANY OF THE COMPLAINTS ARE BASED ON LACK OF KNOWLEDGE OF BRITAIN'S PROBLEMS AND ACHIEVEMENTS SINCE THE WAR'S END.

AUG 9 1949

SOME INFORMANTS EXPRESSED THE VIEW THAT MUCH OF THE CRITICISM OF BRITAIN'S LABOR GOVERNMENT STEMMED FROM DISLIKE OF PRESIDENT TRUMAN'S OVERALL ECONOMIC OR POLITICAL POLICIES. THIS, THEY SAID, EXPLAINED WHY THIS COUNTRY HAS BECOME THE TARGET OF ATTACK BY REPUBLICAN AND ISOLATIONIST NEWSPAPERS AND SPOKESMEN IN THE UNITED STATES.

THE U.S. GOVERNMENT, THESE SOURCES SAY, HAS NEVER FORMALLY OR INFORMALLY CHARGED THAT THE BRITISH PEOPLE ARE NOT WORKING HARD ENOUGH.

"WHEN AN AMERICAN NEWSPAPER OR SENATOR ATTACKS THIS COUNTRY FOR PAMPERING ITS WORKERS OR USING GOOD AMERICAN DOLLARS FOR ITS SOCIAL SERVICES," SAID ONE INFORMANT, "IN REALITY THEY ARE ATTACKING PAUL HOFFMAN (EUROPEAN RECOVERY PROGRAM ADMINISTRATOR) BECAUSE THEY DON'T LIKE ERP, OR THEY ARE ATTACKING PRESIDENT TRUMAN BECAUSE THEY WANT HIM TO REDUCE FOREIGN AID EXPENDITURES AND OF COURSE, INTERNATIONAL TAXATION."

ANOTHER SOURCE SAID BOTH HOFFMAN AND W.AVERELL HARRIAM, ROVING ECA AMBASSADOR, FOUR MONTHS AGO PAID TRIBUTE TO BRITAIN FOR HER RECOVERY EFFORTS.

AUG 9 1949

A TREASURY SOURCE ADMITTED, HOWEVER, THAT THE BRITISH NATION CAN DO BETTER IF IT WILL REALLY TRY. HE SAID THIS IS BORNE OUT BY THE CONSTANT URGINGS OF THE GOVERNMENT THAT THE PEOPLE WORK HARDER AND PRODUCE MORE.

"NONETHELESS," HE SAID, "WE HAVEN'T DONE TOO BADLY. WE ARE PRODUCING 31 PER CENT MORE THAN PREWAR TODAY, 21 PER CENT MORE THAN IN 1947. IT'S QUITE UNFAIR TO SAY, AS WE HEAR SO MANY AMERICANS ARE SAYING, THAT BRITONS ARE SLACKING OR LAGGING. WE'RE NOT."

AMERICAN SOURCES IN LONDON SAID THAT, WHILE HOFFMAN AND HARRIMAN IN FACT SPOKE OUT FOUR MONTHS AGO IN PRAISE OF BRITAIN, THE CURRENT PUBLIC AMERICAN CRITICISM IS BASED LARGELY ON EVENTS SINCE THEN. THE AMERICAN INFORMANTS CITED THE TERMS OF THE BRITISH-ARGENTINE TRADE PACT, OPPOSED BY THE UNITED STATES AT FIRST; BRITAIN'S LATEST DOLLAR CRISIS, AND THE COMMONWEALTH COUNTRIES' DECISION TO SLASH DOLLAR SPENDING BY A QUARTER.

IT IS AN OPEN SECRET THAT AMERICAN DIPLOMATS AND ECONOMISTS HERE HAVE BEEN SENDING WASHINGTON REPORTS RECENTLY CRITICIZING THIS COUNTRY'S EFFORTS. REPRESENTATIVES OF AMERICAN FIRMS HERE INDEPENDENTLY HAVE BEEN REPORTING TO THEIR HOME OFFICES ON THE WAY THIS NATION HAS SET ABOUT TRYING TO RETURN TO NORMAL.

ON THE WHOLE, THESE REPORTS HAVE NOT BEEN FAVORABLE, EVEN ALLOWING FOR THE CLAIM HERE THAT BRITAIN'S CRISIS HAS BEEN BROUGHT ABOUT BY FACTORS OVER WHICH SHE HAS HAD NO CONTROL.

AUG 9 1949

RN SAKPER

NEW YORK, AUG. 8-(AP)-SIR OLIVER FRANKS, BRITISH AMBASSADOR TO THE UNITED STATES, SAID TONIGHT ON HIS RETURN FROM A MONTH'S STAY IN ENGLAND THAT BRITISH PRODUCTION IS HIGH.

THUS FAR, HE ADDED, THERE HAS BEEN NO RISE IN BRITISH UNEMPLOYMENT COMPARABLE TO THE RISE IN U.S. UNEMPLOYMENT.

HE DESCRIBED BRITAIN'S ECONOMIC CONDITION AS "PRETTY SOUND," ALTHOUGH HIS COUNTRY IS IN THE PROCESS OF "MAKING SOME ADJUSTMENT REQUIRED BY THE CHANGEOVER FROM A WORLD SELLER'S TO A BUYER'S MARKET."

BRITAIN'S CHIEF ECONOMIC PROBLEM, HE SAID, IS ITS DWINDLING DOLLAR RESERVE WHICH HAS CREATED A GAP BETWEEN "WHAT WE HAVE TO SPEND AND WHAT WE HAVE AVAILABLE TO PAY."

DURING HIS STAY IN LONDON, SIR OLIVER SERVED AS CONSULTANT TO THE BRITISH GOVERNMENT IN TALKS BETWEEN U.S. TREASURY SECRETARY JOHN W. SNYDER AND BRITISH AND CANADIAN MONETARY OFFICIALS ON BRITAIN'S MONETARY PROBLEMS.

IT WAS THE ENVOY'S FIRST VISIT TO ENGLAND SINCE MAY, 1948.

RETURNING WITH SIR OLIVER ABOARD THE CUNARD WHITE STAR LINER CARONIA WERE LADY FRANKS AND THEIR DAUGHTERS, CAROLINE, 10, AND ALISON, 4 1/2.

SIR OLIVER SAID HE WOULD LEAVE IMMEDIATELY FOR WASHINGTON, WHERE HE WOULD REMAIN FOR A FEW DAYS THEN LEAVE FOR A VACATION TRIP "SOMEWHERE IN THE NORTHERN UNITED STATES."

ALSO RETURNING ABOARD THE CARONIA WAS MON C. WALLGREN, FORMER GOVERNOR OF WASHINGTON, WHO HAD SPENT ABOUT A MONTH IN FRANCE, BELGIUM AND FRANCE.

WALLGREN SAID HIS BUSINESS WAS "FREE LANCING AT THE PRESENT MOMENT."

HJ1255AED

NIGHT LEAD EUROPEAN
BY FRANK O'BRIEN

STRASBOURG, FRANCE, AUG. 8-(AP)-THE COUNCIL OF EUROPE'S COMMITTEE OF MINISTERS VOTED TODAY TO ADMIT TURKEY AND GREECE. ICELAND ALSO WAS INVITED TO BECOME THE 13TH MEMBER OF THE COUNCIL, THE OLD WORLD'S MOST AMBITIOUS ATTEMPT TO JOIN IN A UNION OR FEDERATION.

THE FOREIGN MINISTERS OF THE 10 CHARTER MEMBERS -- BRITAIN, FRANCE, ITALY, THE NETHERLANDS, BELGIUM, LUXEMBOURG, SWEDEN, NORWAY, DENMARK AND IRELAND -- LAUNCHED THE ORGANIZATION TODAY AT THE FIRST SESSION OF THE COMMITTEE OF MINISTERS. THE COMMITTEE IS THE UPPER HOUSE OF THE COUNCIL.

THE COUNCIL'S LOWER HOUSE -- THE CONSULTATIVE ASSEMBLY, MADE UP OF 87 MEMBERS OF THE PARLIAMENTS OF THE 10 CHARTER MEMBERS, EIGHT FROM TURKEY AND SIX FROM GREECE -- WILL MEET WEDNESDAY.

TURKEY AND GREECE MAY PARTICIPATE FULLY IN THE COUNCIL FROM TOMORROW ONWARD IF THEY DEPOSIT INSTRUMENTS OF THEIR PARLIAMENTS' AGREEMENT. ICELAND'S PARLIAMENT IS NOT IN SESSION, HOWEVER, AND IS NOT EXPECTED TO TAKE HER PLACE UNTIL FALL. SHE WOULD HAVE THREE MEMBERS IN THE ASSEMBLY.

THE MINISTERS MET IN STRASBOURG'S SIXTEENTH CENTURY CITY HALL AT 3:45 P.M. WITH FRENCH FOREIGN MINISTER ROBERT SCHUMAN, A VIGOROUS BACKER OF EUROPEAN UNION, PRESIDING AT THE OPENING. BELGIUM'S PAUL-HENRI SPAAK THEN TOOK THE CHAIR. THEY WERE IN SESSION APPROXIMATELY THREE AND A HALF HOURS. THEY WILL HOLD THEIR SECOND MEETING TOMORROW, BEGINNING AT 10:30 A.M (4:30 A.M., EASTERN STANDARD TIME).

STRASBOURG, PERMANENT SEAT OF THE COUNCIL AND HENCE THE POTENTIAL CAPITAL OF EUROPE, WAS DECKED OUT IN THE NATIONAL FLAGS OF ALL THE MEMBERS.

THE MINISTERS WERE RANGED ABOUT AN OVAL TABLE IN THE RECEPTION ROOM ON THE SECOND FLOOR IN ALPHABETICAL ORDER.

THE COMMUNIQUE AT THE END OF THE SESSION MADE NO MENTION OF WORK ON AN AGENDA FOR THE NEARLY MONTH-LONG MEETING OF THE ASSEMBLY WHICH WILL MEET IN THE AUDITORIUM OF THE UNIVERSITY OF STRASBOURG.

NOR DID IT MENTION SUCH PROBLEMS AS THE ADMISSION OF GERMANY WHEN THAT COUNTRY HAS ITS OWN GOVERNMENT, THE DISPUTE BETWEEN BRITAIN AND IRELAND OVER NORTHERN IRELAND, OR THE SAAR.

THESE ARE ALL ISSUES LIKELY TO COME BEFORE THE COMMITTEE, THE ASSEMBLY OR BOTH.

IT HAS BEEN REPORTED THAT FRANCE WILL ASK FOR THE ADMISSION OF THE SAAR AS AN ASSOCIATE MEMBER. THIS WOULD NOT GIVE THAT FRENCH-OCCUPIED PART OF GERMANY A SEAT IN THE MINISTERS COMMITTEE BUT WOULD ALLOW IT TO SEND VOTING DELEGATES TO THE ASSEMBLY. BRITAIN IS OPPOSED ON THE GROUNDS THAT BAD FEELING WOULD BE AROUSED IN GERMANY AND THE ACTION MIGHT BE CONSIDERED A STEP IN THE DISMEMBERMENT OF GERMANY.

NEWLY PAINTED DESKS IN A SEMICIRCLE AWAITED THE DELEGATES TO THE ASSEMBLY WHERE 250 SEATS HAD BEEN SET ASIDE FOR THE PRESS AND NEARBY 1,000 FOR THE GENERAL PUBLIC.

MEMBERS OF THE ASSEMBLY WILL VOTE AS INDIVIDUALS, NOT AS MEMBERS OF NATIONAL DELEGATIONS. THEY WILL BE SEATED IN ALPHABETICAL ORDER INSTEAD OF IN NATIONAL BLOCKS AS IS USUAL AT INTERNATIONAL CONFERENCES.

IT IS ANTICIPATED THAT THE ASSEMBLYMEN LATER WILL GROUP THEMSELVES ACCORDING TO THEIR RIGHTIST OR LEFTIST POLITICAL TENDENCIES. THE ASSEMBLY IS EXPECTED TO REPRESENT A CROSS SECTION OF EUROPEAN POLITICAL OPINION WITH THE EXCEPTION OF THE EXTREMES OF FASCISM AND COMMUNISM.

IT CAN DISCUSS PROBLEMS RECOMMENDED TO IT BY THE COMMITTEE OF MINISTERS, BUT CANNOT TAKE UP DEFENSE QUESTIONS. ITS DECISIONS WILL BE ONLY IN THE FORM OF RECOMMENDATIONS TO THE GOVERNMENTS REPRESENTED.

WINSTON CHURCHILL, FORMER BRITISH PRIME MINISTER, IS EXPECTED TO ARRIVE TOMORROW. HE IS A DELEGATE TO THE ASSEMBLY.

FOREIGN MINISTER ERNEST BEVIN REPRESENTED BRITAIN TODAY. THE OTHER MINISTERS WERE JOSEF BECH OF LUXEMBOURG, GUSTAV RASMUSSEN OF DENMARK, DIRK STIKKER OF THE NETHERLANDS, SEAN MCBRIDE OF IRELAND, HALVARD LANGE OF NORWAY, OSTEN UNDEN OF SWEDEN, AND CARLO SFORZA OF ITALY.

SJ609PED

FRANCE'S FOREIGN MINISTER ROBERT SCHUMAN IS EXPECTED TO RAISE THE QUESTION OF ADMITTING THE SAAR AS AN ASSOCIATE MEMBER OF THE COUNCIL. THIS WOULD MEAN THE SAAR WOULD BE INCLUDED IN THE ASSEMBLY BUT NOT IN THE MINISTERS' COMMITTEE.

OTHER NATIONS, INCLUDING BRITAIN, ARE REPORTED OPPOSED TO TAKING SUCH A STEP WHICH WOULD BE BOUND TO HAVE UNFAVORABLE REPERCUSSIONS IN GERMANY. STRASBOURG, FRANCE XXX PROJECT

SOME COUNCIL MEMBERS FAVOR ADDING WEST GERMANY AS THE 13TH MEMBER AS SOON AS THE WEST GERMAN STATE CHOOSES A GOVERNMENT NEXT WEEK.

THIS AFTERNOON THE MINISTERS WILL FIX THE AGENDA FOR THE ASSEMBLY IN ACTING ON A REPORT FROM THEIR DEPUTIES, WHO MET LAST WEEKEND IN PARIS.

JS229AED

SECOND LEAD COUNCIL
BY JOSEPH DYNAN

STRASBOURG, FRANCE, AUG. 8-(AP)-FOREIGN MINISTERS OF THE COUNCIL OF EUROPE VOTED UNANIMOUSLY TODAY TO ADD GREECE AND TURKEY TO THE COUNCIL'S ORIGINAL 10 MEMBERS.

A SWEDISH SOURCE WHO ATTENDED THE OPENING SESSION IN STRASBOURG'S MEDIEVAL CITY HALL SAID ICELAND ALSO WAS INVITED TO JOIN.

THE FOREIGN MINISTERS MET AS THE COUNCIL'S MINISTERIAL COMMITTEE AT 3:45 P.M., OPENING A HISTORIC ATTEMPT TO UNIFY EUROPE. FRENCH FOREIGN MINISTER ROBERT SCHUMAN PRESIDED.

THE MINISTERS REPRESENTED BRITAIN, FRANCE, BELGIUM, THE NETHERLANDS, LUXEMBOURG, SWEDEN, NORWAY, DENMARK, ITALY AND IRELAND, THE CHARTER NATIONS.

THEIR OTHER TASKS WILL BE TO FIX AN AGENDA FOR THE COUNCIL'S LEGISLATIVE BRANCH, THE CONSULTATIVE ASSEMBLY, WHICH CONVENES IN THE STRASBOURG UNIVERSITY AUDITORIUM WEDNESDAY.

AN OFFICIAL SOURCE SAID THE MINISTERS INTEND TO LAY DOWN GENERAL PRINCIPLES OF EUROPEAN COOPERATION AND THUS LEAVE THE ASSEMBLY WIDE INITIATIVE FOR DETAILED PROJECTS TO CARRY OUT THESE IDEAS.

FORMER PRIME MINISTER WINSTON CHURCHILL, A MEMBER OF THE BRITISH DELEGATION IN THE ASSEMBLY, IS TO ARRIVE HERE TOMORROW, SAID AN OFFICIAL OF THE EUROPEAN MOVEMENT (CAPS EM), A PRIVATE ORGANIZATION SPONSORING EUROPEAN UNITY.

ACTING PREMIER PAUL-HENRI SPAAK OF BELGIUM, AN OUTSTANDING PROPONENT OF EUROPEAN COLLABORATION, WAS THE FIRST OF THE 10 MINISTERS TO ARRIVE AT THE CITY HALL. HE GOT IN SHORTLY BEFORE 3:30 P.M.

GREEK A TURKISH REPRESENTATIVES DID NOT ATTEND, AS THEY MUST AWAIT UNTIL THEIR COUNTRIES ARE OFFICIALLY ADMITTED TO THE COUNCIL.

THE MINISTERS MET AT A LARGE OVAL TABLE IN THE MAIN RECEPTION HALL TWO FLIGHTS UP IN THE BUILDING. FOR BEVIN'S SPECIAL BENEFIT, A SMALL ELEVATOR HAD BEEN INSTALLED.

PLACES AT ONE END OF THE TABLE WERE SET ASIDE FOR GREECE AND TURKEY. OTHERWISE THE MINISTERS WERE SEATED IN ALPHABETICAL ORDER. NAMEPLATES AT EACH SEAT WERE IN ENGLISH AND FRENCH, THE COUNCIL'S TWO OFFICIAL LANGUAGES.

A MEMBER OF THE COUNCIL'S SECRETARIAT SAID A COMMUNIQUE ON TODAY'S SESSION-- WHICH WAS BEING HELD IN PRIVATE -- WOULD BE ISSUED SOMETIME TONIGHT. #

STRASBOURG, FRANCE, AUG 8-(AP)-FOLLOWING IS THE TEXT OF THE FIRST COMMUNIQUE OF THE COMMITTEE OF MINISTERS OF THE COUNCIL OF EUROPE: (150)

THE COMMITTEE OF MINISTERS OF THE COUNCIL OF EUROPE HELD ITS FIRST MEETING ON MONDAY, AUGUST 8TH, 1949, IN STRASBOURG.

AFTER MR. ROBERT SCHUMAN, MINISTER OF FOREIGN AFFAIRS OF FRANCE, HAD WELCOMED THE DELEGATES, P.H. SPAAK, MINISTER OF FOREIGN AFFAIRS OF BELGIUM, TOOK THE CHAIR ACCORDING TO PROCEDURE.

THE COMMITTEE OF MINISTERS DECIDED TO CALL ON GREECE, ICELAND AND TURKEY TO JOIN THE COUNCIL OF EUROPE. IT WAS DECIDED THAT IF GREECE AND TURKEY SENT I THEIR INSTRUMENTS OF ACCESSION TO THE STATUTE (CAP S) IMMEDIATELY, THEIR REPRESENTATIVES COULD TAKE PART IN THE WORK OF THE ORGANS OF THE COUNCIL OF EUROPE FROM THE 9TH AUGUST, 1949, ONWARDS.

FOR REASONS CONNECTED WITH THE CONSTITUTION OF ICELAND, IT IS NOT EXPECTED THAT ICELAND WILL DEPOSIT HER INSTRUMENT OF ACCESSION IMMEDIATELY.

IN THE ASSEMBLY TURKEY WILL HAVE EIGHT REPRESENTATIVES, GREECE SIX AND ICELAND THREE.

K613PED

PARIS, AUG.8-(AP)-PGSIDENT VINCENT AURIOL TODAY MESSAGED EMPEROR BOA-DAI THAT FRANCE WILL GUARANTEE THE SECURITY AND INDEPENDENCE OF INDOCHINA.

THE MESSAGE WAS SENT THROUGH PAUL COSTE-FLORET, FRENCH OVERSEAS MINISTRY, IN SAIGON ON A VISIT TO BAO-DAI'S NEW VIET-NAM GOVERNMENT. VIET-NAM, RECENTLY REORGANIZED TO DRAIN SUPPORT FROM MOSCOW-TRAINED HO CHI MINH'S ANTI-FRENCH FIGHTERS, IS MADE UP OF THE INDOCHINESE STATES OF ANNAM, TONKIN AND COCHIN-CHINA.

"FRANCE IN ANY CASE WILL NOT ABANDON THE VIET-NAM PEOPLE, NOR THE OTHER ASSOCIATED STATES," AURIOL'S MESSAGE READ, "AND IF IT IS NECESSARY FRANCE AND THESE GOVERNMENTS WILL GUARANTEE AGAINST ANY FOREIGN INTERFERENCE--WITH THE ASSISTANCE OF THE UNITED NATIONS WHERE REQUIRED--THE DEFENSE OF THEIR INDEPENDENCE AND SECURITY IF THEY SHOULD BE THREATENED."

AURIOL SAID HE WAS GLAD TO SEE THAT BAO-DAI WAS PLANNING TO LEAVE TO THE PEOPLE OF VIET-NAM THE CHOICE OF THEIR FORM OF GOVERNMENT. HE ADDED HE HOPED THEY WOULD DECIDE TO UNITE FOR PEACE.

WW943AED

BERLIN, AUG.8-(AP)-SOVIET RUSSIA IS NOW ALLOWING SOME OF ITS GERMAN PRISONERS OF WAR TO ADVERTISE IN EAST BERLIN NEWSPAPERS FOR POW PALS.

THE FIRST ADVERTISEMENT GAVE THE NAMES OF 12 PRISONERS AND THE ADDRESSES OF FOUR RUSSIAN CAMPS WHERE THEY ARE CONFINED. IT SAID: "WE WISH TO EXCHANGE LETTERS."

THE NUMBER OF FORMER GERMAN SOLDIERS STILL HELD IN CAPTIVITY BY THE RUSSIANS IS AN OFFICIAL SECRET. ACCORDING TO A FOUR-POWER AGREEMENT, ALL WERE TO HAVE BEEN REPATRIATED BY THE END OF 1948.

WW907AED

FRANKFURT, GERMANY, AUG. 8-(AP)-A CONTEST SO CLOSE THAT NO PARTY WILL WIN A PARLIAMENTARY MAJORITY WAS FORECAST BY ALLIED OBSERVERS TODAY IN WEST GERMANY'S FIRST FEDERAL ELECTION.

IT WILL TAKE A COALITION OF TWO OR MORE PARTIES TO FORM THE GOVERNMENT, THEY PREDICTED.

THIS FORECAST--UNOFFICIAL BUT FOUNDED ON NEUTRAL SURVEYS--WAS MADE AS THE CAMPAIGN ROARED INTO ITS FINAL WEEK.

TWO STRONGLY OPPOSED PARTIES ARE GENERALLY EXPECTED TO LEAD THE AUG. 14 VOTE PARADE.

ONE IS THE LEFTIST SOCIAL DEMOCRATIC PARTY, WHICH SPONSORS A PROGRAM OF SOCIALIZATION. THE OTHER IS THE CONSERVATIVE, CHURCH-LINKED CHRISTIAN DEMOCRATIC UNION, WHICH STANDS FOR FREE PRIVATE ENTERPRISE.

ONE OR THE OTHER OF THESE PARTIES NOW CONTROLS THE STATE PARLIAMENTS IN ALL THE ELEVEN WEST GERMAN STATES WHICH WILL MAKE UP THE NEW FEDERAL REPUBLIC.

RP145PED

VIENNA--FIRST ADD AMERICAN CHIEFS (A140) XXX COMMISSIONER.

ABOUT 100 COMMUNIST DEMONSTRATORS MARCHED BEFORE THE AMERICAN-OCCUPIED BRISTOL HOTEL CARRYING PLACARDS AND SHOTING SLOGANS. THE AMERICAN MILITARY LEADERS, TARGET OF THE DEMONSTRATION, HAD DEPARTED FROM VIENNA MORE THAN TWO HOURS BEFORE. TWENTY AUSTRIAN POLICEMEN BROKE UP THE DEMONSTRATION.

JA331PED

BY LARRY ALLEN
WARSAW, POLAND, AUG. 8-(AP)-A ROMAN CATHOLIC PRIEST HERE YESTERDAY ATTACKED "ATTEMPTS TO DISCREDIT THE PRIESTS AND THE POPE."
THE PRIEST WAS NOT IDENTIFIED BECAUSE AUTHORITIES MIGHT REGARD HIS SERMON AS HOSTILE TO THE GOVERNMENT, WHICH ON SATURDAY ORDERED PENALTIES UP TO DEATH FOR VIOLATION OF A CITIZEN'S "FREEDOM OF CONSCIENCE."
CHURCHES ALL OVER PREDOMINANTLY CATHOLIC POLAND WERE JAMMED YESTERDAY FOR THE CELEBRATION OF THE 25TH ANNIVERSARY OF THE ORDINATION OF ARCHBISHOP STEFAN WESZYNSKI, PRIMATE OF POLAND.
THE PRIEST WHO CAME TO THE DEFENSE OF THE POPE AND CATHOLIC CLERGY URGED HIS PARISHIONERS TO "PRAY FOR THE POPE AND THE NATION."
SPEAKING OF THE ATTACKS, HE SAID "WE FULLY REALIZE WHERE SUCH ACCUSATIONS COME FROM AND WHY AND WHO IS SPREADING THEM.
"WE ARE TOLD WE ARE NOT PATRIOTIC.
"WHO PROVED THEIR PATRIOTISM BETTER THAN WE CATHOLIC PRIESTS DURING THE GERMAN OCCUPATION WHEN OUR PRIESTS WERE ORDERED TO CEASE RELIGIOUS PRACTICES, WHEN THEY WERE TOLD TO SPEAK AGAINST ALL THAT IS HOLY?
"WE ARE ACCUSED OF PRACTICING POLITICS AND USING PULPITS FOR POLITICAL PURPOSES. WE WERE NOT SENT HERE TO PLAY POLITICS. THAT IS NOT WHY THE CHURCH WAS ESTABLISHED."
THE NEW GOVERNMENT ORDER WAS PRAISED IN EDITORIALS IN POLISH NEWSPAPERS.
AMONG THE 17 ARTICLES WAS THE FOLLOWING:
"HE WHO MISUSES THE FREEDOM OF CREED BY REFUSING TO LET ANOTHER PERSON PARTICIPATE IN RELIGIOUS CEREMONIES BECAUSE OF POLITICAL, SOCIA OR SCIENTIFIC ACTIVITIES OR OPINIONS IS LIABLE TO IMPRISONMENT FOR UP TO FIVE YEARS."
(THIS ARTICLE OBVIOUSLY WAS AIMED AT THE ROMAN CATHOLIC CHURCH AND SPECIFICALLY AT THE RECENT VATICAN DECREE EXCOMMUNICATING MILITANT COMMUNISTS. THE COMMUNIST POLISH GOVERNMENT ALREADY HAD DENOUNCED THE VATICAN DECREE AS AN "ACT OF AGGRESSION" AND THE NEW LAW WAS SEEN AS PUTTING TEETH INTO A GOVERNMENT ORDER FORBIDDING PRIESTS TO ENFORCE IT.)
TRYBUNA LUDU, ORGAN OF THE UNITED WORKERS (COMMUNIST) PARTY, SAID OF THE GOVERNMENT DECRE THAT IT "PUTS AN END TO THE ASSUMPTION OF A LACK OF RELIGIOUS FREEDOM IN POLAND. IT OPPOSES THE INTENTIONS OF ALL WHO TRIED TO THWART SUCH FREEDOM OR ABUSED IT."
JT252AED

prague, aug. 8-(ap)-the communists are trying to harness the energy which poets say makes the world go round.

if czech boy wants to meet czech girl, or vice versa, the place to do it is in the "volunteer" work brigade which hustles folk out into the harvest fields or other work projects for the "new democratic society."

that was the dictum laid down for romantic czechoslovakia - young and not so young - by the prague communist press yesterday.

the communist party organ, rude pravo, announced a ban on lonely hearts advertisements offering the hands of eligible bachelors or maidens in marriage.

rude prava said the newspapers had decided not to accept that type of advertising because the russians had showed them it was an undignified practice which made marriage "a capitalistic business transaction."

marriage bureaus also will be axed, rude prava warned

the communist-dominated czechslovak youth front said the best substitute for such capitalistic enterprises was the work brigade, where hearts could beat in true marxist-leninist time and the lovers could at the same time contribute to the reconstruction of the people's democratic republic.

PRAGUE, AUG. 8-(AP)-THE COMMUNISTS ARE TRYING TO HARNESS THE ENERGY WHICH POETS SAY MAKES THE WORLD GO ROUND.
IF CZECH BOY WANTS TO MEET CZECH GIRL, OR VICE VERSA, THE PLACE TO DO IT IS IN THE "VOLUNTEER" WORK BRIGADE WHICH HUSTLES FOLK OUT INTO THE HARVEST FIELDS OR OTHER WORK PROJECTS FOR THE "NEW DEMOCRATIC SOCIETY."
THAT WAS THE DICTUM LAID DOWN FOR ROMANTIC CZECHOSLOVAKIA - YOUNG AND NOT SO YOUNG - BY THE PRAGUE COMMUNIST PRESS YESTERDAY.
THE COMMUNIST PARTY ORGAN, RUDE PRAVO, ANNOUNCED A BAN ON LONELY HEARTS ADVERTISEMENTS OFFERING THE HANDS OF ELIGIBLE BACHELORS OR MAIDENS IN MARRIAGE.
RUDE PRAVO SAID THE NEWSPAPERS HAD DECIDED NOT TO ACCEPT THAT TYPE OF ADVERTISING BECAUSE THE RUSSIANS HAD SHOWED THEM IT WAS AN

UNDIGNIFIED PRACTICE WHICH MADE MARRIAGE "A CAPITALISTIC BUSINESS TRANSACTION."

MARRIAGE BUREAUS ALSO WILL BE AXED, RUDE PRAVO WARNED.

THE COMMUNIST-DOMINATED CZECHOSLOVAK YOUTH FRONT SAID THE BEST SUBSTITUTE FOR SUCH CAPITALISTIC ENTERPRISES WAS THE WORK BRIGADE, WHERE HEARTS COULD BEAT IN TRUE MARXIST-LENINIST TIME AND THE LOVERS COULD AT THE SAME TIME CONTRIBUTE TO THE RECONSTRUCTION OF THE PEOPLE'S DEMOCRATIC REPUBLIC.

JT245AED

PRAGUE, CZECHOSLOVAKIA, AUG. 6-(AP)-COMMERCE WITH RUSSIA AND OTHER EASTERN EUROPEAN NATIONS NOW ACCOUNTS FOR 40 PER CENT OF CZECHOSLOVAKIA'S FOREIGN TRADE, IVZEN LOEBEL, DEPUTY MINISTER OF FOREIGN TRADE, SAID TODAY. HE SAID THIS RATIO WILL RISE STILL FURTHER.

AUG 9 1949

LOEBEL ACCUSED THE UNITED STATES OF TRYING TO DAMAGE CZECHOSLOVAKIA'S ECONOMY BY TRADE DISCRIMINATION, INCLUDING STOPPAGE OF DELIVERY ON ORDERS WHICH HAD BEEN PAID FOR. HE SAID THESE MEASURES HAD "CAUSED UNPLEASANTNESS," BUT FAILED TO DO ANY REAL DAMAGE.

ACCORDING TO AN OFFICIAL REPORT ISSUED IN OCTOBER, 1946, RUSSIA HELD FIRST PLACE IN EXPORTS TO CZECHOSLOVAKIA, SELLING HER 716,000,000 CROWNS WORTH OF GOODS DURING THE FIRST EIGHT MONTHS OF THAT YEAR, AND SECOND PLACE AMONG CZECH CUSTOMERS, BUYING GOODS VALUED AT 817,000,000 CROWNS. (THE CROWN IS RATED WORTH TWO CENTS.)

EVEN IN 1946 THE UNITED STATES HAD FALLEN FAR FROM ITS PREWAR POSITION OF SECOND OR THIRD PLACE IN CZECH FOREIGN TRADE.

RUSSIA NOW HOLDS FIRST PLACE IN CZECH FOREIGN TRADE, WITH 22 PER CENT OF THE TOTAL VOLUME, LOEBEL REPORTED. HE SAID THIS CORRESPONDED ROUGHLY WITH THE PREWAR VOLUME OF CZECH TRADE WITH GERMANY.

AUG 9 1949

RP1236PED

GENEVA, SWITZERLAND, AUG.8-(AP)-GREAT BRITAIN CHARGED IN THE UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL TODAY THAT THE COMMUNIST-DOMINATED WORLD FEDERATION OF TRADE UNIONS IS INSINCERE IN ITS DEMAND THAT THE COUNCIL TAKE ACTION AGAINST UNEMPLOYMENT.

THE WFTU, IN A RESOLUTION LAID BEFORE THE COUNCIL, SAID "THE DOMINANT ECONOMIC FORCES IN CERTAIN COUNTRIES PREFER TO PROVOKE A NEW WORLD WAR RATHER THAN AGREE TO MEASURES WHICH COULD ALLEVIATE UNEMPLOYMENT, BUT WHICH WOULD IMPINGE UPON THEIR PRIVILEGES AND PROFITS."

AUG 9 1949

THE RESOLUTION ASKED THE COUNCIL TO RECOMMEND TO MEMBER NATIONS SUGGESTIONS FOR INCREASING EMPLOYMENT AND RAISING WAGES.

GIUSEPPE DI VITTORIA, PRESIDENT OF THE WFTU AND SECRETARY-GENERAL OF THE COMMUNIST-RULED ITALIAN GENERAL CONFEDERATION OF LABOR, SPOKE IN SUPPORT OF THE RESOLUTION. DECLARING THAT UNEMPLOYMENT IN THE CAPITALIST COUNTRIES HAD REACHED A CRUCIAL STAGE, VITTORIO SAID THE COUNCIL SHOULD GIVE "A CRY OF ALARM." THE EUROPEAN RECOVERY PROGRAM, HE SAID, CONTRIBUTES TO THE GENERAL DETERIORATION BY REDUCING THE STANDARD OF LIVING," IMPOVERISHING THE WORKING CLASSES," AND PROMOTING ECONOMIC CRISES.

CORLEY SMITH, BRITISH DELEGATE IN RESPONDING TO VITTORIO, SAID IT WAS "A GREAT PITY" THAT THE PROBLEM OF UNEMPLOYMENT SHOULD APPEAR ON THE AGENDA "IN ASSOCIATION WITH SUCH TENDENTIOUS AND BASICALLY INSINCERE DOCUMENTS AS THE WFTU COMMUNICATIONS TO THE SECRETARY-GENERAL."

"THEIR AUTHORS LIVE IN A STRANGE AND MYTHOLOGICAL WORLD," SMITH SAID, "A WORLD IN WHICH THRUSTS AND MONOPOLIES PROWL AROUND SEEKING WHOM THEY MAY DEVOUR, PLAYING VERY MUCH THE SAME SORT OF ROLE AS THE JEWS USED TO PLAY IN THE MYTHOLOGY OF HITLER. IN THIS LURID WORLD OF THE WFTU THERE ARE TWO KINDS OF STATES AND TWO ONLY -- THE CAPITALIST OR DIABOLICAL AND THE SOVIETIZED OR ANGELIC."

SMITH SUGGESTED THAT A GROUP OF THREE EMINENT ECONOMISTS BE APPOINTED BY THE UNITED NATIONS TO "TAKE A LOOK AT THE ECONOMIC AND EMPLOYMENT SITUATION AND THE PROSPECTS OF THE WORLD."

B446PED

(ADVANCE)..BERGEN, NORWAY, AUG. 8-(AP)-TRYGVE LIE, SECRETARY-GENERAL OF THE UNITED NATIONS, SAID TODAY REGIONAL COOPERATION AGREEMENTS SOMETIMES MAY BE WELCOMED UNDER THE U.N. CHARTER, BUT "THE SUPREMACY OF THE UNITED NATIONS IS ABSOLUTELY CLEAR."

LIE MADE NO DIRECT REFERENCE TO THE NORTH ATLANTIC PACT IN HIS SPEECH IN A PUBLIC SQUARE HERE. THE ADDRESS WAS ONE OF A SERIES SCHEDULED FOR SCANDINAVIA.

AUG 9 1949

"I HAVE WISHED TO TALK ABOUT PARAGRAPH 51 OF THE CHARTER WHICH PERMITS COLLECTIVE SELF DEFENSE FOR A CERTAIN PERIOD," LIE SAID. "THAT IS UNTIL THE SECURITY COUNCIL HAS BEEN ABLE TO TAKE MEASURES IN CASE OF AN ARMED ATTACK AGAINST A MEMBER NATION. THAT PROVISION IS CLEARLY OF A TEMPORARY CHARACTER. I DOUBT IT WILL EVER BE PUT TO USE PRACTICALLY, REGARDLESS OF WHAT SPECIAL ARRANGEMENTS HAVE BEEN MADE WITH SOLE REFERENCE TO THIS PROVISION. SUCH ARRANGEMENTS CAN NO LONGER BE CALLED REGIONAL AGREEMENTS IN THE UNITED NATIONS SENSE."

LIE ADDED:

"IT IS A MATTER OF SEEING REGIONAL COOPERATION IN THE RIGHT PERSPECTIVE.

IF IT IS BEING CARRIED OUT IN ACCORDANCE WITH OR IN A LINE WITH THE UNITED NATIONS REGULATIONS AND INTERESTS, IT IS TO THE BENEFIT OF HUMANITY AS A WHOLE, BUT IF IT RUNS CONTRARY TO THE U.N., THE DAMAGE MAY BECOME IRREPARABLE. IN THAT CASE, EVEN THE MOST NARROW SELF INTERESTS WILL SUFFER IN THE LONG RUN."

LIE SAID HE IS CONVINCED MORE CRISES IN INTERNATIONAL POLITICS WIL ARISE, BUT HE EXPRESSED DOUBT THAT THESE WOULD BE AS SERIOUS AS THE CRISIS IN BERLIN, WHICH WAS EASED THROUGH USE OF U.N. FACILITIES. HE SAID HE HAD GOOD REASON TO HOPE FOR MORE PEACEFUL DEVELOPMENTS IN THE FUTURE.

HE REMARKED THAT THE LATE PRESIDENT F.D.ROOSEVELT, WHOM HE CALLED "PERHAPS THE GREATEST STATESMAN OF THE TWENTIETH CENTURY," ONCE SAID IT MIGHT TAKE FIVE YEARS TO WIN THE WAR AND, AFTERWARD, TEN YEARS TO WIN THE PEACE. LIE EXPRESSED CONFIDENCE THAT FIVE YEARS FROM NOW THERE WILL BE REAL HOPE THAT WAR WILL HAVE BECOME OBSOLETE.

(END ADVANCE FOR USE AT 2 P.M., EST, TODAY, MONDAY, AUG. 8)

RP/EJ154PED

BY ALEX SINGLETON

BELGRADE, AUG.8-(AP)-YUGOSLAVIA PLANS TO INCREASE HER COMMERCIAL SHIPPING TONNAGE 50 PER CENT BY 1951 UNDER HER FIVE-YEAR PROGRAM FOR PROMOTING ECONOMIC INDEPENDENCE.

BORBA, THE NEWSPAPER OF PREMIER MARSHAL TITO'S COMMUNIST GOVERNMENT, SAID TODAY THE TARGET FOR THE MERCHANT MARINE IS 600,000 TONS. IT PREDICTED THIS WOULD BE SURPASSED.

THE ARTICLE GAVE NO SPECIFIC FIGURES ON WHAT THIS WOULD MEAN IN THE NUMBER OF SHIPS TO CART YUGOSLAVIA'S PRODUCTS, MOSTLY NONFERROUS METALS, TIMBER AND GRAINS, OVERSEAS IN EXCHANGE FOR FINISHED GOODS.

A U.S. MARITIME COMMISSION REPORT SAYS YUGOSLAVIA, JUST PRIOR TO WORLD WAR II, HAD 98 SHIPS WITH A GROSS TONNAGE OF MORE THAN 100,000 TONS, AND JUST ABOUT A THIRD OF THAT WHEN THE WAR ENDED.

BORBA UNDERSCORED THE ATTENTION THIS COUNTRY HAS BEEN GIVEN TO DEVELOPING ITS TRANSPORT SYSTEM. A BIG PART OF THIS LIES IN THE CONSTRUCTION OF CONNECTING LINKS BETWEEN PORTS AND AVAILABLE RAIL LINES, AND IS BEING DONE BY THE SO-CALLED VOLUNTEER LABOR SQUADS OF STUDENTS AND WORKERS, MEN AND WOMEN, WHO SPEND PART OF THEIR SPARE TIME ON THE BUSINESS ENDS OF PICKS AND SHOVELS.

AT LEAST PART OF YUGOSLAVIA'S PROGRAM CALLS FOR GETTING SOME OF HER SHIPBUILDING DONE ABROAD, BORBA SAID. IT REPORTED FOUR SHIPS ARE BEING BUILT FOR THIS COUNTRY IN THE NETHERLANDS AND THREE MORE IN NORWAY. IT GAVE NO FIGURES ON HOW MANY SHIPS ARE BEING BUILT ALONG THE YUGOSLAV ADRIATIC SEACOAST, BUT SAID THE COST OF BUILDING VESSELS AT HOME IS MUCH LESS THAN HAVING THEM BUILT ABROAD.

YUGOSLAVIA'S OFFICIAL PRESS, MEANWHILE, KEPT UP THE WAR WITH THE COMINFORM, WHICH HAS BEEN TRYING TO STRANGLE THIS COUNTRY ECONOMICALLY ON GROUNDS TITO IS A STRAYER FROM THE SOVIET BRAND OF COMMUNISM.

THE PRESS ACCUSED NEIGHBORING ALBANIA OF RELEASING HUNDREDS OF WARTIME ENEMY COLLABORATORS AND DECREASING SENTENCES OF HUNDREDS OF OTHERS. BORBA SAID 1,305 HAD BEEN RELEASED AND SENTENCES OF ANOTHER 1,277 HAD BEEN CUT FROM LIFE IMPRISONMENT TO TERMS OF SEVEN TO 15 YEARS. ALBANIA HAS LEVELLED SIMILAR CHARGES AT YUGOSLAVIA.

WW932AED

London, Aug. 8--(AP)--A Belgrade newspaper said today a Serb had been kicked out of the Communist-led Socialist Unity Party (SED) in Eastern Germany because he stuck up for Yugoslavia against the Cominform.

Tanjug, official Yugoslav news agency, quoted the newspaper Glas regarding

the incident in a broadcast fr

The man involved was ident

Serb Minority in the Russian oc

SED's secretariat in his distri

He was expelled, Glas said, after

"not a speck of truth " in the things s

belonging to Cominform.

Glas said Soviet officials in East

atory measures against the free politica

Serbs.

The first thing the Russians did, t

Serb Youth Organization and merge it wit

A year ago last June the Cominform

the grounds Premier Marshal Tito was [illegible] departing from Marxism-

Leninism and pursuing a nationalistic policy.

AUG 9 1949

apra. 02100. rch 442p.

TEL AVIV, ISRAEL, AUG.8-(AP)-AN INFORMED SOURCE CLOSE TO THE GOVERNMENT SAID TODAY CHANCES OF A FINAL ARAB-ISRAELI PEACE ARE "NOT UNFAVORABLE."

THE INFORMANT EXPRESSED BELIEF ISRAEL'S OFFER TO ACCEPT 100,000 ARAB REFUGEES HAD BEEN RECEIVED FAVORABLY BY PRESIDENT TRUMAN AND THAT THE U.S. GOVERNMENT WAS URGING BOTH SIDES TO COME TO TERMS SOON IN THE CONFERENCES AT LAUSANNE, SWITZERLAND.

SOME STATE DEPARTMENT OFFICIALS, HOWEVER, ARE REPORTED TO BELIEVE THE OFFER SHOULD BE INCREASED, A PROSPECT WHICH HAS NOT BEEN WELCOMED BY LOCAL GOVERNMENT CIRCLES.

THE SAME INFORMANT SAID THE ISRAELI GOVERNMENT MAY BE SATISFIED WITH CONTINUATION OF ITS PRESENT DE FACTO PEACE STATUS, BUT FEELS THE SIGNING OF REGULAR ARAB-ISRAELI PEACE TREATIES IS PREFERABLE IN PRINCIPLE.

IT IS EXPECTED THAT THE U.S. AMBASSADOR TO ISRAEL JAMES MACDONALD, WILL DISCUSS LATEST DEVELOPMENTS WHEN HE RETURNS TO WASHINGTON TODAY FOR A VACATION.

BJ806AED

NEW DELHI, AUG.8-(AP)-INDIA SIGNED A TREATY OF "PERPETUAL PEACE AND FRIENDSHIPTODAY WITH THE SEMI-INDEPENDENT HIMALAYAN KINGDOM OF BHUTAN.

THE PACT GUARANTEES BHUTAN'S INTERNAL AUTONOMY IN RETURN FOR INDIA'S CONTROL OF THE KINGDOM'S FOREIGN RELATIONS.

BHUTAN IS LOCATED BETWEEN TIBET AND ASSAM, THE EASTERNMOST PART OF INDIA. THE KINGDOM HAS AN AREA OF 18,000 SQUARE MILES AND A POPULATION OF 300,000.

WW1109AED

NEW DELHI, INDIA,AUG.8-(AP)-THE INDONESIAN REPUBLICAN PREMIER, MOHAMED HATTA, SAID TODAY "COMPLETE UNCONDITIONAL TRANSFER OF SOVEREIGNTY TO THE PEOPLE OF INDONESIA IS THE ONLY SOLUTION" TO THE INDONESIAN PROBLEM.

HATTA ADDED HIS GOVERNMENT'S AIM ALWAYS HAS BEEN "ONE PEOPLE, ONE LANGUAGE, ONE GOVERNMENT."

ADDRESSING THE INDIAN CONSTITUENT ASSEMBLY, HATTA SAID FREE INDONESIA WOULD BE "ONE OF THE GUARDIANS OF INTERNATIONAL PEACE IN CLOSE FRIENDSHIP AND COOPERATION WITH OTHER PEACE-LOVING NATIONS."

PRIME MINISTER JAWAHARLAL NEHRU, WHO PRESIDED AT THE SESSION, SAID HATTA CARRIED HIS AND INDIA'S GOOD WISHES FOR A SUCCESSFUL OUTCOME OF THE COMING CONFERENCE OF INDONESIANS AND THE DUTCH AT THE HAGUE.

"IF BY ANY MISFORTUNE THE PROGRESSIVE FORCES IN INDONESIA DO NOT TRIUMPH," NEHRU SAID, "IT IS A BAD DAY FOR SOUTHEAST ASIA, SINCE THE STRUGGLE IN INDONESIA IS SYMBOLIC OF THE ASIAN STRUGGLE FOR FREEDOM FROM EUROPEAN AND OTHER FOREIGN CONTROL."

NEHRU SAID THE "IMPERIALIST POWERS ALWAYS THINK IN TERMS OF DIVISION AND NATIONALIST GOVERNMENTS IN TERMS OF UNITY."

HATTA, REPLYING TO QUESTIONS, SAID "THE SPIRITUAL BACKGROUND OF THE INDONESIAN PEOPLE CANNOT EASLIY BE INFLUENCED BY COMMUNISM, BUT IF THERE IS NO IMPROVEMENT IN THE ECONOMIC SITUATION COMMUNIST ACTIVITY IS BOUND TO INCREASE."

BJ828AED

TEHRAN, IRAN, AUG. 8-(AP)-PREMIER MARAGHEI MOHAMMED SAED SAID YESTERDAY, THE U. S., BRITAIN AND RUSSIA HAD NOT FULFILLED PROMISES MADE AT TEHRAN IN 1943.

AN APPEAL TO THE U. S. FOR 200,000 TONS OF WHEAT TO AVERT A THREATENED FAMINE, HE SAID IN AN INTERVIEW, HAD BROUGHT NO POSITIVE REPLY.

IN THE PRESENT SITUATION, HE ADDED, "200,000 TONS OF WHEAT IS MORE VALUABLE THAN 200,000 FIELD GUNS."

UNDER THE TEHRAN DECLARATION OF 1943, BRITAIN, THE U. S. AND RUSSIA, RECOGNIZING IRAN'S AID IN THE WAR, AGREED THAT "ANY ECONOMIC PROBLEM CONFRONTING IRAN AT THE CLOSE OF HOSTILITIES SHOULD RECEIVE FULL CONSIDERATION X X X."

PREMIER SAED DECLARED HIS APPEAL FOR WHEAT TO THE U. S. LAST YEAR PROMISING PAYMENTS BY INSTALLMENTS OR REPAYMENT IN WHEAT, HAD BEEN TREATED "PURELY AS A BUSINESS PROPOSITION, NOT AS AN ECONOMIC OR POLITICAL QUESTION AS WE EXPECTED."

HE SAID THE ONLY ACTUAL POSTWAR HELP FROM THE U. S. WAS THE SALE OF ARMS AND AMMUNITION FOR WHICH IRAN WAS PAYING.

IN WASHINGTON, THE STATE DEPARTMENT SAID THAT IF IRAN WANTS WHEAT FROM THIS COUNTRY THE IRANIAN GOVERNMENT MUST PAY FOR IT.

IRAN HAS BEEN TOLD, PRESS OFFICER LINCOLN WHITE SAID, THAT THIS COUNTRY IS WILLING AND ANXIOUS HELP, BUT HAS NO AUTHORITY TO OFFER A CREDIT FOR THE PURCHASE OF WHEAT OR TO MAKE A GIFT OF WHEAT.

WHITE SAID THE STATE DEPARTMENT HAS ADVISED IRAN THAT WHEAT IS AVAILABLE FOR PURCHASE IN THIS COUNTRY FOR EARLY DELIVERY AT MARKET PRICES.

VH159PED

RANGOON, BURMA, AUG.8-AP)-THE BURMA GOVERNMENT CHARGED TODAY THAT KAREN REBEL TRIBESMEN DEFENDING THE RAIL TOWN OF NYAUNGLEBIN, 93 MILES NORTH OF RANGOON, ARE USING CAPTIVE BURMAS AS "HUMAN DEFENSE SCREENS" AGAINST ADVANCING GOVERNMENT TROOPS. THE KARENS ARE BATTLING THE GOVERNMENT IN AN ATTEMPT TO SET UP AN AUTONOMOUS STATE OF KARENISTAN.

WW1111AED

THE COMMISSION SAYS 400,000 HAVE LEFT SHANGHAI ALREADY. IT HOPES TO GET AT LEAST 500,000 MORE OUT OF THE CITY BY THE END OF THIS YEAR. SHANGHAI - XXX POPULATION

AUG 9 1949

CO1037ACS

IF COMMUNIST TROOPS PUSHING SOUTH IN KIANGSI PROVINCE TAKE KANHSIEN, 215 MILES NORTH NORTHEAST OF CANTON, THE WAR WILL BE OPEN TO KUKONG. KUKONG IS ON THE CANTON-HANKOW RAILROAD 125 MILES NORTH OF CANTON.

SHOULD THE COMMUNISTS CAPTURE THE TOWN AND AT THE SAME TIME SEVER THE HUNAN-KWANGSI RAILROAD, PAI'S FORCES, AN ESTIMATED 200,000 MEN, WOULD BE BOTTLED UP. THIS COULD BE DISASTROUS FOR NATIONALIST CHINA.

PAI'S FORCES REPRESENT THE LARGEST SINGLE ARMY THE NATIONALISTS HAVE ON THE CHINESE MAINLAND. CHIANG KAI-SHEK HAS A SIZEABLE FORCE ON THE ISLAND OF FORMOSA. CANTON - XXX DEVELOPING.

LW501APS

FAIRFIELD, CALIF., AUG. 8-(AP)- J. LEIGHTON STUART, AMBASSADOR TO CHINA, ARRIVED HERE TODAY EN ROUTE TO WASHINGTON.

DR. STUART DECLINED TO COMMENT ON THE CHINA SITUATION OR ON HIS FORTHCOMING REPORT TO PRESIDENT TRUMAN. HE WILL CONTINUE EAST TOMORROW

THE AMBASSADOR'S PARTY INCLUDED JOHN CABOT, CONSUL GENERAL AT SHANGHAI, AND HARRY A. HINDERER, ADMINISTRATIVE OFFICER OF THE U. S. EMBASSY AT NANKING.

FJ537PCS NM

TOKYO,AUG 8 (AP)-SGT.CLYDE W.SEXTON OF GLAMORGAN, VA., WAS FOUND DEAD IN HIS BED AT SENDAI LAST THURSDAY OF A SKULL FRACTURE SUFFERED IN A FALL FROM A BRIDGE A WEEK EARLIER, THE ARMY'S PUBLIC INFORMATION OFFICE ANNOUNCED TODAY.

THE 29-YEAR-OLD SEXTON WAS A MEMBER OF THE SEVENTH INFANTRY DIVISION. HIS PARENTS, MR. AND MRS.FLOYD T.SEXTON, LIVE IN GLAMORGAN.

GG903ACS

TOKYO, AUG. 8-(AP)-GEN. DOUGLAS MACARTHUR, OCCUPATION COMMANDER, SAID TODAY HE HAD NO COMMENT TO OFFER ON THE SUGGESTION OF SEN. WILLIAM F. KNOWLAND (R-CALIF.) THAT THE GENERAL BE RECALLED TO WASHINGTON TO TESTIFY ON THE FOREIGN ARMS AID PROGRAM.

KNOWLAND SUGGESTED THAT MACARTHUR AND VICE ADM. OSCAR C. BADGER, COMMANDER OF THE U.S. NAVAL FORCES IN THE FAR EAST, BE RETURNED TO TESTIFY BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE.

LW504APS NM

SAN FRANCISCO,AUG 8 (AP)-THE FOURTH ANNIVERSARY OF RUSSIA'S ONE-WEEK WAR AGAINST JAPAN WAS SEIZED UPON BY THE CHINESE COMMUNISTS TODAY FOR ELABORATION OF A NOW-FAMILIAR THEME; THEIR ADMIRATION OF THE SOVIET UNION.

THE COMMUNIST RADIO IN PEIPING REPORTED A SERIES OF PRO-SOVIET MEETINGS, BROADCASTS AND EDITORIALS IN MANCHURIA, WHICH SOVIET TROOPS OCCUPIED WHEN JAPAN SURRENDERED.

THE PEIPING BROADCAST, HEARD IN SAN FRANCISCO BY THE ASSOCIATED PRESS, QUOTED SPEAKERS AS SAYING THE JAPANESE WAR PROBABLY STILL WOULD BE GOING ON IF RUSSIA HAD NOT STEPPED IN.

IT ALSO INCLUDED THE FIRST OFFICIAL RED REFERENCE TO THE U.S. WHITE PAPER ON CHINA, DECLARING, "THE WEDEMEYER REPORT HAD A PLAN TO PLACE MANCHURIA UNDER THE TRUSTEESHIP OF THE UNITED NATIONS, WHICH WOULD IN FACT BE AMERICAN OCCUPATION. THIS PLAN WAS NOT CARRIED OUT BECAUSE THE AMERICAN STATE DEPARTMENT WAS AFRAID OF THE OPPOSITION OF THE CHINESE PEOPLE."

BY CONTRAST, RUSSIA WAS LAUDED AS A REAL FRIEND, AND GREAT EXPECTATIONS WERE EXPRESSED FOR GETTING INDUSTRIAL EQUIPMENT FROM HER UNDER THE NEW ONE-YEAR SOVIET-MANCHURIAN TRADE PACT.

GG229PCS

MONTREAL, AUG.8-(AP)-LEONARD GALWITZA, 24-YEAR-OLD AUSTRIAN PASSPORT CLERK, AND HIS 40-YEAR-OLD POLISH FRIEND, PAUL RADOWICZ, WERE DEPORTED YESTERDAY AFTER LOSING THEIR BIDS FOR ASYLUM AS POLITICAL REFUGEES IN CANADA.

GALWITZA SAID HE HAD HELPED SPIRIT MORE THAN 1,000 OF HIS COUNTRYMEN FROM BEHIND THE IRON CURTAIN. BOTH MEN SAY THEY ARE WANTED BY SOVIET POLICE.

THEY FLED EARLIER THIS YEAR DRESSED IN WOMEN'S CLOTHING. ARRIVING AT ANTWERP THEY HEARD OF THE SWISS FREIGHTER ANUNCIADA PREPARING TO SAIL FOR CANADA AND HID IN A PILE OF HAY ABOARD THE VESSEL.

THEY WERE HANDED OVER TO IMMIGRATION AUTHORITIES WHEN THE SHIP ARRIVED HERE FIVE WEEKS AGO AND LAUNCHED AN APPEAL AGAINST A DEPORTATION ORDER. IT WAS REJECTED AND THEY WERE HELD UNTIL THE ANUNCIADA ARRIVED LAST WEEK. THEY WERE PUT ABOARD THE SWISS SHIP SHORTLY BEFORE SAILING TIME YESTERDAY.

BD1129PED

U N -- PALESTINE

LAKE SUCCESS AUG 8-(AP)-RUSSIA DEMANDED TODAY THAT THE U.N. PALESTINE CONCILIATION COMMISSION KEEP HANDS OFF AND LET ISRAEL AND THE ARAB COUNTRIES WORK OUT A FINAL PEACE SETTLEMENT ALONE.

THE DEMAND WAS MADE BY SOVIET DELEGATE SEMYON K.TSARAPKIN AS THE SECURITY COUNCIL NEARED A VOTE ON ACTING MEDIATOR RALPH BUNCHE'S PROPOSAL THAT HIS FUNCTIONS BE TRANSFERRED TO THE THREE-NATION COMMISSION NOW MEETING AT LAUSANNE, SWITZERLAND.

IN THE PEACE NEGOTIATIONS AT LAUSANNE, THE COMMISSION SO FAR HAS NOT SUCCEEDED IN PERSUADING THE ARAB REPRESENTATIVES TO MEET THE ISRAELI REPRESENTATIVES FACE TO FACE. THE COMMISSION--COMPOSED OF REPRESENTATIVES FROM THE UNITED STATES, FRANCE AND TURKEY--HAS ACTED AS A GO-BETWEEN.

TSARAPKIN ALSO PROPOSED THE U.N. RECALL IMMEDIATELY THE MILITARY OBSERVERS WHO STILL REMAIN IN PALESTINE AS PART OF THE TRUCE OBSERVATION ORGANIZATION CREATED BY THE LATE MEDIATOR, COUNT FOLKE BARNADOTTE.

BUNCHE OBJECTED STRONGLY, POINTING OUT THE ARMISTICE AGREEMENTS THEMSELVES PROVIDED FOR U.N. OBSERVERS TO REMAIN IN CERTAIN DEMILITARIZED AREAS UNTIL A FINAL PEACE SETTLEMENT IS REACHED. HE TOLD TSARAPKIN ALSO THAT OBSERVERS WERE MEMBERS OF THE ARMISTICE COMMISSIONS.

DA131PED

"IT IS A MATTER OF SEEING REGIONAL COOPERATION IN THE RIGHT PERSPECTIVE," HE ADDED. "IF IT IS BEING CARRIED OUT IN ACCORDANCE WITH, OR IN A LINE WITH THE UNITED NATIONS REGULATIONS AND INTERESTS IT IS TO THE BENEFIT OF HUMANITY AS A WHOLE, BUT IF IT RUNS CONTRARY TO THE U.N. THE DAMAGE MAY BECOME IRREPARABLE."

ON THE ECONOMIC SIDE, LIE SAID:

"ALTHOUGH THE ECONOMIC AND SOCIAL WORK OF THE UNITED NATIONS AND THE SPECIALIZED AGENCIES IS IN ITS INITIAL STAGES, MILLIONS OF PEOPLE IN ALL PARTS OF THE WORLD ARE ALREADY BETTER OFF THAN THEY WERE BEFORE."

THE SECRETARY-GENERAL SAID THE WORLD WOULD APPROACH THE EAST-WEST DIFFICULTIES WITH "LESS HYSTERIA" IF THE IMPORTANCE OF THESE CONFLICTS WAS PLACED IN ITS PROPER PERSPECTIVIE IN THE WORLD PICTURE.

"I BELIEVE," HE SAID, "THAT THE RISE OF DEPENDENT PEOPLES AND THE HUMAN RIGHTS MOVEMENT WILL, IN THE LONG RUN, HAVE FAR MORE SIGNIFICANCE AND GIVE RISE TO GREATER EVENTS IN THE SECOND HALF OF THE TWENTIETH CENTURY THAN WILL THE PRESENT IDEOLOGICAL STRUGGLE."

LIE DISCLOSED THAT THE ANNUAL BUDGET OF THE U.N. FOR THE COMING YEAR WOULD BE $44,300,000 WHICH IS ABOUT $800,000 ABOVE THE BUDGET FOR THE CURRENT YEAR.

(END ADVANCE FOR USE AT 6 P.M. EASTERN STANDARD TIME, TODAY, MONDAY AUG.8)

RP247PED

NIGHT LEAD COMMUNISTS

NEW YORK, AUG. 8-(AP)-A WOMAN COMMUNIST FROM ST.LOUIS WAS WITHDRAWN AS A DEFENSE WITNESS TODAY AFTER THE JUDGE BLOCKED QUESTIONS PUT TO HER AT THE CONSPIRACY TRIAL OF 11 TOP RED LEADERS.

THE WOMAN, HELEN MUSIL, WAS ASKED BY DEFENSE ATTORNEY HARRY SACHER ABOUT COMMUNIST BOOKS SHE RECOMMENDED TO A PARTY TRAINING CLASS IN 1945.

THE GOVERNMENT OBJECTED WITHOUT GIVING A REASON. FEDERAL JUDGE HAROLD R.MEDINA HALTED THE QUESTIONING, ALSO WITHOUT STATING A REASON.

WITH THE JURY DISMISSED FOR THE MOMENT, SACHER TOLD THE COURT HE HAD NO CHOICE BUT TO WITHDRAW THE WITNESS SINCE HIS QUESTIONS WERE BLOCKED.

LATER, JUDGE MEDINA WARNED THE DEFENSE THAT IT WAS NOT PROPERLY LAYING THE FOUNDATION FOR ITS QUESTIONS. QUESTIONS WERE BEING ASKED ABOUT MEETINGS, HE SAID, WITHOUT ANY EVIDENCE AS TO WHEN AND WHERE THEY WERE HELD.

"IT APPEARS FUTILE FOR ME TO TRY TO GUIDE YOU," JUDGE MEDINA SAID. "THIS IS THE LAST TIME I'LL SAY THAT. FROM NOW ON I'LL JUST SUSTAIN THE OBJECTIONS."

MISS MUSIL, 34, TOOK THE STAND SHORTLY AFTER SHE WAS RELUCTANTLY IDENTIFIED BY A PRIOR WITNESS AS THE "HELEN" MENTIONED IN A COMMUNIST BULLETIN.

SHE IS A SAUSAGE MAKER AND A STATE ORGANIZATIONAL DIRECTOR FOR THE COMMUNISTS IN MISSOURI, SHE SAID.

THE PREVIOUS WITNESS, ROBERT MANEWITZ, ANOTHER ST.LOUIS COMMUNIST, AT FIRST REFUSED TO IDENTIFY "HELEN" BY HER FULL NAME. FINALLY, HE ADMITTED SHE WAS WAITING IN THE COURTROOM TO TESTIFY AND GAVE HER FULL NAME.

DURING HIS ARGUMENT WITH MEDINA, SACHER SAID HE CALLED MISS MUSIL TO TRY TO PROVE THAT THE COMMUNIST PARTY NEVERVPJESSED ITS LITERATURE DURING ONE STAGE OF ITS AMERICAN HISTORY.

"IF THAT WAS YOUR PURPOSE," JUDGE MEDINA TOLD SACHER, "YOU WENT ABOUT IT IN A STRANGE WAY."

MISS MUSIL WAS FOLLOWED TO THE STAND BY MRS. FLORENCE HALL OF CHICAGO, THE LATEST DEFENSE WITNESS AS THE TRIAL BEGAN ITS 30TH WEEK. SHE SAID SHE WAS NOT RELATED TO GUS HALL, ONE OF THE 11 TRIAL DEFENDANTS.

THE 11 COMMUNIST LEADERS ARE ACCUSED OF CONSPIRING TO ADVOCATE THE VIOLENT OVERTHROW OF THE U. S. GOVERNMENT.

MRS. HALL TESTIFIED ABOUT A STUDY OUTLINE PRESENTED BY HER HUSBAND, EVERARD, AT A COMMUNIST CLUB MEETING IN 1946.

SHE SAID THE OUTLINE ACCUSED THE STATE OF USING "THE ARMY," THE POLICE AND THE GOVERNMENT ITSELF TO PROTECT THE PROPERTY OF CAPITALISTS."

AS AN EXAMPLE, MRS. HALL SAID HER HUSBAND CITED THE USE OF POLICE IN STRIKES TO PROTECT COMPANY PROPERTY AND STRIKEBREAKERS "BUT NOT THE RIGHTS OF THE WORKERS ON STRIKE."

ONE OF THE STUDENTS WANTED TO KNOW WHETHER RUSSIA WAS NOT A STATE ALSO, MRS. HALL SAID.

SHE QUOTED HER HUSBAND AS TELLING THE QUESTIONER THAT IT WAS A "DIFFERENT KIND OF A STATE IN WHICH THE RULERS WERE THE WORKERS."

HER HUSBAND, MRS. HALL SAID, ADVOCATED A THIRD PARTY OF WORKERS, FARMERS, NEGROES, YOUTHS AND WOMEN TO CHECK THE POWER OF MONOPOLIES, TO HALT FASCISM AND TO ESTABLISH SOCIALISM.

"PEACEFULLY?" ASKED JUDGE MEDINA.

"PEACEFULLY," REPLIED MRS. HALL.

',/K727PED

FIRST LEAD COMMUNIST

NEW YORK, AUG 8-(AP)-A DEFENSE ATTORNEY AT THE CONSPIRACY TRIAL OF 11 TOP U.S. COMMUNISTS TODAY WITHDREW A WOMAN COMMUNIST OFFICIAL AS A WITNESS AFTER ANOTHER CLASH WITH FEDERAL JUDGE HAROLD R. MEDINA.

THE WOMAN WAS MISS HELEN MUSIL, A ST.LOUIS SAUSAGE MAKER WHO SAID SHE SERVED AS STATE ORGANIZATIONAL SECRETARY FOR THE COMMUNIST PARTY IN MISSOURI. DEFENSE ATTORNEY HARRY SACHER TOLD JUDGE MEDINA HE HAD NO OTHER CHOICE BUT TO WITHDRAW THE WITNESS AFTER THE JUDGE REFUSED TO ALLOW HIS QUESTIONS.

SACHER STARTED OFF BY ASKING MISS MUSIL IF SHE HAD RECOMMENDED A NUMBER OF COMMUNIST BOOKS TO A PARTY LEADERSHIP TRAINING CLASS IN 1945 WHEN THE PARTY WAS KNOWN AS THE COMMUNIST POLITICAL ASSOCIATION.

U.S. ATTORNEY JOHN F.X. MC GOHEY IMMEDIATELY OBJECTED. JUDGE MEDINA SUSTAINED HIS OBJECTION.

THE JUDGE MEDINA EXCUSED THE JURY WHEN SACHER SAID HE PROPOSED TO WITHDRAW MISS MUSIL BECAUSE THE COURT SUSTAINED THE OBJECTION.

SACHER SAID HE HAD CALLED HER TO REFUTE THE GOVERNMENT'S CLAIM THAT THE PARTY SUPPRESSED SOME OF ITS LIETERAURE DURING THE "POLITICAL ASSOCIATION" DAYS AND THEN PUT IT OUT AGAIN WHE THE PARTY WAS RE-CONSTITUTED IN 1945.

"IF SUCH WAS YOUR PRUPOSE, AS AN EXPERIENCED LAWYER, YOU WENT ABOUT IT IN A STRANGE WAY," JUDGE MEDINA TOLD SACHER. HE THEN RECALLED THE JURY, EXCUSED MISS MUSIL, AND TOLD SACHER TO CALL HIS NEXT WITNESS.

MISS MUSIL'S ONLY TESTIMONY WAS AS TO HER IDENTITY AND FUNCTION IN THE MISSOURI PARTY.

SHE SAID SHE IS 34, LIVES AT 410 NORTH EUCLID STREET, ST.LOUIS, AND HAS WORKED FOR THE HEIL PACKING CO. SINCE 1947.

MISS MUSIL WAS ALSO THE OBJECT OF AN EARLIER ARGUMENT IN THE TRIAL TODAY.

ROBERT MANEWITZ OF ST. LOUIS, A COMMUNIST PARTY OFFICIAL, REFUSED AT FIRST TO IDENTIFY THE WOMAN LISTED IN A MISSOURI PARTY-BUILDING BULLETIN MERELY AS "HELEN."

THEN, UNDER PRODDING OF U.S. ATTORNEY JOHN F. X. MC GOHEY, HE SAID HER NAME WAS HELEN MUSIL. SHE WAS WAITING TO BE CALLED TO THE WITNESS STAND.

HE TESTIFIED AS THE TRIAL BEGAN ITS 30TH WEEK BEFORE FEDERAL JUDGE HAROLD R. MEDINA AND A JURY. THE DEFENDANTS ARE CHARGED WITH CONSPIRACY TO ADVOCATE OVERTHROW OF THE U.S. GOVERNMENT.

MC GOHEY, IN QUESTIONING MANEWITZ, REFERRED TO A DOCUMENT WHICH A GOVERNMENT WITNESS EARLIER HAD IDENTIFIED AS GIVEN HIM BY MANEWITZ.

THE GOVERNMENT WITNESS WAS THOMAS A. YOUNGLOVE, ST. LOUIS BUSINESSMAN, WHO TESTIFIED HE WAS AN UNDERCOVER CONTACT FOR THE FBI FOR FOUR YEARS WITHIN THE COMMUNIST MOVEMENT.

MANEWITZ SAID HE KNEW TWO PERSONS LISTED IN THE BULLETIN MERELY AS "RAY" AND "SUE" BUT STATED HE "WOULD NOT LIKE TO REVEAL" THEIR FULL NAMES.

WHEN HIS ATTENTION WAS CALLED TO THE NAME "HELEN," HE AGAIN

REFUSED TO IDENTIFY HER FULLY.
"IS SHE IN THE COURTROOM?" MC GOHEY ASKED.
"I BELIEVE SHE IS," MANEWITZ REPLIED.
UNDER MC GOHEY'S PRODDING, HE FINALLY IDENTIFIED HER.
JUDGE MEDINA ASKED MANEWITZ WHETHER HE CLAIMED THAT "GIVING THE NAME OF THIS WOMAN WOULD INCRIMINATE" HIM.
"MY UNDERSTANDING," MANEWITZ REPLIED, "IS THAT ANY STATEMENT MADE ON THE RECORD MAY BE USED IN A FUTURE COURT ACTION."
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ONE NEGRO MAN ON THE JURY BECAME ILL AND FINALLY WAS EXCUSED 10 DAYS AGO AFTER HE ENTERED A HOSPITAL. THREE SESSIONS WERE POSTPONED BECAUSE OF HIS ABSENCE. ONE OF THE ORIGINAL FOUR ALTERNATES REPLACED HIM.
THE JURORS KNOW FULL WELL BY NOW THEY AREN'T GOING TO GET ANY SUMMER VACATION. SOME OF THEM PROBABLY WONDER IF THEY'LL STILL BE TREKKING DOWN TO THE FOLEY SQUARE COURTROOM NEXT CHRISTMAS.
BUT THEY GIVE NO SIGN THAT THEY ARE WORRIED ABOUT THIS OR THAT. THEY HAVE NOT LET PERSONAL INCONVENIENCE INTERFERE WITH THEIR CONCENTRATION ON AN HISTORIC CASE.
(END ADVANCE FOR PMS OF MONDAY, AUG.8., MOVED AUG. 6).
BD347AED

NEW YORK, AUG. 8-(AP)-A FEDERAL JUDGE RULED TODAY THAT ALIEN EX-COMMUNISTS ARE ENTITLED TO "REASONABLE BAIL" WHILE FIGHTING DEPORTATION.
JUDGE WILLIAM BONDY SAID THE ENTIRE QUESTION OF WHETHER A PERSON MAY BE DEPORTED BECAUSE HE IS OR WAS A COMMUNIST IS YET TO BE DECIDED IN COURT.
HE ALSO SUGGESTED THAT "MEN IN ADHERING TO A POLITICAL PARTY DO NOT SUBSCRIBE UNQUALIFIEDLY TO ALL ITS PLATFORMS OR ASSERTED PRINCIPLES."
JUDGE BONDY ACTED ON PETITIONS BY GEORGE PIRINSKY, EXECUTIVE SECRETARY OF THE AMERICAN SLAV CONGRESS, AND MRS. BEATRICE JOHNSON, A FORMER PROMOTION MANAGER FOR THE DEFUNCT MAGAZINE, "NEW MASSES."
THEY ARE HELD WITHOUT BAIL FOR DEPORTATION ON CHARGES THAT THEY HAVE BEEN ALIEN COMMUNISTS.
THE COUPLE ASKED WRITS ORDERING THEIR RELEASE.
JUDGE BONDY THREATENED TO GRANT THE WRITS UNLESS THE ATTORNEY GENERAL'S OFFICE PROMPTLY RELEASES THEM ON REASONABLE BAIL.
THERE WAS NO IMMEDIATE INDICATION AS TO WHETHER THIS WOULD BE DONE.
JUDGE BONDY SAID THAT IN CASES OTHER THAN DEPORTATION PROCEEDINGS IT HAS BEEN DECIDED THAT MEMBERSHIP IN THE COMMUNIST PARTY IS NOT ENOUGH TO DEPIRVE AN ALIEN OF HIS RIGHT TO BAIL.
K803PED

FORT HANCOCK, N.J., AUG 8-(AP)-DANIEL MC CARTHY CAME BACK TO HIS MOTHER TODAY TO SEE WHETHER HE COULD FIND HAPPINESS IN THE U.S. HE SOUGHT TO RENOUNCE FOR GERMAN CITIZENSHIP.
MC CARTHY, A 22-YEAR-OLD EX-GI WHO WAS BOUNCED OUT OF GERMANY FOR ILLEGAL ENTRY, SAID HE WOULD GIVE THE U.S. A TRY AGAIN BUT DIDN'T REALLY SEE MUCH HOPE. HE SAID HE WAS PREPARED TO RETURN AGAIN TO GERMANY.
BUT HIS MOTHER, MRS.CATHERINE MC CARTHY OF NEW HYDE PARK, N.Y., PUT HER ARM ABOUT HIM AND SAID SHE WAS CERTAIN THINGS WOULD WORK OUT ALL RIGHT ONCE HER BOY GOT BACK HOME.
"DAN IS GOING TO GET A GOOD JOB AT HOME AND HAVE A LOT OF FUN IN THE UNITED STATES WHICH WE ALL KNOW HE LOVES," SHE SAID.
SHE DROVE DOWN FROM NEW HYDE PARK TO PICK UP DAN AS HE WAS RELEASED BY ARMY AUTHORITIES AFTER HIS ENFORCED TRIP HOME. HE HAD BEEN SENTENCED TO AN EIGHT-MONTH JAIL TERM IN GERMANY BUT HAD BEEN RELEASED LATER ON THE ORDER OF DR.JAMES R.NEWMAN, DIRECTOR OF MILITARY GOVERNMENT IN HESSE, GERMANY.
"HIS OFFENSE WAS NOT ONE OF CRIMINAL INCLINATIONS," DR.NEWMAN HAD RULED, "BUT RATHER YOUTHFUL IMPETUOUSNESS AND THOUGHTLESSNESS. A FEW DAYS WITH HIS FAMILY WILL DO FAR MORE THAN THE TIME IN THE STOCKADE."
MC CARTHY, WHO HAD SERVED WITH THE ARMY OF OCCUPATION IN BERLIN FROM 1945 TO 1947, HAD SOUGHT TO RETURN TO GERMANY AFTER HIS DISCHARGE. HE WAS ARRESTED WHEN HE APPLIED AT ARMY HEADQUARTERS TO RELINQUISH HIS U.S. CITIZENSHIP.
HE SAID NOW THAT HE STILL THOUGHT OF GERMANY AS "THE COUNTRY I BELIEVE IS FOR ME." BUT, HE SAID, HE WASN'T CERTAIN WHETHER HE STILL CARED TO RENOUNCE HIS U.S. CITIZENSHIP.
"I DON'T KNOW AT THIS TIME, BUT IF I HAVE TO I WILL," HE SAID.
FIRST, THOUGH, HE SAID HE WANTED TO EARN SOME U.S. MONEY AND THEN PERHAPS "ENTER GERMANY AGAIN--THIS TIME LEGALLY."
"GERMANY ATTRACTS ME FOR PURELY SENTIMENTAL REASONS," HE SAID. AND THE SENTIMENT, HE EXPLAINED, DID NOT INCLUDE ANY GIRL.
DM1015PED

HE SAID THAT ATTEMPTS ARE BEING MADE TO DISTORT THE OBJECTIVES OF THIS INVESTIGATION TO MAKE IT APPEAR AS AN ATTACK ON THE UN. THIS "PERVERSION" OF THE MOTIVES OF THE SUBCOMMITTEE "IS CLEARLY A SUBTERFUGE," MCCARRAN DECLARED.
HE SAID THAT CORWIN "IS CITED AS COMMUNIST AND SUBVERSIVE BY THE ATTORNEY GENERAL OF THE UNITED STATES" AND ADDED THAT CORWIN IS OR HAS BEEN A MEMBER OF A LONG LIST OF "COMMUNIST FRONT" ORGANIZATIONS.
DISCUSSING RAJCHMAN, MCCARRAN SAID THAT DURING THE WAR THE STATE DEPARTMENT MADE "ATTEMPTS TO HAVE THE POLISH GOVERNMENT, WITH WHICH HE WAS AFFILIATED IN THIS COUNTRY, RECALL HIM BECAUSE OF HIS INVOLVEMENT IN INTRIGUES CONTRARY TO THE INTERESTS OF THE UNITED STATES."
"YET THIS MAN TODAY SITS IN A VITALLY IMPORTANT JOB IN THE UNITED NATIONS," HE ADDED.
MCCARRAN REFERRED TO THE FACT THAT BYRON PRICE, AS ACTING SECRETARY-GENERAL OF THE UN, SENT A PROTEST TO THE STATE DEPARTMENT RECENTLY AFTER MCCARRAN'S SUBCOMMITTEE MADE PUBLIC AN ANONYMOUS WITNESS'S STORY THAT THE UN STAFF IS TERRORIZED BY COMMUNIST AGENTS.
PRICE SAID THE TESTIMONY INCLUDED "IRRESPONSIBLE AND UNFOUNDED ATTACKS" ON THE INTEGRITY OF SECRETARY GENERAL TRYGVE LIE AND MEMBERS OF THE UN SECRETARIAT.
MCCARRAN SAID THAT, BEFORE ANY OFFICIAL "GIVES HIMSELF TO IRRESPONSIBLE UTTERANCES ATTACKING THE INVESTIGATION," HE SHOULD ASK THE SECRETARY OF STATE TO SEE THE FILES CONCERNING NAMES THE SENATOR HAS CALLED TO HIS ATTENTION.
MCCARRAN PROMISED "TO SEE THIS FIGHT THROUGH TO THE FINISH."
VH228PED NM

FOLLOW WASHINGTON MCCARRAN-U.N. A167

LAKE SUCCESS, AUG. 8-(AP)-NORMAN CORWIN SAID TODAY "I BELIEVE I AM A VASTLY BETTER PATRIOT" THAN SENATOR MCCARRAN (D-NEV).

"AT LEAST," SAID CORWIN, A WRITER IN THE RADIO DIVISION OF THE UNITED NATIONS, "I HAVE WORKED AT THE JOB OF HELPING TO BROADEN AN APPRECIATION OF AMERICAN INSTITUTIONS, OUR DEMOCRACY AND OUR FORM OF GOVERNMENT. MY SENTIMENTS HAVE NEVER BEEN SECRET FROM ANY ONE AND ARE ON RECORD IN PRINT AND ON TRANSCRIPTIONS FOR EVERY ONE TO SEE.

CORWIN WAS ATTACKED BY MCCARRAN IN WASHINGTON AS AN EXAMPLE OF SUBVERSIVE AGENTS IN THE WORLD ORGANIZATION. CORWIN ISSUED A STATEMENT REPEATING PREVIOUS DENIALS THAT HE WAS A COMMUNIST.

MCCARRAN ALSO NAMED DR. LUDWIG RAJCHMAN OF POLAND AS ANOTHER EXAMPLE OF SUBVERSIVES IN THE U.N. HE DESCRIBED RAJCHMAN AS EXECUTIVE DIRECTOR OF THE U.N. INTERNATIONAL CHILDREN'S EMERGENCY FUND (U N I C E F). U.N. OFFICIALS SAID, HOWEVER, THAT MAURICE PATE IS EXECUTIVE DIRECTOR OF U N I C E F AND RAJCHMAN IS NOT EMPLOYED BY THE U.N. AT ALL.

RAJCHMAN, A U.N. STATEMENT SAID, IS CHAIRMAN OF THE 26-NATION EXECUTIVE BOARD OF U N I C E F AND WAS ELECTED UNANIMOUSLY BY THE COUNTRIES REPRESENTED ON THE BOARD. HE IS THE OFFICIAL REPRESENTATIVE OF THE POLISH GOVERNMENT AND IS NOT RESPONSIBLE TO THE U.N. IN ANY WAY.

IN A LATER STATEMENT, CORWIN DENIED THAT HE HAS EVER BEEN CITED AS A COMMUNNIST BY THE ATTORNEY-GENERAL, SAYING:

"IT IS EITHER A CONTEMPTIBLE LIE OR ANOTHER EXAMPLE OF THE SENATOR'S DISTORTION TO SAY THAT I HAVE BEEN CITED BY THE ATTORNEY-GENERAL AS A RED. I HAVE NEVER BEEN SO CITED, AND MCCARRAN SHOULD KNOW IT."

SN718PED

SENATOR VANDENBERG OF MICHIGAN, THE REPUBLICAN FOREIGN POLICY LEADER IN THE SENATE, ISSUED A STATEMENT ON CHINA POLICY SATURDAY WHICH COINCIDED WITH STATEMENTS MADE BY ACHESON FRIDAY IN RESPECT TO THE NEED FOR BASING THE NEXT MOVES IN CHINA ON SUPPLY.

WASH'N - MIGHTOWER ### HELP

VANDENBERG ALSO STRESSED, AS ACHESON HAD, THE NECESSITY FOR MAKING "RELENTLESSLY CLEAR THAT WE HAVE NOT ABANDONED EITHER THE PEOPLE OF CHINA OR FREEDOM IN THE FAR EAST."

THE POINTS OF COINCIDENCE IN THE STATEMENTS OF THE TWO MEN, EVEN THOUGH VANDENBERG HAS SOMETIMES BEEN A CRITIC OF THE COUNTRY'S CHINA POLICY, LED TO SPECULATION HERE THAT THE ADMINISTRATION AND VANDENBERG MIGHT TRY TO BASE THE NEXT CHINA MOVE--TO SOME EXTENT AT LEAST--ON A BIPARTISAN STAND.

MARTIN SAID IN HIS OFFER OF COOPERATION THAT "MOST REPUBLICANS" FEE AS HE DOES. HE INCLUDED WITH IT A CRITICISM OF PAST GOVERNMENT POLICY ON CHINA, SAYING: "UNLESS OUR GOVERNMENT'S COURSE UNDERGOES RADICAL CHANGE THE DISASTER THAT WILL BE REAPED WILL MEAN DESTRUCTION FOR MOST OF THE GLOBE."

MARTIN SAID THAT THE GOVERNMENT WHITE PAPER OF LAST FRIDAY, WRITING OFF THE CHINESE NATIONALIST GOVERNMENT AS A FAILURE, IS IN ITSELF "A CONFESSION OF INEXCUSABLE FAILURE" ON THE PART OF THE ADMINISTRATION.

THE CHINESE AMBASSADOR, V.K.WELLINGTON KOO, ALSO GOT OUT A STATEMENT ON THE WHITE PAPER. CALLING IT AN UNUSUAL STEP, HE SAID:

"WHATEVER MAY HAVE BEEN THE ACTS OF COMMISSION AND OMISSION ATTRIBUTABLE TO THE NATIONAL GOVERNMENT IN THE PAST, IT IS A CARDINAL FACT TODAY THAT CHINA IS STRENUOUSLY FIGHTING THE COMMUNIST AGGRESSION WHICH IS AIDED AND ABETTED BY AN OLIGARCHY OF INTERNATIONAL COMMUNISM ABROAD AND BY THE COMMUNISTS THROUGHOUT THE WORLD."

ES431AED NM

NIGHT LEAD ARMS (550)

BY JOHN B.OWEN

WASHINGTON,AUG 8-(AP)-SECRETARY OF STATE ACHESON REFUSED POINT-BLANK TODAY TO GO ALONG WITH THE STOP-GAP ARMS AID IDEA OF SENATOR VANDENBERG (R-MICH). HE STUCK FIRMLY BY THE FULL $1,450,000,000 THE ADMINISTRATION HAS ASKED TO STRENGTHEN FOREIGN NATIONS AGAINST RUSSIA.

THE SUM IS NECESSARY, ACHESON SAID AT A SENATE HEARING, BECAUSE THE UNITED STATES "IS OPEN TO ATTACK ON ITS OWN TERRITORY AS NEVER BEFORE."

IN THE TWO WORLD WARS, HE SAID, WE HAD ALLIES IN EUROPE TO HOLD THE LINE WHILE WE MARSHALLED OUR FORCES. NOW THERE IS A VACUUM OF MILITAR WEAKNESS THERE, HE SAID--"THE SHIELD X X X NO LONGER EXISTS."

THE SECRETARY OPPOSED A SENATORIAL MOVE TO TAG $175,000,000 OF THE AID FUND SPECIFICALLY FOR CHINA. HE SAID IT WOULD "BE HELPFUL" TO EARMARK A SMALL SUM TO BE USED IN THE FAR EAST AT PRESIDENTIAL DISCRETION.

VANDENBERG CONTENDED THAT THE PROGRAM OF ARMING WESTERN EUROPE AND OTHER NONCOMMUNIST AREAS FIXES A PATTERN FOR MILITARY DEFENSE OF EUROPE BEFORE THE NORTH ATLANTIC TREATY COUNCIL CAN FULFILL THIS FUNCTION ALLOTTED TO IT.

SO HE ASKED ACHESON: HOW ABOUT AN INTERIM PROGRAM TO SHOW OUR INTENTIONS BUT LET CONGRESS NEXT YEAR DECIDE ON THE TOTAL PROGRAM. WOULD ACHESON RESIST THE IDEA?

"YES," ACHESON REPLIED, "I WOULD RESIST THAT. I THINK WE MUST GO FORWARD ON BOTH FRONTS;" MEANING ARMED AID WHILE STRATEGIC PLANNING IS MAPED UNDER THE TREATY.

A STOP-GAP PLAN WOULD BE VIRTUALLY A GESTURE, ACHESON SAID--"THE SOONER WE FILL THE VACUUM OF MILITARY WEAKNESS IN EUROPE, THE BETTER IT WILL BE FOR OUR OWN SECURITY."

ACHESON THUS MET HEAD-ON THE BIGGEST OBJECTION REMAINING TO THE PROGRAM--ITS SIZE. HE CONFRONTED VANDENBERG AT THE OPENING OF HEARINGS ON THE BILL BY THE SENATE COMMITTEES ON FOREIGN RELATIONS AND ARMED SERVICES, MEETING JOINTLY.

NEVERTHELESS STRONG SENTIMENT WAS DEVELOPING IN THE SENATE TO PUT A LIMITATION ON THE AMOUNT OF SURPLUS EQUIPMENT THAT COULD BE SENT ABROAD--AND TO TRIM THE $1,450,000,000 (B) FIGURE ASKED BY PRESIDENT TRUMAN.

AS THE BILL NOW STANDS, SENATORS SAY IT GIVES THE ADMINISTRATION A BLANK CHECK ON THE AMOUNT OF EQUIPMENT THAT COULD BE DECLARED SURPLUS--AND THEN SHIPPED TO EUROPE. THE ONLY CHARGE AGAINST THE PROGRAM WOULD BE REHABILITATION COSTS (IF ANY) AND SHIPPING COSTS.

CHAIRMAN CONNALLY (D-TEX) OF THE SENATE FOREIGN RELATIONS COMMITTEE TOLD REPORTERS HE THOUGHT THERE MIGHT BE SOME COMPROMISE ON LIMITING THE VOLUME OF SURPLUS.

"BUT I THINK WE'LL GO TO THE MAT WITH THEM ON THE AMOUNT OF MONEY," CONNALLY SAID.

SENATOR RUSSELL (D-GA) SAID HE THOUGHT A $500,000,000 (M) LIMITATION ON SURPLUS EQUIPMENT WOULD FIND FAVOR WITH MOST MEMBERS OF THE ARMED SERVICES AND FOREIGN RELATIONS COMMITTEES.

ACHESON SAID DURING THE COURSE OF HIS TESTIMONY THAT HE HAD NO OBJECTION TO THE PRINCIPLE OF SUCH A LIMITATION BUT THAT THE AMOUNT WOULD HAVE TO BE WORKED OUT BY THE MILITARY.

RUSSELL SAID THE SURPLUS VALUE COULD BE FIGURED EITHER AT PRODUCTION OR REPLACEMENT COSTS--WHICHEVER ARE LOWER.

SENATOR SALTONSTALL (R-MASS) ALSO SAID HE FAVORED A CUT IN THE AMOUNT OF THE ARMS PROGRAM.

THE VANDENBERG LIMITATION PROPOSAL REMAINED AFTER THE ADMINISTRATION WIPED OUT SOME OF THE MAIN OBJECTIONS IN A REWRITTEN COMPROMISE BILL LAST WEEK.

SENATOR JOHNSON (D-TEX) POSED A SIMILAR IDEA. SUPPOSE A SIX-MONTH MILITARY PROGRAM IS SET UP. THEN ACHESON COULD COME BACK TO CONGRESS WITH ANOTHER PLAN IN FEBRUARY AFTER THE TREATY COUNCIL HAS BEEN ORGANIZED.

ACHESON RECALLED HIS EXPERIENCE WITH CONGRESS AND EXPRESSED DOUBT HE COULD GET QUICK ACTION.

ON THE HOUSE SIDE, THE COMMUNIST PARTY BLASTED AT THE ARMS PROGRAM AS "AN AGGRESSIVE WAR MEASURE."

ARNOLD JOHNSON, NATIONAL LEGISLATIVE DIRECTOR OF THE PARTY, IN A STATEMENT GIVEN THE FOREIGN AFFAIRS COMMITTEE, SAID:

"THE SOVIET UNION IS A BULWARK FOR PEACE AND IS NOT AN AGGRESSOR NATION."

ADMINISTRATION LEADERS, PLEADING FOR THE BILL, HAVE REPEATEDLY SPOKEN OF A DANGER OF RUSSIAN ATTACK AND A NEED TO STRENGTHEN WESTERN EUROPE TO MAKE THE VENTURE TOO COSTLY.

RICHARD MORFORD, EXECUTIVE DIRECTOR OF THE NATIONAL COUNCIL OF AMERICAN-SOVIET FRIENDSHIP,INC., TOLD THE COMMITTEE IN A STATEMENT THAT WE SHOULD PLACE MAJOR RELIANCE ON NEGOTIATIONS, NOT MILITARY STRENGTH.

SENATOR SMITH (R-NJ) RAISED THE CHINA QUESTION AS ACHESON TESTIFIED. TWELVE SENATORS FAVOR AMENDING THE ARMS BILL TO GIVE CHINA MILITARY AID PROVIDED AN AMERICAN MISSION ADVISES THE NATIONALIST GOVERNMENT ABOUT IT. THE ADMINISTRATION HAS WASHED ITS HANDS OF THE NATIONALIST REGIME AS A FAILURE.

ACHESON SAID HE EXPECTED TO CONSULT MEMBERS OF CONGRESS IN WORKING OUT A NEW CHINA POLICY AND HOPED FOR "A SERIES OF STEPS THAT WILL BE EFFECTIVE IN THAT FIELD."

SENATOR RUSSELL (D-GA) RAISED THE QUESTION HOW MUCH IT EVENTUALLY WILL COST TO RE-ARM EUROPE. SOME WITNESSES HAVE FIGURED IT WILL REQUIRE PERHAPS FIVE YEARS. THE PRESENT PROGRAM ASKS FUNDS FOR ONE YEAR FOR EQUIPMENT TO BE DELIVERED OVER A TWO YEAR PERIOD.

ACHESON SAID MILITARY MEN WOULD HAVE TO GIVE THE INFORMATION ABOUT THE TOTAL. RUSSELL OBSERVED THAT "WE ARE BUYING A PIG IN A POKE."

"WE ARE NOT BUYING ANYTHING," ACHESON RETORTED.

RUSSELL WONDERED IF WE WOULD BE STARTING AN ARMS RACE WITH RUSSIA. ACHESON SAID THERE WAS NO INTENTION OF CATCHING UP WITH RUSSIA'S ARMED STRENGTH; IT WAS TOO GREAT ANYWAY.

THE IDEA, THE SECRETARY SAID, IS TO HOLD AN ATTACK UNTIL MORE POWER COULD BE THROWN INTO THE DEFENSE.

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SECOND LEAD ARMS

WASHINGTON, AUG.8-(AP)-SECRETARY OF STATE ACHESON FLATLY REJECTED TODAY A PROPOSAL BY SENATOR VANDENBERG (R-MICH) THAT CONGRESS PROVIDE ONLY STOP-GAP ARMS AID TO WESTERN EUROPE UNTIL NEXT YEAR.

ACHESON TOLD THE MICHIGAN SENATOR, WHO HAS BEEN A LEADING SUPPORTER OF THE BIPARTISAN FOREIGN POLICY, THAT SUCH A COURSE WOULD BE LITTLE MORE THAN A GESTURE.

IN AN OBVIOUS REFERENCE TO RUSSIA, ACHESON TOLD THE SENATE FOREIGN RELATIONS AND ARMED SERVICES COMMITTEES:

"IN DEALING WITH THE FORCES WITH WHICH WE ARE DEALING, YOU GAIN NO ADVANTAGE BY ASSUMING AN ATTITUDE. WE MUST DEAL IN REALITIES. THE SOONER WE FILL THE VACUUM OF MILITARY WEAKNESS IN EUROPE, THE BETTER IT WILL BE FOR OUR OWN SECURITY."

VANDENBERG CONTENDED THAT THE ADMINISTRATION'S $1,450,000,000 ARMS PROGRAM SETS A PATTERN FOR THE MILITARY DEFENSE OF WESTERN EUROPE BEFORE THE COUNCIL TO BE FORMED UNDER THE NORTH ATLANTIC TREATY HAS COME INTO BEING AND SET UP A DEFENSE COMMITTEE TO MAKE MILITARY PLANS.

HE COMPLAINED THAT THE UNITED STATES IS GOING AHEAD WITHOUT CONSULTING ITS NORTH ATLANTIC ALLIES. HE SAID THAT HE FAVORS INSTEAD AN INTERIM PROGRAM WHICH WILL SHOW CLEARLY THAT THIS COUNTRY INTENDS TO FURNISH ARMS, BUT WILL NOT PRECLUDE FURTHER JOINT PLANNING.

VANDENBERG ASKED ACHESON IF HE WOULD "RESIST THE IDEA" OF PROCEEDING WITH A STOP-GAP THAT WOULD "DEMONSTRATE OUR ATTITUDE AT THE MOMENT BUT WAIT UNTIL THE NEXT SESSION OF CONGRESS FOR PASSING UPON THE PATTERN OF THE TOTAL PROGRAM."

"YES, SENATOR VANDENBERG, I WOULD RESIST THAT," ACHESON REPLIED QUIETLY. "I THINK WE MUST GO FORWARD ON BOTH FRONTS."

HE FAVORED FURNISHING MILITARY AID WHILE STRATEGIC PLANS ARE BEING DRAWN UNDER THE TREATY.

ACHESON TURNED THUMBS DOWN ON PROPOSED MILITARY AID FOR CHINA'S NATIONALIST GOVERNMENT.

"WE DO NOT FEEL JUSTIFIED IN ASKING ARMS FOR CHINA OR FOR THE FAR EAST AS A WHOLE," THE SECRETARY SAID IN REPLY TO A QUESTION BY SENATOR SMITH (R-NJ).

A GROUP OF 12 SENATORS HAS INTRODUCED AN AMENDMENT TO THE ARMS BILL TO EARMARK $175,000,000 FOR AID TO CHINA.

ACHESON SAID A "SMALL AMOUNT" WHICH COULD BE USED IN THE FAR EAST AT THE DISCRETION OF THE PRESIDENT WOULD BE HELPFUL.

ACHESON TOLD THE COMBINED SENATE COMMITTEES EARLIER TODAY THAT CONGRESS SHOULD APPROVE FOREIGN ARMS AID BECAUSE "THE UNITED STATES IS OPEN TO ATTACK ON ITS OWN TERRITORY TO A GREATER EXTENT THAN EVER BEFORE."

BEFORE THE HOUSE FOREIGN AFFAIRS COMMITTEE, BONNER FELLERS, A RETIRED BRIGADIER GENERAL WHO SERVED ON GENERAL MACARTHUR'S STAFF DURIN THE LAST WAR, DECLARED THAT THE UNITED STATES SHOULD GIVE NO LARGE-SCALE MILITARY AID TO EUROPE NOW BUT SHOULD PROMISE TO BLAST RUSSIA OUT OF BUSINESS WITH AIRPOWER IN THE EVENT OF RUSSIAN AGGRESSION.

IT WOULD BE "A VERY GREAT BLUNDER TO ENGAGE THE RED ARMY ON THE GROUND," FELLERS TESTIFIED, BECAUSE RUSSIA'S MANPOWER RESERVES AND NATURAL CONDITIONS FAVOR HER ON THE GROUND.

"IF WE DON'T BUILD THE GREATEST AIRFORCE IN THE WORLD, WE'LL EVENTUALLY BE DESTROYED," THE FORMER ARTILLERY OFFICER ADDED.

WHAT THE UNITED STATES SHOULD DO, FELLERS SAID, IS TO GIVE FRIENDLY NATIONS ENOUGH MILITARY AID TO PRESERVE INTERNAL SECURITY, AND BUILD UP AND RETAIN IN OUR OWN POSSESSION AN AIRFORCE CAPABLE OF BLASTING RUSSIAN INDUSTRIAL CAPACITY AND SUPPLY LINES IN THE EVENT OF RED INVASION OF WESTERN EUROPE.

NOTHING COULD STOP THE RED ARMY FROM TAKING OVER EUROPE IF IT MADE THE MOVE, HE SAID, AND IT WOULD BE BETTER NOT TO RESIST A GROUND INVASION BECAUSE RESISTANCE WOULD RESULT IN THE DESTRUCTION OF EUROPE.

THE ONLY THING STALIN FEARS MORE THAN AMERICAN AIR POWER AND ATOMIC BOMBS, FELLERS SAID, IS THE FACT THAT, IF RUSSIAN TROOPS EVER INVADE THE FREE NATIONS OF EUROPE, THEY WILL "FIND THERE A WAY OF LIFE, A FREEDOM" WHICH WILL KEEP THEM FROM EVER AGAIN SUBMITTING TO SOVIET CONTROL.

EVEN TODAY, HE ADDED, DESERTIONS OF RED TROOPS FROM THE GERMAN-OCCUPIED AREA HAVE RUN AS HIGH AS 7,000 TO 8,000 IN A SINGLE MONTH.

"RUSSIA'S ETERNAL ALLIES--DISTANCE, WINTER AND MANPOWER--ARE IMPOTENT AGAINST AIR POWER," HE SAID. "SO LONG AS WE MAINTAIN THE LEAD IN BOMBS AND BOMBERS, THIS WAR DETERRENT IS LIKELY TO CONTINUE EFFECTIVE."

ELY CULBERTSON, NOTED BRIDGE EXPERT AND CHAIRMAN OF THE CITIZENS COMMITTEE FOR UNITED NATIONS REFORM, SAID THE ARMS AID PROGRAM IS INADEQUATE AND SHOULD BE SUPPLEMENTED BY CREATING AN INTERNATIONAL FORCE CAPABLE OF KEEPING WORLD PEACE.

FOR RUSSIA TO TRY TO OVERRUN EUROPE NOW IN THE FACE OF UNITED STATES AIRPOWER AND POSSESSION OF THE ATOMIC BOMB, HE SAID, WOULD BE "SUICIDE" FOR THE SOVIETS.

BETWEEN NOW AND THE TIME RUSSIA MAY HAVE THE BOMB, HE SAID, A PERMANENT ORGANIZATION FOR KEEPING PEACE MUST BE ESTABLISHED.

THE FOREIGN ARMS PROGRAM WAS OPPOSED AS "AN AGGRESSIVE WAR MEASURE" BY ARNOLD JOHNSON, NATIONAL LEGISLATIVE DIRECTOR OF THE COMMUNIST PARTY.

IN A STATEMENT FOR THE HOUSE COMMITTEE, JOHNSON CALLED THE PROGRAM "A KEY PART OF WALL STREET'S SCHEME FOR WORLD DOMINATION."

"MORE AND MORE PEOPLE ARE LEARNING," HE SAID, "THAT THE SOCIALIST SOVIET UNION IS A BULWARK FOR PEACE AND IS NOT AN AGGRESSOR NATION."

IN ANOTHER STATEMENT, RICHARD MORFORD, EXECUTIVE DIRECTOR OF THE NATIONAL COUNCIL OF AMERICAN-SOVIET FRIENDSHIP, INC., SAID THE ARMS PROGRAM WOULD ENDANGER RATHER THAN PROTECT WORLD PEACE.

MAJOR RELIANCE MUST BE PLACED ON "PEACEFUL NEGOTIATIONS TO SETTLE WORLD PROBLEMS", MORFORD SAID, AND NOT "ON A SHOW OF MILITARY STRENGTH OR THE THREAT OF WAR."

SENATOR KNOWLAND (R-CALIF) SAID AT THE SENATE COMMITTEE HEARING THAT CHINA IS "THE ONE PLACE WHERE THERE IS A FOUR-ALARM FIRE AND WE ARE NOT ANSWERING THE ALARM."

HE ASKED ACHESON WHY IT WAS THE UNITED STATES HAD NO SURPLUS MILITARY EQUIPMENT FOR THE CHINESE "AT BARGAIN COUNTER PRICES" WHILE NOW THERE IS SURPLUS FOR EUROPEAN NATIONS.

ACHESON SAID THIS IS A QUESTION THAT WILL BE ANSWERED BY THE MILITARY SPOKESMEN.

MEANWHILE, LEGISLATION TO AUTHORIZE $200,000,000 IN MILITARY AID FOR CHINA WAS INTRODUCED IN THE HOUSE BY REPRESENTATIVES LODGE (R-CONN) AND WALTER (D-PA).

LODGE SAID THE BILL WAS INTRODUCED "IN ORDER TO CALL ATTENTION TO THE PROBLEM, IN ORDER TO DIMINISH THE HELP AND COMFORT TO THE CHINESE COMMUNISTS WHICH THE WHITE PAPER (THE STATE DEPARTMENT'S RECENT STATEMENT DEALING WITH CHINA) HAS BROUGHT, AND IN ORDER TO ENCOURAGE OUR CHINESE ALLIES AND FRIENDS IN THE TERRIBLE BATTLE WHICH THEY ARE WAGING."

THE LEGISLATION WOULD AUTHORIZE THE DEFENSE DEPARTMENT TO SEND UP TO 500 OFFICERS, IN ADDITION TO ENLISTED PERSONNEL, TO CHINA TO SUPERVISE THE DISTRIBUTION AND USE OF THE ARMS PROVIDED AND TO TRAIN CHINESE RESISTANCE FORCES.

IN A PREPARED STATEMENT ACHESON TOLD THE SENATORS THAT THE WESTERN EUROPEAN ALLIES OF THE UNITED STATES ARE NOW SO WEAK IN MILITARY POWER THAT THEIR SITUATION IS AN INVITATION TO ANY WOULD-BE AGGRESSOR TO STRIKE.

"THE FIRST LINE OF DEFENSE IS STILL IN EUROPE," ACHESON SAID, "BUT OUR EUROPEAN ALLIES DO NOT HAVE THE MILITARY CAPACITY TO HOLD THAT LINE."

"THE SHIELD BEHIND WHICH WE MARSHALED OUT FORCES TO STRIKE DECISIVE BLOWS (IN TWO WORLD WARS) FOR THE COMMON CAUSE NO LONGER EXISTS."

ACHESON SAID SPEEDY APPROVAL OF THE ADMINISTRATION'S ARMS PROGRAM IS "IMPERATIVE" IN ORDER TO REMOVE WESTERN EUROPE'S FEAR AND "ERASE THE CONDITIONS THAT MIGHT ENCOURAGE AN AGGRESSOR TO RESORT TO MILITARY FORCE."

THE SECRETARY SAID THAT RUSSIA IS MAINTAINING THE LARGEST ARMED FORCES IN THE PEACETIME HISTORY OF ANY COUNTRY. AND, HE ADDED, MOSCOW "HAS USED OR ATTEMPTED TO USE ITS OBVIOUS MILITARY SUPERIORITY TO INTIMIDATE AND COERCE SMALLER NATIONS."

ACHESON CONTENDED MUCH WILL BE GAINED AND NOTHING WILL BE LOST "BY EXTENDING THIS MILITARY ASSISTANCE NOW." HE ADDED:

"SINCE THE PRESENT WEAKNESS INVITES THE DANGER OF WAR AND SINCE FUTURE PLANNING CAN NOT IMPAIR THE VALIDITY OF THIS PROGRAM, IT WOULD BE FOOLISH TO RISK THE POSSIBLE CONSEQUENCES OF DELAY."

THE SECRETARY DECLARED THE LEADERS OF TOTALITARIAN STATES WILL COOPERATE WITH THE WESTERN POWERS ONLY WHEN THEY ARE CONVINCED THAT THE FREE NATIONS OF THE WORLD ARE "TOO STRONG TO BE OVERCOME BY EXTERNAL AGGRESSION OR INTERNAL SUBVERSION."

"WE SHALL STAND IN CRIMINAL NEGLECT AND THE IDEALS OF THE UNITED NATIONS WILL BE SERIOUSLY JEOPARDIZED IF WE DO NOT DO ALL WHAT WE CAN, BY BOTH MORAL AND MATERIAL MEANS, TO BRING HOME TO THESE MEN (THE RUSSIAN LEADERS) THE WISDOM OF LEADING THEIR PEOPLES TOWARD WORLD COOPERATION AND WORLD PEACE," HE CONTINUED.

ACHESON SAID BOTH THE WILL TO FIGHT AND THE ABILITY TO FIGHT IN WESTERN EUROPE WILL BE INCREASED BY GIVING OUR ALLIES THE MEANS WITH WHICH TO FIGHT.

HE WENT ALONG WITH THE ADMINISTRATION'S REVISED ARMS BILL, ELIMINATING PREVIOUSLY REQUESTED POWERS WHICH WOULD HAVE PERMITTED THE PRESIDENT TO ARM ANY NATION HE THINKS NECESSARY.

BUT ACHESON URGED CONGRESS TO GIVE THOSE WHO WILL EXECUTE THE PROGRAM "SOME SMALL DEGREE OF FLEXIBILITY" IN DETERMINING THE AMOUNT OF AID TO BE SUPPLIED THE DIFFERENT COUNTRIES COVERED BY THE REVISED BILL.

"IT WOULD NOT BE WISE TO PRESCRIBE TOO RIGID A STATUTORY FRAMEWORK FOR THE EXECUTION OF THIS POLICY," HE SAID. "IF THE LIMITATIONS WERE TOO STRINGENT, THE EXECUTIVE MIGHT FIND THAT HE WAS CONSTRAINED FROM TAKING THE VERY ACTION WHICH SOME UNEXPECTED SITUATION DEMANDED IN THE NATIONAL INTEREST."

THE SECRETARY RAISED AND ANSWERED FOUR QUESTIONS AS TO WHAT THE PRACTICAL EFFECTS OF THE ARMS AID POLICY ARE LIKELY TO BE:

1. WOULD IT STRENGTHEN OR WEAKEN THE SECURITY OF THE NORTH ATLANTIC COMMUNITY? STRENGTHENING THE DEFENSES OF EUROPEAN ALLIES WOULD MAKE THEM "LESS VULNERABLE TO INTERNAL THREATS TO THEIR SECURITY AND MORE CAPABLE OF RESISTING AGGRESSION AGAINST THEIR FRONTIERS," HE SAID.

2. WOULD IT STRENGTHEN OR WEAKEN THE SECURITY OF THE UNITED STATES? "EVENTS HAVE PROVED THAT OUR NATIONAL SECURITY REQUIRES THE PRESERVATION OF THE INDEPENDENCE AND INTEGRITY OF THE FREE NATIONS OF EUROPE," ACHESON DECLARED.

3. WOULD MILITARY ASSISTANCE STRENGTHEN OR WEAKEN THE CHANCES OF WORLD PEACE? THE GREATEST DANGER TO PEACE IS THE POSSIBILITY OF AN AGGRESSOR ATTEMPTING AN EASY CONQUEST, HE SAID, AND ARMS AID IS DESIGNED TO DISCOURAGE SUCH AN EFFORT.

4. WOULD THE PROGRAM STRENGTHEN OR WEAKEN THE UNITED NATIONS? BY STRENGTHENING FREE NATIONS AGAINST THE DANGERS OF AGGRESSION, THE SECRETARY SAID, ARMS AID WILL "HASTEN THE DAY WHEN WAR WILL BE ABANDONED".

IF THE WESTERN EUROPEAN ARMIES ARE TO BE ABLE TO HOLD AN AGGRESSOR AT BAY UNTIL THE U.S. CAN GO QUICKLY TO THEIR AID, ACHESON SAID, THEY MUST POSSESS ADEQUATE DEFENSE FORCES "IN BEING, NOT PLANNED ON PAPER FOR SOME FUTURE DATE OR CONCENTRATED 3,000 MILES AWAY ON THIS SIDE OF THE ATLANTIC."

HE SAID ADDED MILITARY STRENGTH IN THE HANDS OF THE FRENCH AND ITALIAN GOVERNMENTS WILL HELP THEM PREVENT AGGRESSIVE COMMUNIST MINORITIES FROM TRYING TO SEIZE POWER BY FORCE.

THE SECRETARY DECLARED THE RECORD SHOWS THAT NO COMMUNIST GOVERNMENT HAS COME TO POWER IN ANY COUNTRY BY THE FREE CHOICE OF THE PEOPLE, OPENLY EXPRESSED IN AN HONEST ELECTION.

"THE PRESSURE OF LARGE MILITARY FORCES MAINTAINED IN READINESS AT ALL TIME BEHIND THE IRON CURTAIN IS THE CLUB IN THE CLOSET OF EVERY COMMUNIST GOVERNMENT IN EUROPE AND THERE IS LITTLE EFFORT MADE TO KEEP THE WEAPON CONCEALED," HE ADDED.

ACHESON SAID IT IS A BITTER COMMENTARY ON OUR TIMES THAT THE MOST PERSUASIVE WAY TO PEACE IS ARMED SECURITY. BUT, HE ADDED, "WE ARE CERTAIN OF OUR FACTS."

IN VIEW OF RUSSIA'S PAST POLICIES, HE DECLARED, "WE DARE NOT RISK OUR HOMES AND OUR LIVES ON A WISHFUL PREMISE"--THAT BY ARGUMENTS SHORT OF REARMING MOSCOW WILL BE PERSUADED TO CHANGE ITS COURSE OF ACTION.

THE BIPARTISAN ATMOSPHERE WHICH HAS SURROUNDED OTHER FOREIGN POLICY PROPOSALS PLACED BEFORE THE SENATE IS MISSING. EVEN SOME HIGHLY PLACED DEMOCRATS HAVE VOICED STRONG DOUBTS ABOUT ACCEPTING THE PROGRAM AS IT STANDS.

THERE ARE DEMANDS FOR (A) JUSTIFICATION OF THE $1,450,000,000 FIGURE, WHICH MANY SENATORS OF BOTH PARTIES SAY IS TOO BIG; (B) ASSURANCE THAT THE AID IS ONLY STOP-GAP IN CHARACTER, AND (C) A DEFINITE STAND ON THE PROPOSED INCLUSION OF CHINA IN THE PROGRAM.

THE ADMINISTRATION ALREADY HAS HAD TO RETREAT ON ONE IMPORTANT ASPECT OF THE PROGRAM IN THE FACE OF CONGRESSIONAL OPPOSITION. THE STATE DEPARTMENT REMOVED FROM THE BILL A PROVISION WHICH WOULD HAVE GIVEN THE PRESIDENT BROAD POWERS TO GIVE ARMS TO ANY NATION.

SENATORS VANDENBERG (R-MICH), SENATE GOP FOREIGN POLICY PACEMAKER, AND GEORGE (D-GA), BOTH MEMBERS OF THE FOREIGN RELATIONS COMMITTEE, HAVE PUBLICLY STATED THEY THINK $1,450,000,000 IS TOO MUCH MONEY.

IN ADDITION, VANDENBERG AND SENATOR DULLES (R-NY), WHO ALSO HAS PLAYED A KEY ROLE IN CARRYING OUT BIPARTISAN FOREIGN POLICY, ARE REPORTED TO WANT ASSURANCES THAT THE PROGRAM IS ONLY A STOP GAP ONE.

THEY ARE SAID TO BE PREPARED TO DEMAND THAT THE PROGRAM BE MESHED INTO THE MUTUAL DEFENSE PLAN AUTHORIZED BY THE NORTH ATLANTIC DEFENSE PACT. TO THEIR WAY OF THINKING, THE PRESENT PROGRAM SHOULD REMAIN IN EFFECT ONLY UNTIL THE MILITARY COMMITTEE TO BE SET UP BY THE NORTH ATLANTIC COUNCIL CAN ASSIGN DEFENSIVE TASKS TO THE VARIOUS MEMBER NATIONS.

THE PROGRAM NOW CALLS FOR $1,160,000,000 FOR THE NORTH ATLANTIC PACT MEMBERS; $261,000,000 FOR CONTINUED AID TO GREECE AND TURKEY AND $27,000,000 TO PROVIDE ARMS FOR IRAN, KOREA AND THE PHILIPPINES.

IN MEETING (9:30 A.M., EST) WITH THE 26 MEMBERS OF THE COMBINED SENATE FOREIGN RELATIONS AND ARMED SERVICES COMMITTEES, ACHESON TACKLED A TOUGH JOB EVEN FOR A DIPLOMAT.

THE BIPARTISAN ATMOSPHERE WHICH HAS SURROUNDEK OTHERSFOREIGN POLICY PROPOSALS PLACED BEFORE THE SENATE IS MISSING. EVEN SOME HIGHLY PL

SENATOR KNOWLAND (R-CALIF), BACKED BY 13 OTHER GOP AND DEMOCRATIC SENATORS, ALREADY HAS PREPARED AN AMENDMENT SEEKING TO INCLUDE CHINA IN THE PROGRAM WITH $175,000,000 EARMARKED TO FIGHT OFF COMMUNISM IN ASIA. THE CALIFORNIA SENATOR IS A MEMBER OF THE ARMED SERVICES GROUP.

IN A WEEKEND STATEMENT, KNOWLAND ALSO DEMANDED THAT GEN.DOUGLAS MACARTHUR AND VICE ADMIRAL OSCAR C.BADGER, TOP U.S. ARMY AND NAVY COMMANDERS IN THE FAR EAST, BY BROUGHT BACK TO TESTIFY BEFORE ANY ACTION IS COMPLETED ON THE PROGRAM.

TWO OTHER MEMBERS OF THE ARMED SERVICES COMMITTEE, CHAIRMAN TYDINGS (D-MD), AND SENATOR GURNEY (R-SD), RANKING GOP COMMITTEEMEN, CALLED SEPARATELY FOR A DETAILING OF THE MILITARY AID IN TERMS OF TANKS, GUNS AND PLANES.

TYDINGS TOLD A REPORTER THAT THE PROGRAM WILL STAND OR FALL ON THE DETAILED NEEDS SHOWN BY THE JOINT U. S. CHIEFS OF STAFF. THEY ARE SCHEDULED TO TESTIFY WEDNESDAY.

SENATOR WATKINS (R-UTAH) CONTENDED THE $1,450,000,000 IS NOT A TRUE PICTURE OF THE WORTH OF THE SURPLUS EQUIPMENT TO BE SHIPPED ABROAD, AND PREDICTED THAT ACTUALLY THE PROGRAM WOULD COST MANY TIMES THIS AMOUNT.

THE HOUSE FOREIGN AFFAIRS COMMITTEE IS NEARING THE END OF ITS HEARINGS ON THE BILL. IT CALLED 13 WITNESSES FOR TODAY (9:30 A.M., EST). THEY INCLUDE BRIG.GEN.BONNER FELLERS, A FORMER AIDE TO MACARTHUR IN TOKYO.

WASHINGTON,AUG 8-(AP)-HERE ARE SOME SALIENT QUOTES FROM TESTIMONY TODAY ON THE ARMS-FOR-EUROPE PROGRAM, WHICH IS DESIGNED AS A BULWARK AGAINST RUSSIA:

SECRETARY OF STATE ACHESON--"WE MUST DEAL IN REALITIES. THE SOONER WE FILL THE VACUUM OF MILITARY WEAKNESS IN EUROPE, THE BETTER IT WILL BE FOR OUR OWN SECURITY."

"THE WORLD HAS NEVER BEEN IN A MORE TROUBLED STATE AND A MORE HAZARDOUS ONE THAN TODAY X X X."

"THE LEADERS OF TOTALITARIAN STATES WILL COOPERATE WHEN THEY ARE CONVINCED THAT THE FREE NATIONS ARE TOO STRONG TO BE OVERCOME BY EXTERNAL AGGRESSION OR INTERNAL SUBVERSION." (TESTIMONY BEFORE THE SENATE COMMITTEES ON FOREIGN RELATIONS AND ARMED SERVICES.)

RICHARD MORFORD, EXECUTIVE DIRECTOR OF THE NATIONAL COUNCIL OF AMERICAN-SOVIET FRIENDSHIP--"THROUGH PEACEFUL NEGOTIATIONS POSITIVE GAINS WERE MADE AT THE RECENT PARIS CONFERENCE OF FOREIGN MINISTERS. X X X THE BIG FOUR FOREIGN MINISTERS MAY AGREE TO MAKE FURTHER ATTEMPTS ON A WORKABLE PLAN FOR A GERMAN PEACE TREATY (AT THE SEPTEMBER UNITED NATIONS MEETING). X X X IT IS EXPECTED THAT (THE AUSTRIA) TREATY WILL BE SIGNED IN OCTOBER. TENSIONS HAVE BEEN LESSENED IN PAST MONTHS." (STATEMENT GIVEN THE HOUSE FOREIGN AFFAIRS COMMITTEE).

BONNER FELLERS, A RETIRED BRIGADIER GENERAL WHO WAS ON GENERAL MACARTHUR'S STAFF, TOLD THE HOUSE COMMITTEE THAT WE SHOULD BUILD OUR AIR POWER AS THE BEST MEANS OF MEETING RUSSIAN AGGRESSION. STALIN FEARS ONLY ONE THING MORE THAN AMERICAN PLANES AND ATOMIC BOMBS, HE SAID; THAT RUSSIAN TROOPS IN AN INVASION OF FREE NATIONS WOULD FIND A WAY OF LIFE AND FREEDOM THAT WOULD CAUSE THEM TO REBEL AGAINST SOVIET CONTROL.

ARNOLD JOHNSON, NATIONAL LEGISLATIVE DIRECTOR OF THE COMMUNIST PARTY--"MORE AND MORE PEOPLE ARE LEARNING THAT THE SOCIALIST SOVIET UNION IS A BULWARK FOR PEACE AND IS NOT AN AGGRESSOR NATION." (STATEMENT HANDED THE HOUSE COMMITTEE)

REP.JAVITS (R-NY), DEALING WITH GERMAN NATIONALISM IN A HOUSE SPEECH--"THE DANGER WE FACE FROM A REVIVAL OF NATIONALISM IS A GERMAN-SOVIET ALLIANCE. LET US NEVER FORGET THAT THIS WAS THE SIGNAL FOR WAR IN 1939."

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ROLL CALL

WASHINGTON--F AUG 8-(AP)-FOLLOWING IS THE VOTE BY WHICH THE SENATE APPROVED AND SENT BACK TO THE HOUSE TODAY THE FOREIGN AID MONEY BILL:

FOR THE BILL (63)

DEMOCRATS FOR--

ANDERSON, CHAPMAN, DOUGLAS, DOWNEY, ELLENDER, FREAR, FULBRIGHT, GEORGE, GRAHAM, HAYDEN, HILL, HOEY, HOLLAND, HUMPHREY, JOHNSON (COLO), JOHNSON (TEX), KEFAUVER, KERR, KILGORE, LONG, LUCAS, MAGNUSON, MAYBANK, MCCARRAN, MCFARLAND, MCGRATH, MCKELLAR, MCMAHON, NEELY, O'CONOR, PEPPER, ROBERTSON, SPARKMAN, STENNIS, THOMAS (OKLA), THOMAS (UTAH), (36)

REPUBLICANS FOR--

BALDWIN, BREWSTER, CAIN, CORDON, DONNELL, DULLES, ECTON, FERGUSON, FLANDERS, GURNEY, HENDRICKSON, IVES, KNOWLAND, LODGE, MARTIN, MCCARTHY, MILLIKIN, MORSE, MUNDT, SALTONSTALL, SCHOEPPEL, SMITH (ME), THYE, VANDENBERG, WHERRY, WILEY, YOUNG (27)

AUG 9 1949

AGAINST THE BILL (7)

DEMOCRAT AGAINST--

JOHNSTON (SC) (1).

REPUBLICANS AGAINST--

CAPEHART, JENNER, KEM, LANGER, MALONE, WILLIAMS (6).

MD704P 8/8

WASHINGTON, AUG 8-(AP)-HERE IS THE 50-21 ROLL CALL VOTE BY WHICH THE SENATE DECIDED TO RULE OUT OF THE MARSHALL PLAN MONEY BILL AN AMENDMENT BY SENATOR KEM (R-MO) WHICH WOULD HAVE WITHHELD FUNDS FROM GREAT BRITAIN UNLESS SHE STOPPED NATIONALIZATION OF HER INDUSTRIES:

FOR THE RULING (50)

DEMOCRATS FOR--

ANDERSON, CHAPMAN, DOUGLAS, DOWNEY, FREAR, FULBRIGHT, GEORGE, GILLETTE, GRAHAM, HAYDEN, HILL, HOEY, HOLLAND, HUMPHREY, JOHNSON (TEX), JOHNSTON (SC), KEFAUVER, KERR, KILGORE, LONG, LUCAS, MAGNUSON, MAYBANK, MCFARLAND, MCGRATH, MCMAHON, NEELY, O'CONOR, PEPPER, ROBERTSON, SPARKMAN, STENNIS, TAYLOR, THOMAS (UTAH)--34.

AUG 9 1949

REPUBLICANS FOR--

DONNELL, DULLES, FLANDERS, GURNEY, IVES, KNOWLAND, LANGER, LODGE, MILLIKIN, MORSE, SALTONSTALL, SMITH (ME), THYE, VANDENBERG, WILEY, YOUNG--16.

AGAINST THE RULING (21).

DEMOCRATS AGAINST--

JOHNSON (COLO), MCCARRAN, MCCLELLAN, MCKELLAR, THOMAS (OKLA)--5.

REPUBLICANS AGAINST--

BREWSTER, BUTLER, CAIN, CAPEHART, CORDON, ECTON, FERGUSON, HENDRICKSON, JENNER, KEM, MARTIN, MCCARTHY, MUNDT, SCHOEPPEL, WHERRY, WILLIAMS--16.

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IN PARTIAL RETURN FOR THE FEE, HUNT OFFERED TO GIVE A PARTY FOR HIM, GRINDLE SAID, TO INTRODUCE HIM TO "OFFICIAL WASHINGTON." HUNT PROMISED THAT "CERTAIN SENATORS" WOULD ATTEND.

THE SENATE INVESTIGATORS PICKED UP THEIR EARS AT THIS. SEN. MCCARTHY (R-WIS) WANTED TO KNOW WHETHER THE PARTY WAS EVER GIVEN AND WHETHER THE SENATORS CAME. GRINDLE SAID THERE HAD BEEN NO PARTY.

BESIDES THE $1,000 INITIAL FEE, GRINDLE SAID, HE ALSO AGREED TO PAY HUNT $500 A MONTH FOR HIS SERVICES AND ALSO TO PAY $1,000 TO AN A.J.CONLON AND TWO OF CONLON'S ASSOCIATES WHO GAVE HIM THE CONTACT WITH HUNT. THIS WAS DESCRIBED AS A "FINDER'S FEE." IT WAS NOT PAID, HE ADDED.

WASH N- 5-PERCENTERS-TTT JOB.

GRINDLE SAID HE GOT ONE INVITATION TO BID ON A GOVERNMENT CONTRACT, WHICH HUNT SAID HE HAD ARRANGED.

SIX DAYS LATER HUNT GAVE HIM A PAPER WITH FIGURES ON IT RELATING TO THE BID. HUNT TOLD HIM "NEVER MIND WHERE I GOT THIS," GRINDLE REPORTED, AND WARNED HIM NOT TO SUBMIT BIDS IDENTICAL WITH THE FIGURES ON THE SHEET "BECAUSE SOMEONE IN THE QUARTERMASTER CORPS WILL KNOW THERE IS A LEAK."

HUNT ALSO APPROACHED HIM WITH A PROPOSAL TO REORGANIZE THE STRICKLAND FURNITURE CO., OF HIGH POINT, N.C., THE SENATORS WERE TOLD. GRINDLE WAS GIVEN TO UNDERSTAND THE COMPANY WAS IN FINANCIAL TROUBLE. HUNT TOLD HIM, HE SAID, THAT THE CHANCES WERE "PRETTY GOOD" THAT HE, HUNT, COULD PROVIDE ENOUGH FEDERAL BUSINESS TO KEEP THE PLANT OPERATING IF GRINDLE TOOK IT ON.

GRINDLE ADDED THAT HUNT ADVISED HIM STRICKLAND "DIDN'T NEED TO BE IN ON THE DEAL"--THAT HE COULD HAVE THE RECONSTRUCTION FINANCE CORPORATION PUT THE FIRM UP FOR AUCTION AND "FREEZE" STRICKLAND OUT.

SECRETARY OF DEFENSE JOHNSON FIGURED IN THIS STORY, AS RELATED BY GRINDLE TO THE INTENTLY LISTENING INVESTIGATORS:

A GROUP OF BANKERS INTERESTED IN A CONTRACT CAME TO HUNT SAYING THEY FEARED JOHNSON WOULD AWARD THE CONTRACT TO OTHERS. HUNT SAID HE ADVISED THEM TO SEE JOHNSON. THEY WENT TO THE PENTAGON, FOUND JOHNSON OUT, AND TALKED TO A MAN NAMED "LEW" IN JOHNSON'S OFFICE. "LEW" SAID JOHNSON KNEW NOTHING ABOUT THE TRANSACTION.

LATER (HUNT WAS QUOTED AS RELATING) JOHNSON WAS "HOPPING MAD" WHEN HE HEARD THE BANKERS' STORY, AND ADVISED THEM THERE WAS NO TRUTH IN THE REPORT THE CONTRACT WOULD GO TO OTHER PERSONS, AND TOLD THEM:

"JIM (HUNT) IS ABSOLUTELY RIGHT. YOU STICK WITH JIM."

DURING ONE SESSION WITH HUNT, TO WHICH GRINDLE HAD BROUGHT A LAWYER, HUNT MENTIONED VAUGHAN "AT LEAST 50 TIMES," THE WITNESS SAID. HUNT TERMED VAUGHAN WAS ONE OF PRESIDENT TRUMAN'S "CLOSEST FRIENDS AND I'M ONE OF VAUGHAN'S CLOSEST FRIENDS."

THE MANUFACTURER TESTIFIED THAT HUNT TOLD HIM HE HAD RECEIVED $102,500 FROM THE SEIDEN HOTEL GROUP, NOT FURTHER IDENTIFIED, FOR GETTING A HOTEL SOLD BACK TO THEM BY THE WAR ASSETS ADMINISTRATION FOR $534,000. THIS HUNT DESCRIBED AS HIS BIGGEST FEE, GRINDLE SAID.

HUNT SAID THE ARMY ORIGINALLY PAID $1,300,000 FOR THE HOTEL. HE GOT THE RESALE PRICE DOWN TO $534,000, GRINDLE SAID HE EXPLAINED, BY FINDING EVERY CONCEIVABLE BIT OF DAMAGE DURING THE ARMY OCCUPANCY. THEY ADDED UP TO A TOTAL OF $1,800,000. STARTING FROM THERE, ENOUGH DAMAGES WERE ALLOWED TO BRING THE RESALE PRICE DOWN TO $534,000. THE JOB TOOK SIX WEEKS, GRINDLE QUOTED HUNT AS SAYING.

AT ANOTHER POINT HUNT WAS QUOTED AS TELLING GRINDLE:

"I DON'T LIKE TO BOAST BUT I AM THE MOST INFLUENTIAL MAN IN WASHINGTON WITH THE QUARTERMASTER CORPS."

HUNT, HOSPITALIZED AFTER A LEG OPERATION, ENTERED THE HEARING ONLY BY REMOTE CONTROL. THE COMMITTEE'S COUNSEL, WILLIAM ROGERS, ASKED GRINDLE A LIST OF QUESTIONS WHICH HE SAID WERE SUBMITTED TO THE COMMITTEE BY ROGER Q.WHITE, HUNT'S ATTORNEY.

MOST OF THEM ASKED WHETHER CERTAIN SERVICES HAD NOT BEEN RENDERED GRINDLE BY HUNT. GRINDLE SAID HE HAD RECEIVED INVITATIONS TO BID, PRESUMABLY AT HUNT'S INSTIGATION, FROM THE FEDERAL BUREAU OF SUPPLY AND, HE BELIEVED, FROM THE POST OFFICE.

BUT HE DENIED RECEIVING INVITATIONS FROM THE VETERANS ADMINISTRATION MARITIME COMMISSION OR NAVY.

HUNT HAS ISSUED PUBLIC STATEMENTS DENYING THAT HE EVER ATTEMPTED TO SELL INFLUENCE OR THAT HE KNOWS ANY GOVERNMENT OFFICIALS WHO WOULD BE SUBJECT TO INFLUENCE.

GRINDLE POURED OUT TESTIMONY TO INDICATE THAT HUNT USED BIG NAMES LAVISHLY. HE QUOTED HUNT AS STATING HE WAS "VERY CLOSE" TO DEFENSE SECRETARY JOHNSON.

"HE SAID HE WAS ONE OF THE FOUR PERSONS WHO WERE PRESENT WHEN JOHNSON WAS CALLED TO THE WHITE HOUSE AND TOLD HE WAS GOING TO BE SECRETARY OF DEFENSE."

GRINDLE SAID HUNT TOLD HIM HE COULD SEE JESS LARSON, FORMER WAA ADMINISTRATOR WHENEVER HE WISHED--THAT, IN FACT, HE WAS AT THE WHITE HOUSE TALKING WITH PRESIDENTIAL ASSISTANT JOHN R.STEELMAN WHEN HE WAS TOLD THAT LARSON WAS TO BE NAMED TO THE WAA JOB. LARSON NOW IS HEAD OF THE NEW GENERAL SERVICES ADMINISTRATION, WHICH HANDLES MOST CIVILIAN BUYING.

AFTER HIS FIRST TALKS WITH HUNT HERE, GRINDLE SAID HE WENT BACK TO FRAMINGHAM TO THINK IT OVER.

"I DIDN'T LIKE WHAT I HAD HEARD AND I DIDN'T LIKE WHAT I HAD SEEN, AND I DECIDED TO FORGET THE WHOLE THING," HE TESTIFIED. BUT LATER H DECIDED TO SEE HUNT AGAIN, AND THEN HUNT BOASTED OF HIS HIGH CONTACTS

BEFORE GRINDLE TOOK THE WITNESS CHAIR, BRIG.GEN.ERNEST M.BRANNON, ASSISTANT JUDGE ADVOCATE OF THE ARMY, TOLD THE COMMITTEE THERE IS NOTHING ILLEGAL ABOUT PAYING OR TAKING FEES FOR HELP IN GETTING GOVERNMENT CONTRACTS.

COMMITTEE COUNSEL ROGERS ASKED IF THE PRACTICE COULD BE CONSIDERED CONTRARY TO PUBLIC POLICY. BRANNON SAID IT AMOUNTED TO THAT.

THE GENERAL SAID HE BELIEVED THERE SHOULD BE A LAW REQUIRING THE DISCLOSURE OF ANY FEES PAID IN OBTAINING FEDERAL AWARDS. TWO SENATE BILLS NOW ARE PENDING--INTRODUCED LAST WEEK--TO DISCOURAGE "FIVE PERCENTER" ACTIVITY.

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BE USED BY THE FRENCH GOVERNMENT FOR INVESTMENT AND RECONSTRUCTION.

A STATEMENT ISSUED BY ECA ASSERTED THAT THE FREEING OF THE AMOUNT--ABOUT 30 BILLION FRANKS--"CONSTITUTES A TEMPORARY ADVANCE AGAINST COUNTER PART WITHDRAWALS" SCHEDULED ORIGINALLY FOR LATER THIS YEAR.

AN OFFICIAL OF THE AGENCY, WHO ASKED NOT TO BE IDENTIFIED, SAID THE ACTION WAS A "MOVE TO MEET A CRISIS." AUG 9 1949

ECA'S OFFICIAL STATEMENT SAID:

"THE ADVANCE, WHICH IS TO BE REGULARIZED AT THE END OF THE YEAR, WAS MADE IN AN EFFORT TO MAINTAIN THE PRESENT TEMPO OF INVESTMENT AND RECONSTRUCTION, THEREBY FORESTALLING ANY SET-BACK TO THE RECOVERY OF THE FRENCH ECONOMY WHICH MIGHT OTHERWISE OCCUR."

ECA DID NOT SPECIFY INDIVIDUAL PROJECTS WHERE THE MONEY WOULD BE USED.

THE ECA ALSO GRANTED GREAT BRITAIN $17,006,000(M) TO BUY ALUMINUM AND COPPER UNDER THE MARSHALL PLAN, AND APPROVED OTHER ALLOCATIONS TO 11 EUROPEAN COUNTRIES WESTERN GERMANY AND KOREA. AUG 9 1949

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EAD MARSHALL PLAN (D26VX)

WASHINGTON, AUG.8-(AP)-THE ECONOMIC COOPERATION ADMINISTRATION TODAY APPROVED THE USE BY FRANCE OF $110,000,000 (M) IN MARSHALL PLAN FUNDS TO BOLSTER WHAT A RECOVERY OFFICIAL CALLED THE "SAGGING FRENCH DOMESTIC ECONOMY." AUG 9 1949

THE MONEY WILL COME FROM SO-CALLED COUNTERPART CURRENCIES DEPOSITED BY THE FRENCH TO MATCH ECA ASSISTANCE. THE AGENCY SAID THE FUNDS WILL

KARACHI, PAKISTAN, AUG. 8-(AP)-TOURING MEMBERS OF AMERICA'S TOWN MEETING OF THE AIR ARRIVED IN KARACHI BY PLANE TONIGHT.

A DEBATE WILL BE BROADCAST WEDNESDAY, UNDER THE AUSPICES OF THE PAKISTANI WOMEN'S ASSOCIATION, WITH WALTER WHITE, EXECUTIVE SECRETARY OF THE NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE, AND MRS. J. L. BLAIR BUCK TAKING PART.

RP253PED

NITE LEAD TOKYO ROSE (240)

SAN FRANCISCO,AUG.8-(AP)-THE JURY TRYING TOKYO ROSE ON A CHARGE OF TREASON TODAY HEARD A LOT ABOUT THE TECHNICAL QUALITIES OF RADIO TOKYO.

TOKYO ROSE--SHE IS CHARGED FORMALLY AS MRS.IVA TOGURI D'AQUINO--WAS BORN AN AMERICAN CITIZEN OF JAPANESE PARENTS. SHE IS ACCUSED OF BROADCASTING TREASONABLE UTTERANCES FROM JAPAN DURING THE WAR.

TWO JAPANESE RADIO TECHNICIANS, YOSHITOSHI TANABE, 43, AND SHIGERU OKAMOTO, 46, WERE CALLED AS GOVERNMENT WITNESSES.

TANABE, FOR 19 YEARS CHIEF OF THE INVESTIGATION AND DEVELOPMENT SECTION OF RADIO TOKYO, SAID THE STATION HAD THE FINEST BROADCASTING QUALITY IN JAPAN.

OKAMOTO, FORMER CHIEF OF RADIO TOKYO'S "VACUUM TUBE SECTION," TOLD OF THREE TRANSMITTING STATIONS USED BY RADIO TOKYO. HE SAID THESE WERE AT NAZAKI, YAMATA, AND KAWCHI. TWO OF THESE, HE SAID, WERE SLIGHTLY DAMAGED BY BOMBS BUT THE DAMAGE DID NOT INTERFERE WITH BROADCASTING.

DR.CLAIR STEGGALL, OF LOS ANGELES, TESTIFIED HE KNEW THE DEFENDANT WHEN HE AND SHE BOTH ATTENDED THE UNIVERSITY OF CALIFORNIA AT LOS ANGELES. HE SAID SHE HAD TOLD HIM IN MARCH, 1941, THAT SHE WAS GOING TO JAPAN TO STUDY MEDICINE. SHE CLAIMS SHE WENT THERE TO VISIT A SICK AUNT.

SATOSHI NAKAMURA, A NATIVE OF VANCOUVER, B.C., WHO WENT TO JAPAN IN 1940, TESTIFIED HE WAS MASTER OF CEREMONIES ON THE "ZERO HOUR" PROGRAM IN 1944 AND 1945 WHILE MRS.D'AQUINO WAS BROADCASTING HER "ORPHAN ANN" PROGRAM.

NAKAMURA, WHO SAID HE IS NOW A FREE LANCE SINGER, SAID MRS. D'AQUINO WAS UNDER NO COERCION, THREAT OR DURESS.

TODAY WAS THE START OF THE SIXTH WEEK OF THE TRIAL. ONLY ABOUT HALF OF THE GOVERNMENT'S 71 WITNESSES HAVE BEEN HEARD.

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Vandenberg Offers Plan To Spread Arms Spending

WASHINGTON, Aug. 9—(AP) Senator Vandenberg (R-Mich) came up today with an idea which he said would spread the cost of President Truman's $1,450,000,000 foreign arms program over a long period and make it easier to obtain action at this session of Congress.

Secretary of Defense Johnson and some Democratic senators indicated the administration would assent to Vandenberg's proposal, although not enthusiastic about it. The State department had no comment.

Vandenberg proposed that the $1,160,000,000 of cash which Mr. Truman has asked to arm western Europe allies be cut in half, and that the government be authorized to enter into contracts covering the remainder of this big item. Congress would have to appropriate money to pay such contracts eventually, but not at this session.

Wouldn't Delay Program

Vandenberg, a leading supporter of the bi-partisan foreign policy, contended the full amount of cash asked by the President cannot be spent during the current financial year, which began July 1. He argued that the unbalanced condition of the federal budget does not warrant appropriating money that cannot be spent this year.

Secretary of Defense Johnson showed no enthusiasm for the senator's proposal. But he said if the amounts of cash and contract authorizations are balanced properly, it "would get the job done as well as if we received the full amount in cash." And he said also under questioning that the idea "would not delay results of the arms program."

Johnson agreed with Senator Pepper (D-Fla), who said the plan "might give someone budgetary satisfaction by putting off the debt" but that the ultimate cost to the government would be the same.

Vandenberg told reporters the fact that his plan would take nearly $600,000,000 in cash out of the arms bill should make it easier to get a program through Congress at this session. Senator Dulles (NY), another Republican supporter of the bi-partisan foreign policy, said he would go along with the idea.

Another senator, who did not want to be quoted by name, said the Vandenberg proposal reminded him of a husband who refused to give his wife $20 in cash for a new hat—but told her to go to the store and charge it.

Would Not Cut Total

The Vandenberg plan would not reduce the $1,450,000,000 total which would be authorized by the administration's bill. It would not disturb the cash provided to arm Korea, the Philippines, Greece and Turkey, where the administration has proposed one-year programs. But it would slash the cash for arming western Europe, where a program of four or five years is contemplated, and substitute contract authorizations for the money withheld.

Another proposal to cut the president's program drastically was advanced by Rep. Vorys (R-Ohio), a member of the House Foreign Affairs committee.

He proposed that the plan adopted at this session of Congress be limited to $300,000,000 in cash and about the same amount of old or new arms. He suggested also that these outlays be limited to a period of six months.

Vorys, together with many other Republicans and some Democrats, contends a large program should not be authorized until the joint military organization contemplated under the Atlantic Alliance has worked out an overall defense plan.

Staff Chiefs Return

Organization under the Atlantic Pact was discussed on a flying trip to Europe, from which the high command of the United States Army, Navy and Air Force returned to Washington today. General Omar N. Bradley, Army chief of staff; General Hoyt S. Vandenberg, chief of staff of the Air Force, and Admiral Louis Denfeld, chief of Naval operations, made the trip in President Truman's plane.

Bradley told reporters that the European conferences were "a grand start toward organizing the unity and collective security under the Atlantic Pact."

"We discussed several forms of organization," he said, "but we didn't try to arrive at any decision." He said the military chiefs in Europe "took our coming over so soon after passage of the Atlantic Pact as an indication of our willingness to make it work."

Bradley expressed hope that the trip will shorten conferences necessary to organize under the pact.

Senator Vandenberg broached his cash-and-contracts plan of arms aid at a combined meeting of the Senate committees on Foreign Relations and Armed Services, where Secretary Johnson was testifying in support of the President's program.

Not Interested In Form

Johnson first told the senator that he is not interested in the form in which he receives authority arm European allies.

"All we want is the money and authorization to do the job," he said.

When Johnson added that foreign arms aid will extend over four or five years, Vandenberg said the administration's plan would put the main burden of cost on this year's federal spending.

"It is obvious you want to load the first year as much as possible and then be able to show lower amounts in the following year," the Michigan senator declared.

Vandenberg said he understands that President Truman's budget for the fiscal year which began July 1 carries about $400,000,000 for foreign military aid, and that cash to aid western Europe ought to be kept almost within that amount.

FIFTY P. C. ARMS AID CUT ASKED BY VANDENBERG

Senator Urges on Johnson That Only 580 Millions Be Appropriated Now.

DEFENSE SECRETARY AGREES

But Reluctantly and on Condition U. S. Can Deliver Arms Which Have Been Planned.

Washington, Aug. 9 (A. P.).—Senator Vandenberg today proposed that the first year's cash outlay for the European arms program be cut in half. Secretary of Defense Johnson reluctantly agreed to go along with the idea.

Vandenberg said his plan would take about $600,000,000 in cash out of the $1,450,000,000 arms program and make it easier to get a program through this session of Congress.

Johnson was appearing before a joint session of the Senate Foreign Relations and Armed Services committees when Vandenberg made his proposal.

Vandenberg had suggested to Johnson that about $580,000,000 be furnished in cash by Congress. The balance of the Administration's program could then be met with contract authorizations (to be met by later appropriations). These would not be charged against the current budget.

Johnson said, in effect, that he would go along with the Vandenberg plan if the Administration can deliver to the North Atlantic pact nations the arms which have been planned. He said his chief concern was not whether the amount should be in cash or contract authority but in getting the job done.

Johnson Hinges U.S. Safety On Arms Aid

Washington, Aug. 9 (AP)—Secretary of Defense Johnson said today that the security of this country demands that Europe be safeguarded with arms.

Johnson appeared before the joint Senate Foreign Relations and Armed Services committees in behalf of the $1,450,000,000 military-aid program.

Said Johnson:

"Should western Europe be overrun by a hostile power and should its vast industrial and manpower potentials be added to those of such an aggressor, the United States would stand isolated in a dangerously insecure period.

"United States security, therefore, demands that Europe be safeguarded."

"Temptation" To Russia

"A military vacuum in western Europe," Johnson said, "is a great temptation to the Soviet Union and international communism."

He told the senators that it would take months and years for this country to mobilize, equip, train and transport troops across the Atlantic.

In the meantime, he said, the forces of western Europe must be able to resist any enemy.

"But these forces cannot hold the lines of collective defense with their present inadequate equipment largely composed of old and worn-out material," he said.

Vandenberg Amplifies Views.

Johnson told Senators western Europe already has an integrated defense plan approved in principle by the United States Joint Chiefs of Staff. Furthermore, he said, the precise needs for armaments are known.

"Every objective you ask," Vandenberg said, "can be reached with a 50 per cent reduction in the first year's arms plan."

The Vandenberg proposal would not reduce the over-all size of the arms program—it would distribute the costs over a longer period. He made his suggestion only in connection with the $1,160,000,000 earmarked for aid to the North Atlantic Pact nations.

Johnson told Vandenberg he was not interested in the form in which he receives the authority to re-arm Europe.

Planning Integrated

Johnson took notice that an objection has been raised that American aid can be effective only if it is provided under integrated plans and a unified organization for the defense of western Europe.

He said that this already exists in the western union defense pact.

Unified plans, he said, are being continuously developed by the five nations in the western union pact. Johnson said these five nations—England, France, Belgium, Luxembourg and the Netherlands—are now and must continue to be the hard core of any European defense.

They are the nations, he said, which, in the event of a major aggression, would have to bear the brunt of the main attack.

Actual Total Of Cost

Johnson, in defending the $1,450,000,000 figure, said it wasn't simply a number pulled out of the air.

"It is the dollar total of the cost of specific items of equipment needed for a definite number of Army, Navy and Air Force units," he said.

"Any reduction in the total will necessarily cause a curtailment in the objective of a realistic start in helping the European and other participating countries strengthen themselves."

Ceiling On Surplus Sought

In connection with the arms plan, some senators say they are confused over this question: When does a tank become surplus?

They may write a celing of $500,000,000 on the amount of military surplus that can be shipped abroad.

Their confusion arose from a disclosure by Senator Knowland (R., Cal.) that military leaders had told China two months ago there was no surplus equipment, but now say supplies that originally cost $450,000,000 are available for North Atlantic treaty signers.

Johnson was expected to be asked for an explanation.

Frankness Demanded

Secretary of State Acheson couldn't supply an answer yesterday, despite the fact members said he had been tossed the same inquiry in closed sessions last week. Acheson said the military men would have to clarify this seemingly contradictory situation.

Knowland told a reporter:

"It seems a tank that wasn't surplus for China is surplus for Europe. I think we are entitled to a little frankness in this matter."

Senator Gurney (R., S.D.) said he fears somebody has been pulling Congress's leg. He demanded that the cost of surpluses that might be earmarked for treaty signers be written into the bill.

George Goes Even Further

Senator Russell (D., Ga.) said $500,000,000 ought to cover that amount, a figure Senator Lyndon Johnson (D., Texas) also mentioned.

Senator George (D., Ga.) went even further. He said the surplus costs not only should be spelled out but that they ought to be included within the $1,450,000,000 total of aid.

That would cut back the new arms to be purchased for shipment, since the Administration bill does not count the cost of surplus materials but only the estimated $75,000,000 needed to refurbish and ship them.

Quick Foreign-Aid Bill Compromise Seen

DON WHITEHEAD AUG 10 1949

Washington, Aug. 9 (AP)—The multibillion-dollar foreign recovery bill sped toward final Congressional action today after a stormy passage through the Senate.

Lawmakers expected a Senate-House committee to reach quick agreement on the somewhat different versions the two branches have passed. The Senate approved its bill late yesterday by a 63-to-7 vote.

Senators ended almost two weeks of wrangling to shake the measure free from the confusion which had blocked action on more than $20,000,000,000 in money bills in addition to other legislation marked "must" by the Administration.

One Democrat Opposed

When the final showdown came, six Republicans and one Democrat voted against the $5,797,724,000 measure.

The Democrat was Johnston of South Carolina. The Republicans were Capehart and Jenner, of Indiana; Kem, of Missouri; Langer, of North Dakota; Malone, of Nevada, and Williams, of Delaware.

The Senate bill does not differ greatly from the House-approved measure. The Senate reduced the money totals about ten per cent and added some amendments, none of which is expected to cause much trouble.

Kem made the final effort to amend the bill with a move to deny Economic Co-operation Administration aid to any nation which in the future nationalized a basic industry.

The amendment was drawn to throw a brake on the British Labor Government's socialization program.

Kem's Argument

Kem argued that socialization in Britain is slowing down the recovery effort. The United States, he said, should encourage private enterprise not only at home but abroad.

Opponents said this would be an unwarranted interference by the Government in the internal affairs of Europe.

The Kem amendment was ruled out of order last Friday by Senator Tydings (D., Md.), the Senate's presiding officer at the time. He held it violated Senate rules against writing policy-making law into an appropriation bill.

Kem appealed the ruling, but the Senate voted against him, 50 to 21. He then tried to have the Senate suspend its rules to permit a vote on the amendment. This move lost, 49 to 24, thus heading the amendment to its final defeat.

Points To Be Compromised

Here are points in the Senate and House bills which must be compromised:

1. Money Amounts—The House voted $3,568,470,000 for the ECA, to be spent in 10½ months if necessary. The Senate voted $3,628,380,000, plus $150,000,000 loan authority, but spread the program over a twelve-month period.

2. German Industrial Plants—The Senate voted $25,000 to finance a review of dismantling plans for 365 German plants. A majority of senators feel these plants should be kept in Germany to aid European recovery. The House had no such provision.

3. Watchdog Committee—The Senate voted $344,000 for a congressional committee staff to keep checking on foreign spending. The House had decided this committee had wound up its job in the first year of the Marshall plan.

4. Chinese Students—The Senate voted to earmark $4,000,000 in unused China-aid funds for helping about 4,000 Chinese students who are in this country. The students have been cut off from aid because of the civil war. The House bill did not contain this amendment.

5. ECA Publicity—The Senate voted to permit ECA Chief Paul Hoffman to use local currency funds as needed to publicize in Europe the work that is being done for Europe's recovery. This question was not raised in the House.

6. Greece-Turkey Aid—The Senate voted $45,000,000. The House voted $50,000,000.

7. Army Occupation Costs—The Senate voted $900,000,000 for expenses in Germany, Austria, Japan and the Ryukyu Islands. The House had approved $925,000,000.

U. S. MAY SLASH MARSHALL PLAN AID TO BRITAIN

CARL HARTMAN

PARIS, Aug. 9—(AP) Britain may get only about three-fifths of the Marshall Plan aid she requested for this year, it was learned today.

An estimated $900,000,000 will be given to the dollar-short nation instead of the $1,518,000,000 Britain bid for last month.

European financial experts, with American assistance, are busy slashing figures after yesterday's approval by the U. S. Senate of a bill to spend $3,628,380,000 in 19 western European areas during 1949-50.

These areas themselves had estimated they would need about $5,161,000,000 so they could purchase American goods they otherwise could not afford.

Dollar Shortage Is Key

The economic experts agreed that Britain's dollar shortage remains the key to the problem of dividing Marshall Plan aid. Last year Britain got $1,239,000,000—the biggest share of a $4,756,000,000 European assistance appropriation.

An informant who has been sitting in on current secret meetings of the Program Committee of the Organization for European Economic Cooperation (OEEC) said today:

"They started by giving Britain only about $780,000,000 then they found that Britain had to buy some bare essentials that couldn't be cut. They're up to about $850,000,000 now, and they'll probably reach $900,000,000 before they report to the OEEC council Thursday."

Meanwhile, in London today, speculative buying put the brakes on a slide by British government bonds which has wiped out $2,000,000,000 (£500,000,000) in quoted values in three weeks.

May Impair Credit

The financial times of London said the bond slide threatens to impair the government's credit and confidence in Britain abroad.

Earlier this year the British first estimated they would need considerably less than $940,000,000 in Marshall Plan aid. However, falling exports made it clear during the spring that Britain would not be able to earn as many dollars as expected. Toward the end of July a new bid for $1,518,000,000 was submitted.

In the OEEC Program committee, U. S. observers seem to share the feeling that if Britain's dollar needs are not satisfied out of Marshall Plan funds, the U. S. will have to supply them in some other way. Thus, they want Britain to get as large a share as possible.

Argue British Case

One continental economist said: "It was smart of the British to put in their additional bid, knowing that they wouldn't get much of it. They may have picked up another $30,000,000 or $40,000,000 that way, crying about how hard up they are and how prosperous France is for instance. Actually the French may eat better, but English food has always been bad. The British have a higher standard of living."

British officials argue it is more important for them to get all the Marshall aid they ask for than for the other nations in Europe. They finance the whole sterling area, including large sections of Asia and Africa. Last year Britain's foreign trade was twice that of France, the second biggest commercial nation in the Marshall Plan.

CHURCHILL ARRIVES FOR EUROPE PARLEYS

J DYNAM

STRASBOURG, France, Aug. 9—(AP) Tanned and jovial, Winston Churchill arrived from Italy tonight to participate in the European Council's Consultative Assembly.

The Council's Ministerial committee was enlarged to 12 members today when Greece and Turkey formally joined the organization. The committee approved a nine-point program for the assembly which meets for the first time tomorrow. This Embryo parliament of Europe convenes at the University of Strasbourg.

Churchill is expected to speak. Officials of European Movement, an organization favoring unification of Europe, said they expected him to urge the admision of western Germany to the council. Churchill is head of the movement and one of the 18 members of the British delegation to the Consultative Assembly. ADD

West Germany For Council Is Churchill's Plan

J DYNAM

AUG 10 1949

Strasbourg, France, Aug. 9 (AP)—Winston Churchill was scheduled to arrive today to press his appeal for admitting western Germany to the newly created Council of Europe.

Foreign Ministers of the ten founding countries opened their first session yesterday by inviting Turkey, Greece and Iceland to the Council, which sponsors hope may some day grow into a full-fledged European union.

Churchill Is British Delegate

Churchill, chief advocate of European union, will take his place as a British delegate at the first meeting of the Council's consultative assembly tomorrow.

Associates said the wartime Prime Minister is expected to propose including western Germany—as soon as its government is established after elections this month—in the Council.

The ten charter members are Britain, France, Italy, the Netherlands, Belgium, Luxembourg, Sweden, Norway, Denmark and Ireland. Greece and Turkey are expected to take their seats in the assembly tomorrow, bringing the membership to 101 delegates.

Iceland Awaits Ratification

Iceland, which will have three delegates, is expected to await ratification by its parliament in the fall before joining.

The Council of Europe was established by the founding states as a forum bringing together leaders of almost all political groups except the extremes of communism and fascism. For the present it can only recommend policies to member governments. But its most ardent supporters hope it will pave the way for a United States of Europe with genuine executive powers.

Two Council Divisions

The Council is divided into two parts: the Consultative Assembly (parliament) and the Committee of Ministers made up of the Foreign Ministers of the member states. The Committee of Ministers has the authority to choose the subjects for debate and action in the Assembly. INSERT

Should Ministers Speak?

Informed sources reported that lively debate in yesterday's closed session of the Ministers prevented discussion of the agenda. The argument developed over whether the Foreign Ministers—who are not delegates to the Assembly—could speak before the parliamentary body.

Ireland's Sean Mac Bride and Sweden's Osten Unden argued unsuccessfully that the ministers should be able to speak freely on any subject. This presumably was to allow any ministers whose proposals had been rejected in closed sessions of the ministerial committee to appeal to the Assembly.

What Committee Decided

The committee voted, 8 to 2, that ministers could speak in the Assembly only after receiving permission by a majority vote of the Committee of Ministers.

The ministers yesterday approved a first year's budget of $500,000. Members will be assessed on a sliding scale according to population and economic conditions, with France, Britain and Italy each paying about one fourth of the expenses. INSERT

FRANCE FALLS SHORT OF U. S. EXPORT GOAL

PARIS, Aug. 9 — (AP) Barry Bingham, head of the Economic Cooperation Administration (ECA) mission to France, said today France had fallen seriously short of her goal in exports to the U. S.

"It may be that these dollar exports to the states will prove to be the weak link in a strong chain of French recovery," he told a group of American buyers and French exporters.

Bingham noted the French goal was to double by 1952 the $1,000,000,000 worth of French exports in 1947. The target had been exceeded in 1948-49 exports to all areas except the U. S., he said.

In June of this year exports to the U. S. were only $5,000,000, he said.

30.24- 4921

BRITISH RAISE $6,480 TO DEFEND EX-NAZI

LONDON, Aug. 9 (AP)—British sponsors of a defense fund for German Field Marshal Erich Von Manstein closed their money collecting campaign today with £1,630 ($6,480) in the till.

In calling for contributions July 16, Lord De L'isle and Maj. Gen. Viscount Bridgeman set £2,000 ($8,000) as their goal.

The purpose is to supply Von Manstein with British lawyers during his war crimes trial, which opens in Hamburg Aug. 23.

Wartime Prime Minister Winston Churchill contributed £25 ($100) to the fund.

Cigarette Prices Ease In Germany

Frankfurt, Germany, Aug. 9 (AP). A sign of prosperity in Germany: The German railroad is doubling the number of smoking compartments on its trains.

The reason: Cigarettes, once so scarce and expensive they were the backbone of the black market, are now so plentiful and cheap that more people can afford to smoke them.

A pack of cigarettes which used to cost 100 reichsmarks valued at $10, now cost 2½ deutsch marks, valued at 75 cents.

Insult To Pope Is Charged To Laborite

Rome, Aug. 9 (AP)—The Communist secretary of the Perugia Chamber of Labor, Alfio Caponi, has been charged by police with offending the Pope's honor, Ansa news agency said today.

It was the first such charge since Pope Pius XII approved the Holy Office's recent decree of excommunication against militant Communists.

Hymn Singers Held

Italian law punishes persons guilty of offending the honor or dignity of the head of a foreign state. Italy recognizes the Pope as head of a sovereign state, the Vatican.

Caponi's references to the Pontiff, in a speech last Sunday, were not quoted in news dispatches.

Ansa also reported the arrest of seven youths at Castiglione del Lago, near Perugia, who were surprised while singing Fascist hymns.

They were charged with violating a law which forbids "support or apology for fascism."

Pole Priest Is Accused Of Robbery

Warsaw, Aug. 9 (AP)—The official Polish news agency said today a Catholic priest charged with membership in an illegal organization, and with assault and robbery had "admitted all charges but pleaded not guilty."

The defendant, the Rev. Wladyslaw Gurgacz, appeared yesterday before a military court in Krakow. Polish security authorities announced July 7 that the priest and four others had been arrested and accused of robbing two bank messengers in Krakow of 3,000,000 zlotys (approximately $7,500).

The news agency said the illegal organization involved in the case is known as the "Army of Liberation," an anti-government group.

Gurgacz, a Jesuit, was quoted as saying he became "leader of a criminal gang at the suggestion of church authorities who also empowered" him to say Mass in his hideout and to administer sacraments in all Polish dioceses.

Cartridges, a compass, consecrated oils and a Mass book were found on the priest when he was arreted, the news agency said.

Socialists Hit Plant Razing

Frankfurt, Germany, Aug. 9 (AP). Dr. Kurt Schumacher, chairman of West Germany's Social Democratic (Socialist) party, declared tonight the Germans "will not inactively look on as our greatest production plants are being destroyed."

Referring to the Allied program for dismantling German war plants, Schumacher said:

"It is not nationalism if one defends the remaining fortune of Germany against foreign Nationalists."

10,000 At Rally

He spoke before 10,000 persons at a Social Democratic rally in Essen. West Germans will elect a parliament of a new Federal German Republic next Sunday.

Noting that "foreign opinion concerning Germany has become worse, Schumacher said: "It may be easy to win a war. To understand is more difficult. Occupation statue Ruhr statute, security demands—what remains to the Germans?"

The Socialist leader again charged the Roman Catholic church with interference in politics.

Accuses Church

"It is regrettable that the church makes a difference between Christian and Social or Liberal parties," he said. "There are no Christian or anti-Christian parties—there are only political parties. The coming elections will not decide the question of religion."

Schumacher accuses the church of favoring the conservative Christian Democratic Union, biggest rival of the Social Democrats. Many Christian Democrat leaders are Catholic.

Catholic spokesmen reply that the church has the right to take part in public questions involving world ideologies.

I.R.O. IS CLEARED IN SHIPPING CASE

Bremerhaven, Aug. 9 (A. P.).—United States customs officials said today that the Army was in error in stating that an official of the International Refugee Organization had certified the contraband cargo on the Israeli Dromit as household goods.

The Dromit was impounded by Customs agents at Bremen last Friday to block an alleged illegal shipment of German goods to Israel.

An Army press release at the time charged that an I. R. O. official had certified that the goods did not include prohibited items.

"Later investigation revealed that no I. R. O. certification appeared on the documents," a Customs official said today. Pending completion of investigations, he declined to disclose the identity of the persons implicated.

The entire cargo of the 3,800-ton freighter was impounded when customs officials claimed industrial equipment, machine tools, a motor car and other valuable items were being shipped to Israel falsely described as personal and household goods of Jewish emigrants.

Italian Red Operated On.

Rome, Aug. 9 (A. P.).—Luigi Longo, Italy's No. 2 Communist, underwent an appendectomy last week, the Communist newspaper Unita reported today. He has left the hospital fully recovered, the paper added.

30 U.S. War Vessels In Aegean Maneuvers

Cavea, Crete, Aug. 9 (AP)—The aircraft carrier Coral Sea and the cruiser Fargo are among 30 American was vessels starting maneuvers tonight in the southern Agean Sea, off the Cretan coast.

During the exercises, Marines landing from amphibian boats will be supported by air and naval bombardment.

Lieut. Gen. James A. Van Fleet of the United States Army will join Greek officers, including commander of the Greek fleet costas, as observers. Vice Admiral Forrest Sherman is directing the maneuvers.

Czech Reds Say They Put Down Town 'Revolt'

Prague, Czechoslovakia, Aug. 9 (AP)—Police have put down a "revolt" in a Slovakian town where Catholics defending their priest from threatened arrest had set up their own local government, a Communist weekly news magazine reported today.

Aroused villagers led by a band of fighting peasant women had beaten up the chairman of the Communist-controlled local executive board, *Svet Prace*, weekly magazine of the Czechoslovak Communist party said.

"Several" Arrested

Two persons were reported wounded and "several" arrested in the incident at Strecno, in northwestern Slovakia.

The magazine gave no precise date for the clash but said the offending village had its electric power cut off for several weeks, apparently as punishment.

Strecno is in the Zilina district of Slovakia, where fighting between Catholic villagers and Communist-controlled police broke out about six weeks ago. Whether this was a new incident or a report on details of former fighting now coming to light could not be definitely established.

Militia Aids Police

[Vatican sources reported last week that new clashes had occurred in Slovakia, which is strongly Catholic.]

Svet Prace called the Strecno uprising a "revolution" and disclosed that State Security Police supported by Workers' Militia units were called to quell it. Peasants wielding flails and scythes were disarmed.

The Communist organ claimed Strecno citizens had chosen an "illegal" council of their own to replace the local government "after things were changed."

Heard Priest Faced Arrest

Svet Prace gave this account of the incident:

The townspeople of Strecno beat up the chairman of a Communist-controlled local executive board from a neighboring town "who was just passing through their village."

The attack started because the Strecno villagers claimed they heard the official was going to arrest their priest.

"Thereupon, the women of Strecno gathered in front of their parson to defend him. They were joined by some men armed with flails and scythes."

Women Lead Resistance

The aroused villagers then began attacking every automobile which passed through the village. When security police and workers' militiamen arrived late that night they were met by peasant women ready to fight.

"However, there was no firing and there have been no 'martyrs.' The 'revolution' was ended in five minutes and several disturbers were arrested."

Svet Prace declared the priest had not been arrested.

Power lines were first cut by a youth who wanted to make Strecno a "focus of resistance," the magazine said. As punishment the power blackout was maintained for several weeks.

Villages "Laughed At"

Repentant villagers were reported to have sent a delegation to the district executive board expressing regret over the clash and promised to fulfill their duties to the state.

"But," *Svet Prace* continued, "this affair was not merely an uprising of hysterical women but a serious attempt at disrupting the public order and welfare. . . .

"Those villages where such incidents occur are now in disgrace and are being laughed at. Priests continue holding services and thousands of vacationists spent their holidays in these 'focal points of revolution.'"

RED BID TO BAN 'A' BOMB DEFEATED

Geneva, Aug. 9 (A. P.).—A Soviet effort to outlaw the atomic bomb was decisively rejected here today by a sixty-nation conference revising the Geneva war conventions.

The conference threw out the resolution, 35 to 9, with five abstentions. Israel unexpectedly voted in favor of the resolution, providing the Russians with their only non-Communist support.

The same resolution was rejected by a conference committee last month. In both cases, the principal argument of the majority was that any prohibition of atomic weapons was beyond the competence of the conference.

SAYS SOVIET HOLDS YUGOSLAV YOUNG

Belgrade, Aug. 9 (A. P.).—Yugoslavia accused Russia tonight of holding captive sixty-three of this country's children sent to the Soviet Union for education after the war's end.

It described the youngsters as between ten and thirteen years old—most of them either war orphans or boys who served as Army messengers during the fight for liberation.

A formal statement issued through the Ministry of Information said that the children have been permitted to speak only the Russian language, that they are no longer allowed to receive letters from home.

It added the children have been terrorized in various ways, that they have been deceived about conditions in Yugoslavia, that their pictures of Marshal Tito have been seized.

Greeks Doom 23 In 101 Killings

Athens, Aug. 9 (AP)—Twenty three Communists, including Brigadier Badekos and his wife, were sentenced to death by two courts-martial yesterday. They were accused of responsibility for 101 killings.

Five other women are among the doomed group.

Badekos, also known as Nicolas Balalas, was convicted on five counts. He was captured a week ago at the beginning of the current Greek Army offensive against the Communist-led guerrillas in the Grammos Mountain area.

A general-staff communiqué said the offensive in the Grammos area is continuing, with the Greek Air Force hammering guerrilla positions. The army said it repulsed counterattacks and the guerrillas suffered 58 killed and 36 captured yesterday. Army losses were listed as three killed and 28 wounded.

CHINESE TROOPS ENCIRCLE 11,000 REDS NEAR CANTON

CANTON, Aug. 9—(AP) At least 11,000 communist troops by official account were encircled today on the front north of Canton. If true, the Red drive on this refugee capital should be seriously blunted.

The Reds also were reported thrown back at a second point. Nationalist bombers pounded Red military trains bound for the front.

Simultaneously, official reports from the far northwest asserted 20,000 casualties were inflicted on communist troops who have invaded Kansu province, stronghold of Moslem warlord Gen. Ma Hung-Kwei. (Chinese civil war casualties usually are overdrawn by both sides.)

One Division Surrounded

The communists said to be surrounded were identified as one division and a regiment from the 40th army of Manchurian General Lin Piao.

Official reports said they were surrounded near Suichawn, which is 240 miles northeasts of Canton. It is on this part of the front that the Reds have made their nearest approach, 215 miles, to Canton.

The Nationalists said they had recaptured Lienhwa, 60 air miles northwest of Suichwan. Communists here retreated to the east.

(Communist troops on the Lienhwa sector guard the western flank of the southbound movement around Suichwan. The two actions, if true, appear to be closely related.)

More troops of turncoat Gen. Chen Ming-Jen were said to have rejoined the nationalists. Chen's defection last week handed the central China bastion of Changsha over to the Reds.

Nationalists Lost Heavily

In the fighting in the far northwest, the government reports conceded the nationalists also had lost heavily.

These accounts said the Reds lost their huge number of men in two days of fighting near Kuyuan, 150 miles east of Lanchow, capital of Kansu province.

(Kuyuan is not on the main, direct road to Lanchow. The more direct road is supposed to be heavily defended.

(The mention of heavy fighting on the Kuyuan road indicates the Reds are taking a more circuitous route to Lanchow. While Kuyuan is 150 air miles from Lanchow, it is 220 road miles away. That is twice the distance of the direct route.)

11,000 CHINA REDS REPORTED TRAPPED

Canton, Aug. 9 (A. P.).—Official reports today said that Chinese Nationalists had surrounded 11,000 Communist troops near Suichwan, in Kiangsi province, 240 miles north of Canton.

Observers felt the life of Canton as provisional capital might be extended a few days if the Nationalists were able to capture the Red troops.

In northwest Kansu province reports said the Moslem Nationalists had inflicted 20,000 casualties on Communists advancing on Kuyuan, 150 miles east of Lanchow, provincial capital. These same reports said the Nationalists had also suffered heavy losses and had yielded Yuyian, a small city, to the Reds.

British Reinforce Hong Kong

HONG KONG, Aug. 9 (AP)—Almost 1,000 men of the British Third Tank Regiment arrived here today as reinforcements to the British Crown Colony garrison.

Life Term Given Kim Koo's Slayer

Seoul, Aug. 9 (A. P.).—Lieut. Ahn Doo Hi, 33, was sentenced over the week end to life imprisonment for the assassination of Kim Koo, Nationalist leader, last June 26.

Ahn testified that he shot and killed the one-time president of the Korean Government-in-exile upon learning that Kim sought overthrow of the present Government.

U.N. Unit Recommends Silent Prayer At Parleys

Lake Success, N.Y., Aug. 9 (AP)—A fifteen-nation United Nations committee recommended today that the General Assembly open and close its annual sessions with a minute o fsilence for prayer or mediation.

This idea originated with Trygve Lie, United Nations secretary general. It had been under consideration ofr some weeks, along with other isues, by the committee.

No negative votes were cast against th eproposal in the closed meeting, but it was understood Russia abstained on the ground that the committee was not the proper body to deal with the issue.

The plan now goes to the Assembly itself for a final decision.

COMMUNISTS' TRIAL DELAYED

Illness Of Defendant Brings Two Recesses

New York, Aug. 9 (AP)—A defendant twice pleaded illness today, delaying the Communist conspiracy trial.

Harry Winston, a Negro, complained that his heart was bothering him during testimony by Robert G. Thompson, New York State chairman of the Communist party.

Federal Judge Harold R. Medina adjourned the morning session and had Winston examined by a United States Public Health Service physician.

The doctor reported there was nothing seriously wrong with the defendant and the trial resumed in the afternoon over defense protests.

Second Recess Ordered

Again Winston said he was ill and Medina ordered a half-hour recess so he could rest.

Winston is one of three defendants committed to jail by Medina on contempt charges. He is jailed for the duration of the trial between court sessions.

Thompson, 34, also is a defendant and the fourth to testify. He said his experiences in a long series of unsuccessful strikes on the West Coast in the early 1930's led him to join the Communist party in 1935.

A native of Grant's Pass, Ore., Thompson said he worked in sawmills and lumber camps between 1929 and 1933, then was employed as a machinist by a can company and a railroad in Oakland, Cal.

Union Organizer

While living in Oakland, he said, he became a volunteer organizer for the AFL International Association of Machinists. He also joined the Communist party, and later the Young Communist League, at this time.

Thompson said the strikes in which he took part usually were "spontaneous and unorganized" and that "the employers usually succeeded" in breaking them.

He concluded, he testified, that the workers had to fight continuously against employers to protect their pay and working conditions.

Meanwhile, Thompson said he had been reading basic Marxist works from the public library.

"Fuller Understanding"

This reading, he said, taught him a "much fuller understanding of the capitalist system and how it works" and that "the type of strikes I participated in weren't isolated cases but were part of a struggle against the system of exploitation."

"I began to understand," he said, "that this system did not have to go on forever," he said, "that it could not go on forever but would have to give way to socialism.

"I read how the working class was in power in the Soviet Union and this enthused me very much."

The trial now is in its thirtieth week. The eleven defendants, members of the top national leadership of the Communist party, are charged with conspiracy to advocate the overthrow of the United States Government by violence.

Books On Revolt Disputed At Trial

New York, Aug. 9 (AP)—The Government prosecutor at the Communist conspiracy trial used documentary evidence yesterday to support his charge that secret party schools since the war have employed textbooks on violent revolution.

The defense contends such books have long been outmoded.

United States Attorney John F. X. McGohey read to the jury excerpts from a party publication, "Strategy and Tactics."

The book described Leninism as a system of rules for the guidance of the leaders of proletarian revolution in any country at any time when a "revolutionary situation" developed. It showed how "legal" and "illegal" means could be combined by professional revolutionaries.

"Decisive Struggle"

The main task of Communist leaders in western Europe and America, according to the book, is to "educate" the masses so that they eventually will be ready to take part in "the last great decisive revoluntionary struggle."

In a situation like that in the United States today—"when the revolutionary tide is not rising"—the Communists were told in the book that they should advance "partial" slogans, legal reforms and "united front" movements.

When the "revolutionary tide rises," the book said, the party will assume leadership of the masses for "direct attack" on the Government with propaganda, for increasingly radical slogans, mass action, strikes and demonstrations. Finally, it said, there will be "the general strike conjointly with armed insurrections conducted according to the rules of war with offensive fighting operations."

Judge Harold R. Medina indicated that the trial of eleven top Communist leaders—now in its thirtieth week—will run at least into September.

Take Foster Deposition

Mason H. Bigelow, former president of the New York State Bar Association, announced he had completed taking testimony by deposition from Communist National Chairman William Z. Foster.

Foster was indicted with the eleven defendants on charges of conspiracy to advocate overthrow of the Government by force and violence, but he was not put on trial at this time because of illness.

COMMUNIST 'GIFTS' LISTED

Witness Tells Of Subsidies To Control U.S. Unions

Washington, Aug. 9 (AP)—A tale of lavish Communist spending in an effort to win control of American labor unions was told to the House Un-American Activities Committee today by a self-described former Communist official.

The story told by Joseph Zack Kornfeder, of Detroit, covered the period from 1919 to 1934, when he said he was a member of the Communist party. His testimony made him out to be a very important figure in Red international machinations.

He said he was consulted by Moscow on some of the "subsidies" for labor union activities in the United States, and that such subsidies were "continuous" for activities in the maritime, mining and railroad fields.

General Subsidy Listed

"In addition to the subsidies for activities in certain industries, there was a general subsidy for the Trade Unity League, then headed by William Z. Foster," Kornfeder testified.

The Detroit man was called to the stand as the committee opened a hearing on alleged Communist infiltration into the CIO United Electrical Workers in the Pittsburgh area. His prepared testimony didn't mention the electrical union, but went into considerable detail in describing the general infiltration methods he said the Communists used.

Four other witnesses — right wing members of the Pittsburgh union — also testified. They said Communists were active in the local, but did not dominate it.

Kornfeder said he was a graduate of the Lenin School in Moscow, an institution he said specialized in training Americans, British and Europeans in "political warfare." He said he had been a member of the Central Committee of the Communist party in the United States, and at one time a representative of the Communist International in Colombia and Venezuela.

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Says Moscow Set Strategy

He told the committee he had personal knowledge that Moscow had charge of all strike strategy to be followed by unions under Communist control. He said that the subsidies for Communist activities flowed through the same labor union activities department of the party.

"I remember especially one discussion relating to a subsidy for activities inside the United Mine Workers, headed by John L. Lewis," he said. (Lewis is an opponent of communism.)

"The complaint was that large subsidies formerly granted has not brought the results expected, and they wanted my opinion on a new request for $50,000. The amount was cut in half."

Cites Great Contempt

Kornfeder told the committee that "Moscow had a great contempt for the abilities of American Communists and, for that reason, they always took special organization measures to see to it that they got at least a part of their money's worth."

In advance of the hearing, Louis J. Russell, senior investigator for the committee, had announced that the inquiry was concerned with local 601 of the UE at the Westinghouse plant at Pittsburgh.

Russ Nixon, Washington representative of the electrical workers, issued a statement saying "UE members have nothing but contempt for the accusation that they and their union are spies, traitors and saboteurs and that Government work being done by Westinghouse is unsafe in their hands."

AP Incorrectly Quoted McCarran

Washington, Aug. 9 (AP)—Senator McCarran (D., Nev.) was incorrectly quoted by the Associated Press yesterday as having told the Senate that Norman Corwin had been "cited as Communist and subversive by the attorney general of the United States."

Actually, McCarran said Corwin, a member of the radio division of the United Nations Information Department, has been associated with organizations which the attorney general has cited variously as "Communist and subversive" or "Communist front."

Corwin in New York reiterated previous denials that he is a Communist and declared: "I believe I am a vastly better patriot" than McCarran.

The Nevada Senator pointed to Corwin in his speech yesterday as "characteristic of a number of people" who he said have gone "directly from fields of subversive activity" in this country into positions of authority in the United Nations.

Corwin said, in reply to McCarran:

"I have worked at the job of helping to broaden an appreciation of American institutions, our democracy and our form of government. My sentiments have never been secret from anyone and are on record in print and on transcriptions for everyone to see."

Defense Chiefs To Report To Congress

Washington, Aug. 9 (AP)—The joint chiefs of staff returned today, ready to give Congress the benefit of their ten-day conferences in Europe with military chiefs of Atlantic pact nations.

Gen. Omar N. Bradley, army chief of staff; Gen. Hoyt S. Vandenberg, Air Force chief of staff, and Admiral Louis Denfeld, chief of naval operations, returned aboard President Truman's private plane.

They will lunch with Defense Secretary Johnson. Tomorrow they are to appear before the Senate Armed Forces committee.

Bradley described the conferences as "a grand start toward organizing the unity and collective security under the Atlantic pact."

Had Two Objectives

Bradley said the chiefs had two objectives: To inspect United States forces in Germany and Austria, and to discuss with the defense chiefs of Atlantic pact nations possible organization under the pact.

"We discussed several forms of organization," Bradley said. "But we didn't try to arrive at any decision."

He said that the chiefs with whom they conferred "took our coming over so soon after passage of the Atlantic pact as an indication of our willingness to make it work."

"We hope that these frank discussions and exchanges of views," Bradley added, "will help our respective governments and will shorten conferences necessary to organize under the pact."

M'CLOY DENIES RESURGENCE OF GERMAN NAZISM

WASHINGTON, Aug. 9. — (AP) Nazism is not being revived in Germany, U. S. High Commissioner John J. McCloy said tonight, although Hitler's former followers hod 30 per cent of the top government and industry jobs.

"There is enough sense of freedom and decency in the German people," he said, "on which can be built a healthy, peaceful state."

McCloy spoke over the Columbia broadcasting network in his first public address since he took over as high commissioner and military governor in western Germany. He is on a brief trip home in connection with his new duties.

He said it is necessary to use ex-Nazi party members in the new Germany because there were few anti-Nazis at the peak of Hitler's power.

McCloy, who succeeded Gen. Lucius D. Clay, said rising German prosperity has led to some growth in the nationalism and assertiveness of the people.

"The great majority of them feel imposed upon when they are blamed for what they consider to be the faults of others whose policies they are now prepared to disclaim," he said.

"I do not believe that new leaders today would get far if they really attempted to resurrect Nazism or reglorify Hitler. All that is too closely associated with defeat and disgraceful acts."

Among German liberals, labor and the middle class, McCloy said, he found "a strong core of freedom-seeking people."

German recovery need not carry with it the fear of fresh German aggression, McCloy said, because controls on German war-making facilities are here to stay for a long time.

He added:

"I have felt that many right-minded Germans still do not fully realize the mistrust which still pervades the world regarding their country. The result is a determination to remove permanently the menace of further German militarism and intolerance."

McCloy admitted he was disappointed by the needling of the occupation policies and leaders by German politicians.

Had it not been for the occupation of Germany, he maintained, the condition of the Germans "would be as precarious and miserable as it was in 1945."

Although some military personnel are being shifted from Berlin to Frankfurt for convenience, McCloy said "we shall continue to maintain our forces and a strong staff in Berlin."

VAUGHAN IS LINKED TO 5 PERCENTERS

Witness Says Truman Aide Interceded in Race Track Case

WASHINGTON, Aug. 9 — (AP) The "five per cent" investigation reached into the White House today with testimony that Maj. Gen. Harry H. Vaughan, the President's army aide, interceded for friends seeking to use scarce materials for a horse racing plant.

Housing Expediter Tighe E. Woods told the Senate's special subcommittee that Vaughan summoned him to his office in the White House on January 9, 1948, when the Tanforan track in California was seeking a building clearance.

"I want to make sure there is no prejudice in your office just because this is a race track case," Woods quoted the bluff and beribboned general. And also:

"Some friends of mine are interested and it is your duty to handle the case on its merits and on its legality."

Four days later the track, near San Bruno, got construction clearance. Other witnesses recalled that it had taken a federal court injunction to halt the building in 1947 after the track ignored a refusal by the housing agency to clear the project. There were federal restrictions on building, the idea being to save scarce materials and labor for homes and other essential purposes. The word "perjury" bobbed up as the day's fast-breaking testimony neared a close. Woods told the senators he will refer to the Justice department immediately an affidavit in the Tanforan case, to see whether perjury is involved.

The affidavit, Woods said, was the main reason he asked justice officials to modify the injunction. It certified that a new panel of directors had taken over the racing plant.

A member of the committee staff told reporters the affidavit will be explored more fully tomorrow, to ascertain whether the real ownership had changed as stated.

Hearing Room Crowded

The affidavit was signed by Samuel P. Orlando of Haddonfield, N. J., as secretary-treasurer of Tanforan Co., Ltd. It showed these directors to have been elected Oct. 7, 1947: Walter H. Donovan, Haddonfield; Eugene Mori, Camden, N. J.; Edward H. Ellis, Merchantville, N. J., and William G. Helis, Beverly Hills, Calif. Mori was listed as president.

The testimony held the rapt attention of the handful of spectators who managed to jam into the small hearing chamber where the Senate's special investigating subcommittee, under Senator Hoey (D-NC) opened public hearings yesterday.

RECORDS SHOW DEAL GOT O.K. IN SIX DAYS

Housing Expediter Says General Told Him It Was His Duty to Handle Case on Its Merits and Legality.

Washington, Aug. 9 (A. P.).—Housing Expediter Tighe Woods said today that Major-Gen. Harry H. Vaughan summoned him to the White House in 1948 and told him Vaughan's friends were interested in a California race track construction case.

Woods said the track owners then were trying to get Government clearance for construction at the Tanforan track, near San Francisco, Cal. The use of scarce building materials was sharply restricted at the time.

Woods said Vaughan did not name his friends who were interested in the Tanforan case.

Senator Mundt (R.-S. D.) asked whether Woods regarded the matter as of White House interest or one in which Vaughan was personally interested.

"I had a feeling it was just Vaughan's personal interest," Woods replied.

Application Granted.

William P. Rogers, the subcommittee counsel, commented that records showed the Tanforan application was approved January 15, 1948, six days after Vaughan sent for Woods.

Woods said the application had been cleared by the Justice Department and that the clearance included lifting the court injunction still pending at that time. Because he had been in office only a short time, he said he relied on advice of people in his agency who were familiar with the case.

Restrictions on use of scarce building materials were not lifted until later in 1948.

The housing official told a special Senate Investigating Committee that Vaughan, President Truman's military aid, told him at the White House on January 9, 1948: "I want to make sure there is no prejudice in your office just because this is a race track case."

Woods said Vaughan also told him: "Some friends of mine are interested and it is your duty to handle the case on its merits and on its legality."

Vaughan Quoted as 'Damn Sore.'

Francis D. Flanagan, an attor-

ney for the committee, previously had read a private memorandum saying Vaughan had stepped into the dispute. It quoted Vaughan as saying he was "damn sore" at Frank L. Creedon, Federal Housing Expediter in 1947, for his handling of the case.

Creedon was succeeded by Woods, who testified that he had been expediter only a little more than two months when Vaughan got in touch with him.

The Government had ordered construction work at Tanforan halted in 1947. Other witnesses testified that construction went ahead anyway and that it took a court order to stop it.

Flanagan said the memorandum, which purported to be the gist of a telephone conversation with Vaughan, came from the office of James V. Hunt.

Hunt, a business counselor here, has been a key figure in the committee's inquiry in activities of so-called 5 percenters—persons who charge a fee for help in getting Government contracts for others. Their commission is usually 5 per cent of the gross proceeds from the contract.

Hunt has said he is a good friend of Vaughan, but has denied that he ever attempted to trade on "influence."

Arranging a Meeting.

Flanagan said the memorandum was dated October 25, 1947, and was subpœnaed from the office of Hunt.

It dealt with a meeting held by three men representing the Tanforan track at San Bruno, Cal., near San Francisco, with three officials of the Housing Expediter's office.

Earlier two of the housing officials—Benjamin Shulman, special litigation attorney, and William Maher, formerly with the housing agency and now with the Atomic Energy Commission—had testified that "someone connected with politics" had arranged the meeting.

Maher identified the three men who came to see them as a "Mr. Mori," a "Mr. Orlando" and a "Mr. Maragon.' Maher did not immediately identify further the three men he named.

The committee has taken secret testimony from John Maragon, a former Kansas City bootblack who once had a White House pass. Maragon also has said he is a good friend of Vaughan.

Shulman and Maher said the trio wanted to get a permit to make repairs at the track although a court already issued an injunction against ocnstruction at the racing plant. That was at a time after the war when the use of scarce building materials was sharply restricted.

Vaughan's 'Fine Guy!'

Vaughan was represented in the Hunt memo as "remarking with vehemence, that 'your (Hunt's) friend Creedon is a fine guy,' meaning by his tone, the opposite."

The memo went on to say that Vaughan told Hunt he had sent three men to see Creedon "after arranging the meeting personally by phone." It said Creedon had turned them over to a group "headed by a lawyer named Mayer" and that the group had been given a "fine brushoff." The Hunt memo quoted Vaughan as explaining the situation in this way:

The group recently had purchased for $3,000,000 the Tanforan racetrack, which had been in trouble due to the violations of construction regulations.

The memo continued:

"The new owners, to whom Gen. Vaughan referred, wanted now to complete some unfinished buildings and do some repair work. He said these people had no part in the previous trouble and asked the Housing Expediter for permission to spend about $75,000 to protect their buildings.

Waxing Sarcastic.

"He said that these three men had a conference with four people in OOHE (Office of Housing Expediter) and that Creedon's people were not helpful and in fact, he was told that they were sarcastic and officious. He quoted one OHE man who asked them 'what do you want us to do, lead you around by the hand?' as an example of the OHE attitude.

"Gen. Vaughan said there was no excuse for Government people treating citizens in this manner and he was damn sore at Creedon for permitting it."

The memo then went on to say that Hunt said he would talk to Creedon and Maher "to see if I could straighten it out. Hunt quoted Vaughan as saying he thought that would be a good idea.

The memo ended by saying that Vaughan "mentioned that one man among the group who bought Tanforan was a 'Bill Hellis.'

Tanforan Deal Political 5 P.C. Probers Told

Washington, Aug. 9 (AP)—A housing official said today that "someone connected with politics" arranged a 1947 meeting with Government housing authorities in an effort to get a construction ban lifted against a California race track.

Benjamin J. Shulman, an attorney in the office of the housing expediter, made the statement to the Senate's special investigations subcommittee.

Question Tanforan Deal

The subcommittee is looking into allegations of the use of influence in connection with the awarding of Government contracts and the administration of Federal regulations.

The inquiry today centered on means by which the Tanforan race track at San Bruno, Cal., got a Government go-ahead for use of scarce building materials after the war, when their use was sharply restricted.

Shulman was called to tell what he knew of the background on the case. So was William Maher, a former housing official who now is chief construction engineer for the Atomic Energy Commission.

Knew Political Connection

Maher testified it was his understanding the 1947 meeting "was arranged by the administration, as the terms was loosely used."

Shulman said that after the 1947 meeting he heard that the meeting was set up "by some one in the administration, or in the Democratic National Committee, or by someone in Congress." He added:

"I knew it was someone connected with politics."

In conncetion with the inquiry, Senator Mundt (D., S.D.) told reporters that he feels developments make it imperative that President Truman's military aide, Maj. Gen. Harry H. Vaughan, be called to testify.

Mundt said that "in the remote event he doesn't request to be heard, in view of the way his name has been mentioned in this case, I will insist that he be called."

Would Call Vaughan

Subcommittee investigators familiar with the Tanforan case said privately that they expect Vaughan's name to figure in today's testimony, as it did prominently at yesterday's session.

They said that John Maragon, who says Vaughan is a good friend of his, is also likely to be mentioned in the Tanforan testimony.

To get the Tanforan story the subcommittee arranged to hear Housing Expediter Tighe Woods and three of his aides.

Seek Other 5 P.C. Data

The Senate group is looking into the activities of "five per centers"—persons who charge a fee for help in getting Government contracts for others. Their commission usually is five per cent of the gross proceeds from the contract.

The subcommittee also is checking into whether any of the middlemen have attempted to influence Government officials, and on whether any of those officials have been helpful to the commission men in more than a routine way.

At yesterday's session opening the public inquiry, the subcommittee heard a Massachusetts furniture manufacturer relate that a man he paid $1,000 for help in seeking a contract described Vaughan as one of his closest friends.

The testimony came from Paul D. Grindle, head of a Framingham (Mass.) woodworking company. He named James V. Hunt, former army officer and one-time War Assets Administration employé, as the man who claimed warm friendship with Vaughan.

"One Thing To Sell—Influence"

Grindle also quoted Hunt, now a management counselor in Washington, as saying: "I have only one thing to sell that that is influence."

Hunt cited specific cases, Grindle testified, to show how close he felt he was to Vaughan. Grindle said, for instance, that Hunt told him of obtaining a White House supply of brandy from Vaughan for Hunt's wife.

Hunt has said he is a good friend of Vaughan, but he has denied that he ever attempted to trade on influence. He said he knows no one in Government who could be influenced.

No Comment From Vaughan

Vaughan has had no comment on Grindle's assertions, except to say that he knows about 300 persons in Washington contract operations.

Noting that statement by Vaughan, as well as Grindle's testimony yesterday, Mundt said:

"It would seem to me that Vaughan has good cause to want to testify. If I were in Vaughan's position and felt that my activities had been misrepresented, I would be knocking on the subcommittee's door demanding to be heard."

Hoey Suggests Delay

Senator Hoey (D., N.C.), the subcommittee chairman, said the group ought to put off a decision on whether to call Vaughan "until we have finished with all these things in which he might be mentioned, as he has been by Grindle."

Hoey has said all along that if the subcommittee finds that Vaughan could contribute anything useful to the investigation, he will be asked to testify.

Hunt's Memo on Vaughan

WASHINGTON, Aug. 9. (AP)—The memorandum put in Senate committee records today from the files of James V. Hunt, Washington management counselor, regarding Major General Harry H. Vaughan, President Truman's military aide, and the troubles of Tanforan racetrack at San Bruno, Calif:

"Tanforan racetrack:

"General Vaughan, while talking to me about other subjects, remarked with vehemence, that 'your friend Creedon is a fine guy,' meaning by his tone, the opposite. He went on to tell me that he had sent three men to see Creedon, after arranging the meeting personally by phone and that Creedon had turned them over to a group headed by 'a lawyer named Mayer' and that the group 'had given these people a fine brushoff'—when he explained the situation it was as follows—

"A group had recently purchased for $3,000,000 the Tanforan racetrack in California. This track had been in trouble due to violations over V. H. P. I., in the construction of the track. They had been ordered to conform to the law and when they continued to violate, the Housing Expediter had ordered them to stop construction. Upon continued violation, of the stop order the Federal attorney had filed an injunction against the track and then work stopped. The court later assessed heavy fines and sent two or three people to prison.

"The new owners, to whom General Vaughan referred wanted now to complete some unfinished buildings and do some repair work. He said these people had no part in the previous trouble and asked the Housing Expediter for permission to spend about $75,000 to protect their buildings.

"He said that these three men had a conference with four people in O. H. E. and that Creedon's people were not helpful and, in fact, he was told that they were sarcastic and officious. He quoted one man who asked them, 'What do you want us to do, lead you around by the hand?' as an example of the O. H. E. attitude.

"General Vaughan said that there was no excuse for government people treating citizens in this manner and he was damn sore at Creedon for permitting it. This being Saturday he said he was leaving the city to return next Wednesday and that upon his return he intended to tell Creedon how he felt about it.

"I told him that Creedon and his people had a reputation for most fair treatment and that I believed that there must be some misunderstanding somewhere. He said that I could tell Creedon how he felt.

"Anxious to prevent any misunderstanding that could develop into bad feeling between the White House and a good agency, I said I would talk to Creedon and Maher to see if I could straighten it out. Vaughan said that would be a good idea so I could tell him the story upon his return next Wednesday.

"He mentioned that one man among the group who bought Tanforan was a 'Bill Hellis'."

B-36 Probe Launched By House Group

Some Air Generals Favored Scrapping 100 Plane Project in 1947

POLITICS DENIED

Lovett Asserts Decision to Go Ahead with Contract 'Purely Military'

WASHINGTON, Aug. 9—(AP) House probers began searching the B-36 for political gimmicks today and were told some air generals thought so little of the mammoth bomber that they wanted to scrap the 100-plane project in 1947 after nearly half a billion dollars had been invested in it.

At the outset of the inquiry, Robert A. Lovett, wartime undersecretary of war for air, testified that no outside influence was exerted to put the potential A-Bomb carrier

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on the drafting board in August, 1941.

He also told members of the House Armed Services committee that military considerations were the sole basis for the later dicision to give Consolidated Vultee Aircraft Co., the go-ahead order in 1943 to start making the giant craft.

High Command Split

But a high Air Force officer later testified that in August, 1947, the Air Force high command was split over whether to continue the program or to drop it outright. He said the decision to continue the project was made over the dissent of Gen. George C. Kenney, former head of the strategic air command, who declared he had "no faith in the airplane."

This testimony highlighted the committee's first public hearings on the B-36 in particular and the nation's air policies in general. The investigation was ordered after Rep. Van Zandt (R-Pa) told the House he had heard "disturbing reports" about the relations of some top defense figures and airplane manufacturers.

Among those Van Zandt linked to the "reports" were Secretary of Defense Johnson, Air Secretary Symington and Floyd Odlum, head of Atlas corp., which controls Consolidated Vultee. He said that Johnson was an official of the plane firm before assuming the defense post last March and that Odlum helped Johnson raise funds for the Democratic party last fall.

Deny Charges

The military officials denied Van Zandt's implied charges at the time and are due to testify before the committee later.

Aside from the personalities involved the inquiry is expected to deal with the long-standing feud between the Navy and Air Force over long range bombing. This dispute reached a new peak when Johnson ordered the Navy to scrap its plans to build a super-carrier, which Air Force backers claimed would put the sea fliers into their strategic bombing preserve.

Navy air power supporters on the other hand contend that the B-36 is not the impregnable fighting machine its advocates claim it to be.

In detailing the origins of the sky giant, Lovett told the committee that Air Corps planners decided in the months before Pearl Harbor that the nation must have a bomber capable of lugging a 10,000-pound bomb load 10,000 miles. So he said Consolidated Vultee was told to go ahead with the initial designs.

Asked by Rep. Leroy Johnson (R-Calif), why the Army wanted the B-36 after the B-29 superfortress had demonstrated its power, Lovett replied:

"We were not willing to gamble on the success of the island-hopping campaign in the Pacific, which was not yet completed. We felt we had to have a bomber to strike the Japanese homeland from far away.

The B-36, however, never got that assignment. Although the original order with Consolidated Vultee called for the initial delivery by August, 1945 the first flight test was not made until August 8, 1946. (The war ended in September, 1945.)

Successful Test

The committee heard about the August, 1946, flight test from Maj. Gen. Frederick H. Smith, chief of the Air Force requirements division. He said the B-36 passed it successfully, except for the wing flap system, but that Air Force officials were split over the value of the bomber.

Smith testified that Gen. Kenney asserted that the plane was "inferior" to the B-29 except in bomb capacity and range. He quoted Kenney as saying that the B-36 should be used only for reconnaissance and anti-submarine work.

However, Smith said, Lt. Gen. N. F. Twining, then chief of the Air Material Command, took an opposite view and "strongly urged" completion of the 100-plane project. He said Gen. Carl A. Spaatz, then commanding general of the Air Force, supported Twining's recommendation.

ADD

Washington, (AP)—The House Armed Services Committee called three top Air Force leaders today to start public hearings on the history of the B-36 bomber.

Robert A. Lovett, onetime Under Secretary of the War for Air, was first on the list. Following him were Gen. Hoyt S. Vandenberg, air force chief of staff, and Gen. Curtis Le May, commanding general of the strategic air command.

"We want to lay the groundwork for getting the full story behind the B-36, and the development of strategic air power concepts," said Chairman Vinson (D., Ga.).

Wartime Policy Maker

The committee, under orders from the House, will inquire into national defense policies on the strategic use of air power, and into all circumstances surrounding the development of the controversial B-36.

Lovett was a top air-policy maker during the war, when plans for present heavy bombers were developed. The committee also intends to call Robert P. Patterson, former Secretary of War and second in command to Secretary Henry L. Stimson during the war.

The inquiry was voted after Representative Van Zandt (R., Pa.), an Armed Services Committee member, said he had heard "disturbing reports" about the relations of some top defense figures and airplane manufacturers.

B-36 Supplants B-29

The giant B-36, a six-engine intercontinental bomber, is the Air Force's biggest heavyweight now, supplanting the B-29 of atomic bombing fame.

Air Force claims of invulnerability for the B-36 have been sharply attacked by Navy air partisans in a running word battle between the Navy and the Air Force over assignment of strategic air missions.

Van Zandt, a reserve navy officer, told the House the Air Force has canceled orders for other planes so it can buy more B-36's.

Odlum To Testify Later

For later hearings the committee has called Floyd Odlum, head of the Atlas Corporation, which controls the Consolidated Vultee Aircraft Corporation. Consolidated makes the B-36.

Van Zandt linked the names of Odlum, Secretary of Air Symington and Secretary of Defense Johnson. Symington and Johnson also are due to testify.

The Pennsylvanian said he had heard Symington planned to leave the Government to head an airplane manufacturing combine being organized by Odlum. Symington has denied this.

Campaign Funds Cited

Johnson was an official of Consolidated before he was sworn in as Secretary of Defense last March, Van Zandt said, and Odlum helped him raise campaign funds for the Democratic party last fall.

The quarrel over air strategy was refueled in April after Johnson ordered the Navy to stop work on a huge new carrier. The carrier was designed to handle heavy bombers, which the Navy claimed could carry out strategic attacks anywhere in the world.

MILITARY UNIT SETS NEW RULE ON INTERVIEWS

AUG 10 1949

Press Chief Will Pass On Questioning Of Armed Forces Officials

Washington, Aug. 9 (AP) — Hereafter all requests for interviews with Army, Navy or Air Force officials in Washingtou must have the approval of the National Military Establishment's press chief.

This applies to requests for interviews made to the press section. It applies only to the Pentagon, headquarters of the NME.

Recently, as part of the armed forces unification, the press sections of the Army, Navy and Air Force were brought together in one big room. Until then, a reported could ask the press section of one or the other service for an interview with a certain officer and it could be arranged, independently.

Changes Authority

Now, before the interviews can be set up, the request must have the approval of the overall NME press chief. This, in effect, takes away the authority of the individual service press sections to arrange interviews with their own personnel.

NME press officials deny this is an attempt to "control" news. Their view is that it enables them to know what is going on. They also argue that in this way they can facilitate requests.

However, some critics view the new arrangement as giving one man too much authority. They also note that the NME press chief conceivably could hold down news of one service branch by not approving requests for interviews.

Request Form Devised

There is nothing to prevent a reporter from attempting to arrange an interview on his own. Sometimes he succeeds. Quite frequently he is asked to get approval of the press section—and in the past it was from the press section of the service involved.

NME press officials point out that they have devised a form for their own office records. It is entitled "request for interview" and says "all interviewers must be approved in advance by the chief of the press branch." It lists the name of the reporter making the request and his organization. It lists the subject on which the interview is requested.

NME press officials said they do ask officials granting reporters interviews on their own that they inform the press section and also tell what subjects were discussed.

This, NME officials say, enables them to be in a position to answer queries from other reporters who check on the story.

GUARANTEE URGED ON FOREIGN RISKS

AUG 10 1949

Snyder Asks Congress To Aid Truman's 'Point Four'

Washington, Aug. 9 (AP)—John W. Snyder, Secretary of the Treasury, asked Congress today to help put President Truman's "point four" into operation by guaranteeing United States investments abroad against unusual risks.

"Point four" of Mr. Truman's inaugural address last January called for helping undeveloped areas throughout the world increase their productivity and standard of living. Private capital would be relied upon for a large share of the funds for the development.

Snyder impressed upon the Senate Banking Committee that the guarantees, which he said should be handled by the Government-owned Export-Import Bank, would not undertake to assure profits to those who invest abroad. Instead, United States investors would only be protected against what he called "risks peculiar to foreign investment."

Urges Flexibility

One of the principal risks, he said, was the inability of investors to convert their earnings in foreign currencies into United States dollars. He advocated giving the Export-Import Bank considerable flexibility in issuing guarantees.

"Guarantees may perhaps be issued against the non-convertibility of local currencies to begin with and later be extended to cover other risks if the situation seems to warrant it," he said.

Other risks he mentioned were the possible seizure of the investors' property by a foreign government without adequate and prompt compensation; and destruction of property due to war.

In effect, the Treasury chief said, the proposal to offer the guarantees would be an extension of the Marshall plan for European recovery. As in the Marshall plan, he said, the foreign countries themselves would have major responsiblities.

Up To Them

It would be up to them, he said, to do everything possible to clear the way for an inflow of private United States capital into their lands.

Although recent United States investments abroad have been very large—$660,000,000 in 1947 and $800,000,000 last year—Snyder said ehey had been concentrated geographically in Venezuela, Canada and the Near East, and for the most part concerned oil.

"There is need for investments in other countries and other industries," he asserted.

Other indorsements of the plan came from James E. Webb, Under Secretary of State, and Winthrop Aldrich, board chairman of the Chase National Bank, New York.

Check On Communism

"If democracy is to be a vitalizing force," Webb said, "its economic base must be secure. Democracy and freedom as we know them cannot grow where widespread disease, illiteracy and unrest prevail."

He expressed the belief that the program would help check communism by proving that "development can take place peacefully and with increased personal freedom."

Aldrich said he thought investors who stood to benefit from the guarantees should be charged some sort of a fee. He also said it would be "definitely desirable" to have a ceiling on the amount of Export-Import Bank funds that could be committed.

Burnet R. Maybank (D., S.C.), committee chairman, said the Export-Import Bank reports $970,000,000 of its $3,500,000,000 capital now is uncommitted. Aldrich said he thought that might well serve as an indirect ceiling on the amount that could be guaranteed.

Business Groups Urge Excise Tax Repeal

AUG 10 1949

Washington, Aug. 9 (AP)—Twenty-four national business organizations today urged repeal of wartime excise taxes.

Full-page advertisements in Washington and New York newspapers, addressed to "Mr. President," asked that the tax be repealed "now!" . . . "for the benefit of every business facing unnecessary loss and every person facing unnecessary unemployment."

"You have made the statement that nothing can be done to repeal the war excise sales tax during this session of Congress," the advertisement said, adding: "We must respectfully disagree!"

Sponsors Listed

Organizations listed as sponsoring the advertisement included

national associations representing motion picture, jewelry, fur, clothing, furniture, hardware, toilet goods, drug, music and variety stores interests.

Congressional leaders conferred last week with President Truman on excise-tax legislation. After the conference, House Democratic Leader McCormack, of Massachusetts, said no action could be expected on repeal of the tax at this session.

In his economic message to Congress early in July, the President asked for repeal of the excise tax on freight shipments.

Bills Introduced

Several bills have been introduced in both Houses proposing repeal of the wartime taxes on the so-called luxury items, transportation and communications. Sponsors say this would stimulate buying and make new jobs.

The advertisement called the taxes "one of the main causes of growing unemployment." Congress, it said, was able to declare war on Japan in 24 hours. "It need not take more than a week for Congress to declare war on unemployment," the advertisement added.

Congressional leaders have estimated annual revenue from the taxes at $1,700,000,000.

Douglas Back, Denies He Spied on Soviet

Washington, Aug. 9 (A. P.).—Associate Justice William O. Douglas of the Supreme Court today dismissed as "pure nonsense" Russian charges that he had been spying on them. Douglas, who aroused Soviet suspicions when he and his son Bill went mountain-climbing in the Middle East, talked with reporters after calling on President Truman. He said with a laugh that his seven-week journey abroad was "purely a pleasure trip."

The Justice and his son visited the front in Greece and brought back a picture of Greek guerrilla forces captured by the Government. He said about 35 per cent of the guerrilla fighters are women.

JOHNSON REFUSES M'ARTHUR RECALL

Washington, Aug. 9 (A. P.).—Secretary of Defense Johnson told Senators today that he will not order Gen. MacArthur home from Japan to report to Congress unless President Truman approves. Senator Bridges (R.-N. H.) said MacArthur should come back whether he wants to or not to give a report on the Far Eastern situation.

Johnson and Bridges clashed as the Secretary testified on the President's $1,450,000,000 arms program. Johnson said he would not take the responsibility of ordering MacArthur back. Bridges had proposed that MacArthur and Vice-Admiral Oscar C. Badger, naval commander in the Far East, be recalled to Washington.

Senator Wherry (R.-Neb.) suggested to Johnson meanwhile that MacArthur be permitted to return home to help shape a future policy on China and the Pacific. Wherry, the Republican floor leader, said: "Regardless of what has happened in the past, it is imperative that the United States now develop a forthright, clear, unmistakable policy in the interests of peace and protection of the rights of all."

'Tokyo Rose' Case Near Conclusion

San Francisco, Aug. 9 (AP)—The Government expects to conclude its treason case against "Tokyo Rose" this week.

Prosecutor Tom de Wolfe said some of the Government's 35 remaining witnesses may not testify against the defendant, Mrs. Iva Toguri d'Aquino.

Mrs. d'Aquino, who was born in Los Angeles and went to Japan shortly before World War II, is accused of treason by broadcasting from Radio Tokyo to lower morale of American troops in the Pa[illegible]. The Government says she wa[illegible] wartime Tokyo Rose.

Two former Radio Tokyo [illegible]neers testified yesterday that Tokyo Rose broadcasts were go[illegible] out to Pacific areas all right. One of them, Yoshitoshi Tanabo, said the station had "the finest equipment in Japan."

EX-MARINE TESTIFIES IN TOKYO ROSE TRIAL

SAN FRANCISCO, Aug. 9—(AP) The Tokyo Rose treason trial, dawdling along in low gear today with prosecutor Tom DeWolfe trying to wind up the government's case this week.

Only two witnesses—a former U. S. Marine and a Japanese Radio Tokyo executive—were called to the stand today.

They testified against California born Mrs. Iva Toguri D'Aquino, the daughter of Japanese parents. She is accused by the government of making treasonable propaganda broadcasts during the war from Radio Tokyo in the role of "Tokyo Rose" and "Orphan Annie."

Kiwamu Momotsuka, member of the board of directors of the broadcasting corporation of Japan told of the directions the "zero hour" program was beamed. He professed not to know the contents of the program.

Ex-Marine David I. Gilmore, 1717 North Stanton, El Paso, Tex., now a special employe of the FBI, said that on Tinian island in late July or early August, 1944, he heard a broadcast by a woman identified as "Orphan Annie." ADD

LONDON, AUG. 9-(AP)-GROSS OUTPUT OF SOVIET INDUSTRY IN JUNE SURPASSED BY 41 PER CENT THE AVERAGE PRODUCTION LEVEL OF 1940, THE RUSSIAN NEWS AGENCY TASS REPORTED TODAY.

TASS SAID THE AVERAGE DAILY OUTPUT OF SOVIET INDUSTRY WAS RAPIDLY APPROACHING THE POST-WAR FIVE-YEAR PLAN'S TARGET FOR 1950. THE REPORT WAS DISTRIBUTED HERE BY THE SOVIET MONITOR.

TASS SAID THE FIVE YEAR PLAN CALLED FOR A 48 PER CENT INCREASE OVER 1940 IN SOVIET INDUSTRIAL PRODUCTION BY THE END OF 1950. MANY KEY INDUSTRIES, INCLUDING THE URALS HEAVY MACHINERY PLANT, THE SVERDLOVSK ENGINEER WORKS WHICH PRODUCES EQUIPMENT FOR TRANSPORT, AND THE URALS RAILWAY CAR BUILDING WORKS, EXPECT TO REACH THEIR 1950 TARGETS THIS YEAR, THE AGENCY ADDED.

PUBLISHED SOVIET PRODUCTION REPORTS USUALLY DO NOT GIVE FIGURES, BUT ONLY PERCENTAGES.

AUG 10 1949

BJ12 12PED

THE AGENDA ADOPTED BY THE MINISTERIAL COMMITTEE WILL NOT BE DISCLOSED UNTIL IT HAS BEEN FORMALLY PRESENTED TO THE ASSEMBLY OF 101 DELEGATES FROM BRITAIN, FRANCE, BELGIUM, THE NETHERLANDS, LUXEMBOURG, THE THREE SCANDINAVIAN COUNTRIES, PORTUGAL, IRELAND, GREECE AND TURKEY. STRASBOURG, France - XXX ASSEMBLY

CHURCHILL WAS GREETED BY A ROUSING CHEER FROM ABOUT 1,000 PERSONS AT THE RAILROAD STATION WHEN HE ARRIVED FROM ITALY WHERE HE HAS BEEN VACATIONING.

SJ531PED

AUG 10 1949

EDITORS

STRASBOURG--EUROPEAN COUNCIL (A5) INSERT AFTER 8TH GRAF BEGINNING "THE COUNCIL" X X X THE ASSEMBLY:

GREECE AND TURKEY FORMALLY JOINED THE ORGANIZATION THIS MORNING. GREEK FOREIGN MINISTER CONSTANTIN TSALDARIS AND TURKISH FOREIGN MINISTER NECMEDDIN SADAK ATTENDED THE FIRST OF TWO MEETINGS OF THE MINISTERS' COMMITTEE SCHEDULED FOR THE DAY.

DANISH FOREIGN MINISTER GUSTAV RASMUSSEN PRESIDED OVER THE MORNING SESSION, TAKING HIS TURN IN THE ROTATION SYSTEM. BELGIUM'S FOREIGN MINISTER PAUL-HENRI SPAAK PRESIDED YESTERDAY.

THE MINISTERS TOOK UP QUESTIONS OF PROCEDURE AND AN AGENDA FOR THE CONSULTATIVE ASSEMBLY. THEY WER EXPECTED TO COMPLETE THIS PRELIMINARY WORK AT AN AFTERNOON MEETING BY RECOMMENDING A PRESIDENT OR PRESIDING OFFICER FOR THE ASSEMBLY. THE ASSEMBLY WILL BE FREE TO ACCEPT THE RECOMMENDATION OR TO MAKE ITS OWN DESIGNATION.

INFORMED SOURCES X X X 10TH GRAF (ELIMINATING 9TH GRAF STARTING "THE MINISTERS" AND ENDING "THE COMMITTEE.")

N1044AED

DACHAU, GERMANY, AUG 9-(AP)-A GROUP OF DISPLACED PERSONS ATTACKED A COMMUNIST CANDIDATE FOR PARLIAMENT AND DESTROYED A SPEAKERS' STAND HERE LAST NIGHT.

THE CANDIDATE, EGON HERRMANN, WAS A FORMER LEADER OF THE DACHAU REFUGEE CAMP, WHICH HOUSES D.P.'S.

JUST BEFORE HERRMANN STARTED TO ADDRESS A RALLY, IN THE CITY HALL THE D.P.'S STORMED IN AND BEAT HIM. HERRMANN SLIPPED AWAY TO THE CITY HALL AND ASKED FOR POLICE PROTECTION.

THE D.P.'S MARCHED TO THE CITY HALL BUT WERE DISPERSED BY POLICE. HERRMANN WAS TAKEN TO MUNICH IN PROTECTIVE CUSTODY.

BP1238PED

BERLIN, AUG. 9-(AP)-APPOINTMENT OF LT. COL. FREDERICK A.STURM AS ADJUTANT GENERAL, OFFICE OF U.S. MILITARY GOVERNMENT FOR GERMANY, WAS ANNOUNCED TODAY.

STURM, WHO ARRIVED IN GERMANY IN 1947, HAS BEEN ACTING ADJUTANT GENERAL SINCE THE DEPARTURE IN APRIL OF LT. COL. GEORGE H.GARDE.

THE NEW ADJUTANT GENERAL ENTERED THE ARMY IN JUNE, 1941, AFTER NINE YEARS OF SERVICE WITH AN ALBANY, N.Y., INSURANCE FIRM.

K121PED

VENICE, ITAL AUG 9-(AP)-PREMIER ALCIDE DE GASPERI SAID TODAY A FULL AGREEMENT WITH YUGOSLAVIA TO SETTLE THE ADRIATIC QUESTION IS POSSIBLE.

IN AN INTERVIEW PUBLISHED TODAY IN THE INDEPENDENT NEWSPAPER IL GAZZETTINO, ITALY'S PREMIER SAID THE RECENT TRADE AGREEMENT SIGNED WITH YUGOSLAVIA WAS "BASED UPON RECIPOCAL INTERESTS, BUT IT IS CLEAR THAT ITALO-YUGOSLAV RELATIONSHIP--NOW BASED UPON CORRECTNESS--CANNOT BECOME FRIENDLY UNLESS THERE IS THE FOUNDATION OF FAIR TREATMENT TO ITALIANS, MAINLY THOSE LIVING IN THE FREE TERRITORY OF TRIESTE."

"AS SOON AS WE ARE SATISFIED THAT THEIR FUTURE IS ASSURED, THERE WILL BE AN ATMOSPHERE IN WHICH PROBLEMS COULD BE DISCUSSED TO SOLVE THE ADRIATIC PROBLEM," HE SAID.

ASKED WHETHER HE THOUGHT THIS POSSIBLE, DE GASPERI SAID:

"YES, BECAUSE THESE ARE TECHNICAL AND ECONOMIC AGREEMENTS POSSIBLE WITH THE MOST DIFFERENT REGIMES."

DA/N832AED

ROME, AUG 9-(AP)-GIORNALE DI TRIESTE, PUBLISHED IN THE ALLIED ZONE OF THE FREE TERRITORY, SAID TODAY A PLOT TO SET OFF A LARGE AMOUNT OF HIGH EXPLOSIVES AT POLA WHERE, YUGOSLAV PREMIER TITO WAS TO ADDRESS A MEETING OF WORKERS, WAS FRUSTRATED BY POLICE.

THE ACCOUNT SAID THE DISCOVERY OF THE PLOT WAS CONNECTED WITH THE RECENT ARREST OF COMINFORM AGENTS WHO HAD INFILTRATED INTO THE YUGOSLAV NAVAL BASE AT POLA.

DA822AED

WARSAW, AUG. 9-(AP)-SOVIET MARSHAL KONSTANTIN ROKOSSOVSKY HAS BEEN MADE AN HONORARY CITIZEN OF WROCLAW (FORMERLY BRESLAU), THE OFFICIAL POLISH NEWS AGENCY ANNOUNCED TODAY.

DURING THE WAR ROKOSSOVSKY COMMANDED RUSSIAN ARMIES WHICH DROVE GERMAN TROOPS FROM PRESENT POLISH WESTERN TERRITORIES. HE NOW COMMANDS A LINE OF COMMUNICATION TROOPS IN THE SOVIET ZONE OF GERMANY.

FD849AED

CZECH

BY RICHARD KASISCHKE

PRAGUE, CZECHOSLOVAKIA, AUG 9-(AP)-POLICE HAVE PUT DOWN A "REVOLT" IN A SLOVAKIAN TOWN WHERE CATHOLICS DEFENDING THEIR PRIEST FROM THREATENED ARREST HAD SET UP THEIR OWN LOCAL GOVERNMENT, A COMMUNIST WEEKLY NEWS MAGAZINE REPORTED TODAY.

AROUSED VILLAGERS LED BY A BAND OF FIGHTING PEASANT WOMEN HAD BEATEN UP THE CHAIRMAN OF THE COMMUNIST-CONTROLLED LOCAL EXECUTIVE BOARD, SVET PRACE, WEEKLY MAGAZINE OF THE CZECHOSLOVAK COMMUNIST PARTY SAID.

TWO PERSONS WERE REPORTED WOUNDED AND "SEVERAL" ARRESTED IN THE INCIDENT AT STRECNO, IN NORTHWESTERN SLOVAKIA.

THE MAGAZINE GAVE NO PRECISE DATE FOR THE CLASH BUT SAID THE OFFENDING VILLAGE HAD ITS ELECTRIC POWER CUT OFF FOR SEVERAL WEEKS, APPARENTLY AS PUNISHMENT.

STRECNO IS IN THE ZILINA DISTRICT OF SLOVAKIA WHERE FIGHTING BETWEEN CATHOLIC VILLAGERS AND COMMUNIST-CONTROLLED POLICE BROKE OUT ABOUT SIX WEEKS AGO. WHETHER THIS WAS A NEW INCIDENT OR A REPORT ON DETAILS OF FORMER FIGHTING NOW COMING TO LIGHT COULD NOT BE DEFINITELY ESTABLISHED.

(VATICAN SOURCES REPORTED LAST WEEK THAT NEW CLASHES HAD OCCURRED IN SLOVAKIA, WHICH IS STRONGLY CATHOLIC.)

SVET PRACE CALLED THE STRECNO UPRISING A "REVOLUTION" AND DISCLOSED THAT STATE SECURITY POLICE SUPPORTED BY WORKERS' MILITIA UNITS WERE CALLED TO QUELL IT. PEASANTS WIELDING FLAILS AND SCYTHES WERE DISARMED.

THE COMMUNIST ORGAN CLAIMED STRECNO CITIZENS HAD CHOSEN AN "ILLEGAL" COUNCIL OF THEIR OWN TO REPLACE THE LOCAL GOVERNMENT "AFTER THINGS WERE CHANGED."

SVET PRACE GAVE THIS ACCOUNT OF THE INCIDENT:

THE TOWNSPEOPLE OF STRECNO BEAT UP THE CHAIRMAN OF A COMMUNIST-CONTROLLED LOCAL EXECUTIVE BOARD FROM A NEIGHBORING TOWN "WHO WAS JUST PASSING THROUGH THEIR VILLAGE."

THE ATTACK STARTED BECAUSE THE STRECNO VILLAGERS CLAIMED THEY HEARD THE OFFICIAL WAS GOING TO ARREST THEIR PRIEST.

"THEREUPON THE WOMEN OF STRECNO GATHERED IN FRONT OF THEIR PARSON TO DEFEND HIM. THEY WERE JOINED BY SOME MEN ARMED WITH FLAILS AND SCYTHES."

THE AROUSED VILLAGERS THEN BEGAN ATTACKING EVERY AUTOMOBILE WHICH PASSED THROUGH THE VILLAGE. WHEN SECURITY POLICE AND WORKERS' MILITIA-MEN ARRIVED LATE THAT NIGHT THEY WERE MET BY PEASANT WOMEN READY TO FIGHT.

"HOWEVER, THERE WAS NO FIRING AND THERE HAVE BEEN NO 'MARTYRS.' THE 'REVOLUTION' WAS ENDED IN FIVE MINUTES AND SEVERAL DISTURBERS WERE ARRESTED."

SVET PRACE DECLARED THE PRIEST HAD NOT BEEN ARRESTED.

POWER LINES WERE FIRST CUT BY A YOUTH WHO WANTED TO MAKE STRECNO A "FOCUS OF RESISTANCE," THE MAGAZINE SAID. AS PUNISHMENT THE POWER BLACKOUT WAS MAINTAINED FOR SEVERAL WEEKS.

REPENTANT VILLAGERS WERE REPORTED TO HAVE SENT A DELEGATION TO THE DISTRICT EXECUTIVE BOARD EXPRESSING REGRET OVER THE CLASH AND PROMISED TO FULFILL THEIR DUTIES TO THE STATE.

"BUT," SVET PRACE CONTINUED, "THIS AFFAIR WAS NOT MERELY AN UPRISING OF HYSTERICAL WOMEN BUT A SERIOUS ATTEMPT AT DISRUPTING THE PUBLIC ORDER AND WELFARE. . . .

"THOSE VILLAGES WHERE SUCH INCIDENTS CONCERNING THE CHURCH ARE NOW IN DISGRACE AND ARE BEIGH LAUGHED AT. PRIESTS CONTINUE HOLDING SERVICES AND THOUSANDS OF VACATIONISTS SPENT THEIR HOLIDAYS IN THESE 'FOCAL POINTS OF REVOLUTION.'"

JR542AED

PRAGUE, CZECHOSLOVAKIA, AUG. 9-(AP)-THE CZECHOSLOVAK COMMUNIST PRESS SAID TODAY FRANCIS CARDINAL SPELLMAN OF NEW YORK, "THE MOST POWERFUL MAN OF THE CATHOLIC HIERARCHY AFTER THE ROMAN POPE, IS CONSIDERED TO BE THE MOST PROBABLE SUCCESSOR TO PIUS XII."

"THE CARDINAL IS ONE OF THE GREATEST ADMIRERS OF FRANCO'S FASCIST SPANISH REGIME AND SUPPORTER OF AMERICAN IMPERIALIST PLANS IN EUROPE," SAID A TELEPRESS AGENCY DISPATCH CARRIED BY THE TRADE UNION NEWSPAPER PRACE. "HE INTENDS TO VISIT ROME, SPAIN AND PORTUGAL NEXT YEAR."

(IN NEW YORK, A SPOKESMAN AT THE ARCHDIOCESAN OFFICES SAID THERE WOULD BE NO COMMENT FROM CARDINAL SPELLMAN).

G538PED

PRAGUE, CZECHOSLOVAKIA AUG 9-(AP)-CZECHOSLOVAK FARMERS, IN THE HOMESTRETCH OF A BIG HARVEST, WERE URGED TODAY BY THE COMMUNIST PRESS TO DELIVER EXTRA QUOTAS OF GRAIN TO THE GOVERNMENT AND TO PREVENT SABOTAGE "BY WEALTHY LANDOWNERS."

THE PARTY NEWSPAPER RUDE PRAVO SAID SPECIAL LOCAL FOOD COMMITTEES ARE WATCHING TO SEE THAT THE PEASANTS DELIVER THEIR PROMISED QUOTAS AND WOULD DEAL PUNISHMENT TO THOSE WHO FAILED TO DO SO. IT SAID THE HARVEST SO FAR INDICATED FARMERS CAN SIGN CONTRACTS TO DELIVER SUPER-QUOTAS.

"STEPS HAVE BEEN PREPARED," THE PAPER ADDED, "AGAINST OUR WEALTHY PEASANTS (KULAKS) WHO ALSO THIS YEAR WILL USE ALL MEANS TO SABOTAGE THEIR DUTIES AND SEEK TO INJURE THE INTERESTS OF THE WORKING CLASS IN OUR PEOPLE'S DEMOCRATIC REPUBLIC."

RUDE PRAVOS REFERENCE TO BIG FARMERS WAS, HOWEVER, PURELY RELATIVE. UNDER THE LAND REFORM ACT LAND HOLDINGS HAVE BEEN LIMITED TO A MAXIMUM OF ABOUT 125 ACRES.

DA829AED

BY LYNN HEINZERLING

GENEVA, SWITZERLAND, AUG.9-(AP)-SOVIET DELEGATE AMASASP ARUTIUNIAN, REBUKED IN THE UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL LAST WEEK FOR ACCUSING HIS WESTERN COLLEAGUES OF SLANDERS AND LIES, SPOKE 90 MINUTES ON A HIGHLY CONTROVERSIAL SUBJECT TODAY WITHOUT USING THE WORDS ONCE.

ARUTIUNIAN WAS DISCUSSING THE FAVORITE COMMUNIST THEME OF UNEMPLOYMENT IN THE CAPITALISTIC COUNTRIES. HE WAS REPLYING TO ADDRESSES BY CORLEY SMITH, THE BRITISH DELEGATE, AND WILLARD THORP, THE U.S. DELEGATE.

ARUTIUNIAN SAID SOME OF SMITH'S REMARKS HAD BEEN TENDENTIOUS AND DISTORTED, SOME OF HIS STATEMENTS NOT FACTUAL, BUT HE DID NOT CALL THEM LIES OR SLANDERS. CHAIRMAN JAMES THORN OF THE COUNCIL RULED THOSE WORDS OUT IN A STORMY ARGUMENT WITH THE SOVIET DELEGATE LAST WEEK.

"I DO NOT WANT TO SAY THAT MR. CORLEY SMITH IS CONSCIOUSLY DISTORTING ANYTHING", ARUTIUNIAN SAID AT THE OUTSET OF HIS LONG ADDRESS. "I THINK HE MISUNDERSTOOD THE FACTS."

ARUTIUNIAN DISPUTED BRITI H AND AMERICAN FIGURES ON UNEMPLOYMENT AND SAID THAT IT WAS PRESENT IN THE CAPITALIST COUNTRIES "ON A MASS SCALE."

"STATEMENTS THAT UNEMPLOYMENT IS NOT A THREAT AT PRESENT CAN ONLY CONTRIBUTE TO ECONOMIC DISORIENTATION," ARUTIUNIAN SAID.

HE CLAIMED THAT IT WAS THE ECONOMIC RECOVERY PROGRAM AND CAPITALIST POLICIES GENERALLY WHICH WERE RESPONSIBLE FOR UNEMPLOYMENT. HE PRESENTED FIGURES QURPORTING TO SHOW THAT UNEMPLOYMENT HAD RISEN IN VARIOUS DEGREES BETWEEN 89 PER CENT AND 19[illegible] IN WESTERN EUROPEAN COUNTRIES IN THE LAST YEAR.

HE ACCUSED THORP OF MAKING "SILLY STATEMENTS WHICH DRAW A VEIL OVER REALITY". HE SAID "MR. THORP HAS BEEN DEVELOPING THE MYTH HERE THAT ECONOMIC POWER IS NOT CONCENTRATED IN THE HANDS OF THE MONOPOLISTS."

IN THE UNITED STATES, HE SAID, FOUR GREAT MONOPOLIES CONCENTRATE OVER 75 PER CENT OF ALL INDUSTRY IN THEIR HANDS. HE DID NOT NAME THEM.

M/RP1050AED

BUDAPEST, HUNGARY, AUG.9-(AP)-HOWARD FAST, LEFTWING AMERICAN AUTHOR, ACCUSED UNITED STATES NEWSPAPERS TODAY OF RAISING A "THICK IRON CURTAIN" AROUND THE WORLD FESTIVAL OF YOUTH AND STUDENTS (CAPS) SCHEDULED TO OPEN HERE AUG.14.

FAST, IN A LETTER PUBLISHED BY THE PRESS HERE, CHARGED THE U.S. PRESS HAD PUBLISHED ONLY DISTORTED NEWS ABOUT THE FESTIVAL, SPONSORED BY INTERNATIONAL YOUTH ORGANIZATIONS AND GIVEN WARM OFFICIAL SUPPORT IN RUSSIA AND COMMUNIST-LED EASTERN EUROPE.

JM436PED

BELGRADE--FIRST ADD CHILDREN X X X SEIZED.

THE STATEMENT SAID THAT AFTER PERSISTENT ATTEMPTS TO OBTAIN THE CHILDREN'S RETURN DURING THE PAST TWO YEARS FOREIGN MINISTER EDVARD KARDELJ ON JUNE 11 SENT A FORMAL PROTEST.

YUGOSLAVIA REPORTED THAT THE SOVIET GOVERNMENT "TURNED A DEAF EAR" TO THIS, TOO, AND THUS FAR HAS FURNISHED NO REPLY.

"IN VIEW OF THE FACT THAT THE SOVIET GOVERNMENT CONTINUES ITS SILENCE AND DOES NOT WISH TO CHANGE ITS STAND," THE STATEMENT SAID, "IT IS NECESSARY TO ACQUAINT THE PUBLIC WITH THE CONTENTS OF THE NOTE."

THE STATEMENT THEN WENT INTO THE DETAILS IN STIFF LANGUAGE WITH WHICH YUGOSLAVIA EMPHASIZED ITS "UNEQUIVOCAL DEMANDS" FOR THE RETURN OF THE CHILDREN, SAYING AT ONE POINT THAT YUGOSLAVIA EXPECTS RUSSIA TO "TAKE POSITIVE ACTION IMMEDIATELY AND INFORM THE GOVERNMENT OF YUGOSLAVIA OF THE DATES AND MATTER OF REPATRIATION OF THE AFOREMENTIONED YUGOSLAV CHILDREN."

TU404PED

DAMASCUS, SYRIA, AUG. 9-(AP)-A 17-YEAR-OLD SYRIAN VETERAN OF THE PALESTINE WAR CONFESSED HE AND TWO FRIENDS THREW HAND GRENADES INTO THE DAMASCUS SYNAGOGUE FRIDAY, PRESIDENT HUSNY ZAIM ANNOUNCED TODAY.

THE ATTACK KILLED 12 JEWS AND WOUNDED 20 TO 30 OTHERS.

ZAIM SAID ALL THREE MEN ARE IN PRISON "AND WILL BE JUDGED AND CONDEMNED TO DEATH IF THE EVIDENCE SO INDICATES."

"SYRIA WILL HAVE NO UNSOLVED BERNADOTTE CASES," HE SAID, REFERRING TO THE ASSASSINATION OF COUNT FOLKE BERNADOTTE, THE U.N. PALESTINE MEDIATOR, IN JERUSALEM LAST SEPTEMBER. "JUSTICE WILL BE DONE AND SYRIAN CITIZENS WILL BE PROTECTED, WHATEVER THEIR RELIGION."

ZAIM SAID SUFFICIENT FORCES HAVE BEEN SENT INTO THE JEWISH QUARTER OF THE CITY TO PROTECT THE 18,000 JEWS.

--DASH--

LAUSANNE, SWITZERLAND, AUG. 9-(AP)-THE UNITED NATIONS CONCILIATION COMMISSION FOR PALESTINE TRANSMITTED TO THE SYRIAN DELEGATION HERE TODAY A PROTEST BY ISRAEL AGAINST THE BOMBING IN THE JEWISH QUARTER OF DAMASCUS LAST WEEK.

THE PROTEST HAD BEEN HANDED TO THE COMMISSION BY REUVEN SHILOAH.

HEAD OF THE ISRAELI DELEGATION HERE SEEKING A PEACE SETTLEMENT WITH ISRAEL'S ARAB NEIGHBORS. THE PROTEST APPARENTLY HAD BEEN SENT TO LAUSANNE BY THE ISRAELI FOREIGN OFFICE BECAUSE ISRAEL DOES NOT HAVE DIPLOMATIC RELATIONS WITH HER FORMER ENEMIES.

NEGOTIATIONS IN THE ARAB-ISRAELI DISPUTE REMAINED AT A STANDSTILL TODAY. SOME OFFICIALS TOOK THE VIEW THAT LITTLE CONCRE COULD BE ACCOMPLISHED HERE UNTIL AFTER THE MEETING OF THE ARAB LEAGUE IN ALEXANDRIA AUG. 20. ALL THE QUESTIONS UNDER DISCUSSION HERE WILL BE CONSIDERED BY THE LEAGUE AT THIS MEETING.

SJ1155AED

BY STANLEY SWINTON (200)

DAMASCUS, SYRIA, AUG. 9-(AP)-PRESIDENT HUSNY ZAIM SAID TODAY HE IS WILLING TO SPONSOR FOR THE MIDDLE EAST A PACT PATTERNED ON THE ATLANTIC ALLIANCE, IF THE UNITED STATES WILL PLEDGE ECONOMIC AND MILITARY AID. HE WOULD EXCLUDE ISRAEL, HOWEVER.

SYRIA'S STRONG MAN, WHO HAS RULED THIS COUNTRY SINCE A MILITARY COUP LAST MARCH, TOLD AN INTERVIEWER HE IS WILLING TO TAKE THE LEADING ROLE IN CREATING SUCH A REGIONAL BLOC DIRECTED AGAINST COMMUNISM.

THE PACT WOULD PROVIDE A SECOND LINE OF DEFENSE BEHIND TURKEY, WHICH THE UNITED STATES NOW IS ARMING, ZAIM SAID.

HE SAID HE DOES NOT WANT ISRAEL TO JOIN IN SUCH AN ALLIANCE "BECAUSE IT WOULD CREATE A FIFTH COLUMN WITH COMMUNIST LEANINGS."

SYRIA WOULD GIVE POSITIVE ASSURANCES THAT ARMS SUPPLIED BY THE UNITED STATES WOULD NOT BE USED AGAINST ISRAEL EXCEPT IN SELF DEFENSE, ZAIM SAID. HE ADDED HE PLANS TO FORTIFY THE SYRIAN FRONTIER FULLY, AS A MEANS OF PROTECTING HIS COUNTRY FROM THE POSSIBILITY OF FUTURE AGGRESSION FROM ISRAEL.

SYRIA WAS AMONG THE ARAB NATIONS WHICH ACTIVELY WARRED ON THE NEW STATE OF ISRAEL. WHILE ARMISTICES HAVE ENDED THE FIGHTING, NO FORMAL PEACE HAS BEEN ACHIEVED.

THE PRESIDENT SAID HE HAS ASKED THE UNITED STATES, FRANCE AND TURKEY TO FURNISH MILITARY ADVISERS FOR SYRIA AND THAT SYRIAN OFFI CERS ARE BEING SENT TO THOSE COUNTRIES AND TO ENGLAND TO STUDY.

SJ406PED

(150) MIDDLE EAST PACT

WASHINGTON, AUG 9-(AP)-TOP GOVERNMENT OFFICIALS DISPLAYED NO INTEREST TODAY IN A SUGGESTION BY SYRIA'S PRESIDENT, HUSNY ZAIM, THAT HE WOULD BE WILLING TO FORM A MIDDLE EASTERN ANTI-COMMUNIST ALIANE IF THE UNITED STATES WOULD PLEDGE ECONOMIC AND MATERIAL HELP.

THESE OFFICIALS SAID THE UNITED STATES HAS MADE IT KNOWN IN THE PAST THAT THE ONLY REGIONAL DEFENSE ARRANGEMENT IS NOW CAN SUPPORT IS THE NORTH ATLANTIC PACT.

THEY TOOK THE POSITION THAT ADDITIONAL ANTI-COMMUNIST GROUPINGS WOULD:

1. REQUIRE SIZEABLE APPROPRIATIONS FOR AMS AND ECONOMIC AID AND CONGRESS APPEARS TO BE IN NO MOOD TO ADD TO GOVERNMENT EXPENDITURES.

2. EXTEND THE UNITED STATES TOO MUCH AND INCREASE THE RISK OF INVOLVING IT IN FAR-OFF CONFLICTS.

THE ZIAM PROPOSAL WOULD HAVE AN ADDITIONAL SEROUS DRAWBACK, THEY SAID, IN THAT HE PROPOSES TO EXCLUDE ISRAEL. SUCH AN ALLIANCE -- MADE UP MOSTLY OF ARAB NATIONS - MIGHT BE TURNED INTO A POWERFUL FORCE WHICH COULD EVENTUALLY TURN ON THE NEW JEWISH STATE, THEY SAID.

PF816PED

Tel Aviv, Israel, Aug. 9--(ap)--The Israeli Parliament approved tonight an emergency housing and employment program proposed by Labor Minister Golda Myerson.

Mrs. Myerson said 30,000 dwelling [redacted] units for new immigrants will be built by the end of this year.

Meanwhile, [redacted] government spokesman announced that Israel has accepted an invitation to send a technical delegate to the United Nations food and agricultural conference at Beirut, Lebanon, Sept. 19 to 25.

This will mark Israel's fir t participati n in an internati nal conference in any Arab capital since the end of the Palestine war.

apr/gottgetreus 01805/tho/312p

RANGOON, BURMA, AUG.9-(AP)-BURMA ARMY REPORTS SAID TODAY KAREN REBELS ARE ACTIVE IN THE HMAWBI AREA, 30 MILES NORTH OF RANGOON, TESTING GOVERNMENT STRENGTH IN ANTICIPATION OF A POSSIBLE OFFENSIVE FOR THE NORTHERN RANGOON SUBURB OF INSEIN.

THE KARENS, FIGHTING FOR AN AUTONOMOUS STATE OF KARENISTAN, WERE DRIVEN OUT OF INSEIN EARLIER THIS YEAR.

THE ARMY SAID KAREN TRIBESMEN YESTERDAY ATTACKED HLAPADA, NEAR HMAWBI AND LOST 20 KILLED AND THREE WOUNDED. THE COMMUNIQUE SAID THIS WAS THE SECOND RECENT ATTACK ON THE TOWN.

N905AED

SHANGHAI, AUG.9-(AP)- LOCK-IN TACTICS WERE USED TODAY BY CHINESE FORMER EMPLOYES OF THE HENNINGSEN PRODUCE COMPANY, AN AMERICAN OWNED FIRM, TO TRY TO WIN ADDITIONAL MONEY AS SEVERANCE PAY.

COMPANY OFFICIALS WERE KEPT INSIDE THE FIRM'S OFFICES FOR 12 HOURS BY FORMER EMPLOYES. MANAGER D.P. STEPHENS SAID THEY WERE PAID OFF TWO YEARS AGO WHEN THE COMPANY SOLD ITS FOOD PROCESSING FACTORIES.

THE COMPANY OFFICIALS WERE RELEASED BY INTERCESSIONOF COMMUNIST POLICE.

AL638APSNM

HONG KONG, AUG. 9-(AP)-AMERICAN SHIPS AND FLYING BOATS WILL STAND BY TO EVACUATE ALL AMERICAN NATIONALS FROM COMMUNIST THREATENED CANTON IN AN EMERGENCY, CONSUL GENERAL GEORGE D.HOPPERSAID TODAY.

HOPPER SAID ONLY A SMALL NUMBER OF AMERICANS HAD LEFT THE CHINESE NATIONALIST PROVISIONAL CAPITAL. HE ADDED THE NAVY HAD NO INTENTION OF PROVIDING FREE TRANSPORTATION FOR THE AMERICANS AND WILL CHARGE THEM THE REGULAR COMMERCIAL RATES FOR PASSAGE.

WD638APS

SAN FRANCISCO,AUG 9 (AP)-THE CHINESE COMMUNIST RADIO CARRIED A HINT TODAY OF POSSIBE RETALIATION AGAINST BRITISH SUBJECTS IN CHINA FOR POLICE ACTION AGAINST REDS IN HONG KONG.

A BROADCAST FROM PEIPING NOTED THAT THE HONG KONG GOVERNMENT HAD THREATENED ACTION AGAINST THE COMMUNIST NEW CHINA NEWS AGENCY OFFICE IN THAT BRITISH CROWN COLONY.

THE BRITISH WERE INCENSED BY A NEW CHINA NEWS AGENCY ARTICLE CRITICIZING THE ESCAPE OF THE BRITISH SLOOP AMETHYST DOWN THE YANGTZE RECENTLY.

THE RED BROADCAST ALSO CHARGED THE BRITISH HAD ORDERED CHEOU KANG-MING OUT OF HONG KONG AND HAD MADE AN UNWARRANTED POLICE SEARCH OF THE HOME OF FANG FANG, A COMMUNIST, IN MAY. CHOU WAS IDENTIFIED AS "A STANDING COMMITTEE MEMBER OF THE HONG KONG LITERARY AND ARTS ASSOCIATION."

THE BROADCAST, HEARD BY THE ASSOCIATED PRESS AT SAN FRANCISCO, SAID SUCH ACTION HAS AROUSED "WIDESPREAD INDIGNATION IN PEIPING."

GG251PCS NM

MOSCOW, AUG 9-(AP)-MOSCOW NEWSPAPERS TODAY CARRIED STORIES ON CHIANG KAI SHEK'S RECENT MEETING WITH KOREAN PRESIDENT SYNGMAN RHEE AND PHILIPPINES PRESIDENT ELPIDIO QUIRINO'S TRIP TO WASHINGTON.

THE COMMUNIST PARTY NEWSPAPER PRAVDA HEADLINED ITS STORY "FORGING AN AGGRESSIVE PACIFIC PACT."

REFERRING TO THE JOINT CHIANG-RHEE COMMUNIQUE, PRAVDA SAID THE TEXT LEAVES NO DOUBT THAT "THE PROJECTED PACT, ACCORDING TO THE INTENTION OF ITS ORGANIZERS, MUST BE SUPPLEMENTED TO THE AGGRESSIVE NORTH ATLANTIC PACT AND DIRECTED AGAINST THE LIBERATION MOVEMENTS IN THE ASIAN COUNTRIES."

THE PAPER QUOTED A WASHINGTON DISPATCH AS SAYING QUIRINO PROBABLY WILL DISCUSS THE PACT WITH PRESIDENT TRUMAN AND THAT HE PROBABLY WILL GET A MORE SYMPATHETIC ANSWER THAN HE HAS PREVIOUSLY RECEIVED FROM THE U.S.

M544AED

TOKYO,AUG.9-(AP)-NAGASAKI TODAY WAS DEDICATED AS AN INTERNATIONAL CULTURE CITY ON THE FOURTH ANNIVERSARY OF THE ATOMIC BOMB BLAST THAT WRECKED IT.

JAPANESE PRESS REPORTS FROM THE SOUTHWESTERN JAPANESE CITY SAID CITIZENS HELD THE DEDICATION CEREMONY AT THE INTERNATIONAL PEACE PARK. MESSAGES FROM NATIONAL AND CIVIC LEADERS WERE READ.

SIRENS SOUNDED THROUGH NAGASAKI AT 11:03 A.M., THE HOUR AT WHICH THE BOMB EXPLODED, KILLING APPROXIMATELY 40,000 CITIZENS.

THIRTY BUDDHIST PRIESTS SAID PRAYERS AT THE POINT OVER WHICH THE BOMB EXPLODED. NEARBY, CATHOLICS OF NAGASAKI ALSO SAID PRAYERS FOR THE VICTIMS.

HIROSHIMA, THE FIRST JAPANESE CITY TO FEEL THE ATOMIC BOMB, HELD ITS OBSERVANCE SATURDAY.

HH717PCS

SEOUL, AUG.9-(AP)-FIVE THOUSAND POLICE TODAY TOOK PART IN A SHAM BATTLE TO TEST THE KOREAN CAPITAL OF SEOUL AGAINST ATTACK BY COMMUNISTS.

THE PRACTICE WAS IN PREPARATION FOR THE AUG. 15 ANNIVERSARY OF THE FOUNDING OF THE NEW REPUBLIC.

AL555APS

(ADVANCE FOR USE AT 6:30 P.M., EST, TODAY, TUESDAY AUG 9)

(ADVANCE) LONDON AUG. 10-(AP)-RUSSIA HAS AGREED TO SEND BRITAIN ABOUT 100,000 STANDARDS OF SOFTWOOD-- OR TEN PER CENT OF HER SOFT TIMBER IMPORTS-- BY THE END OF THE YEAR, THE BOARD OF TRADE ANNOUNCED TODAY.

AUG 10 1949

THE BOARD SAID THE CONTRACTS CALL FOR PRICES LOWER THAN THOSE THIS COUNTRY PAID LAST YEAR. BUT THE ANNOUNCEMENT DID NOT DISCLOSE ANY FIGURES.

THE TIMBER WILL CONSIST OF REDWOOD AND WHITEWOOD. BRITAIN IS GOING TO USE HALF FOR JOINERY PURPOSES, AND HALF FOR BUILDING.

THE DEAL IS OUTSIDE OF CURRENT ANGLO-RUSSIAN NEGOTIATIONS FOR A GENERAL ONE-YEAR TRADE PACT. RUSSIA RECENTLY PROMISED TO SEND BRITAIN ABOUT 1,000,000 TONS OF COARSE GRAINS OVER THE NEXT YEAR IF EFFORTS TO WRITE THE OVERALL TRADE AGREEMENT SUCCEED.

DURING 1948 BRITISH IMPORTS OF TIMBER OF ALL KINDS NORMALLY MEASURED IN STANDARDS (THAT IS, EXCLUDING HARDWOODS, PITPROPS AND SO ON) TOTALED JUST OVER 1,000,000 STANDARDS. A STANDARD CONSISTS OF 120 THREE-BY-NINE-INCH BOARDS 12 FEET LONG.

(END ADVANCE FOR USE AT 6:30 P.M., EST, TODAY, TUESDAY AUG 9)

AUG 10 1949

K536PED

BY HAL COOPER

LONDON, AUG 9-(AP)-BRITISH SHOPKEEPERS SHOUTED TODAY FOR A NATION-WIDE STRIKE AGAINST AN ORDER TO CUT PRICES-- AND THE LABOR GOVERNMENT SHOWED SIGNS OF GIVING GROUND.

JOHN EDWARDS, PARLIAMENTARY SECRETARY FOR THE BOARD OF TRADE, SAID

HE WELCOMED A SUGGESTION FOR THE GOVERNMENT TO TALK THE WHOLE THING OVER WITH THE TRADE BEFORE GOING AHEAD.

THE BOARD HAD BEEN EXPECTED TO ORDER THE CUTS INTO EFFECT ABOUT THE MIDDLE OF NEXT MONTH. IT WOULD REDUCE THE RETAIL PRICE OF UTILITY GARMENTS AND TEXTILES A FLAT FIVE PER CENT.

DELEGATES REPRESENTING 250,000 SHOPKEEPERS LATER VOTED AT A PROTEST MEETING NOT TO MAKE THE CUTS UNTIL THE BOARD ACTUALLY TALKS IT OVER WITH THEIR TRADE ORGANIZATIONS.

AUG 10 1949

CRIES OF "THAT'S NOT STRONG ENOUGH" AND "WE NEED A STRIKE" ROSE FROM THE CROWDED LONDON HALL WHERE THE MEETING WAS HELD.

THE MEETING WAS ORGANIZED BY THE NATIONAL CHAMBER OF TRADE. THE DELEGATES REPRESENTED LOCAL CHAMBERS OF COMMERCE AND TRADERS' ASSOCIATIONS WITH A COMBINED MEMBERSHIP OF 250,000. WHILE THIS MEETING WAS IN SESSION, REPRESENTATIVES OF THE WHOLESALE TEXTILE ASSOCIATION WENT TO THE GOVERNMENT BOARD OF TRADE TO DEMAND A HEARING FOR TEXTILE WHOLESALERS AND RETAILERS.

THE GOVERNMENT BOARD'S STATEMENT "WELCOMING" THE TRADE'S REQUEST FOR TALKS CAME WHILE THE DELEGATES AT THE PROTEST MEETING WERE STILL ARGUING ABOUT WHAT ACTION TO TAKE.

AUG 10 1949

ROBERT BRADSHAW, MEMBER OF A SHOP INDUSTRY COMMITTEE ON PRICE REGULATIONS, TOLD DELEGATES THE PROPOSED CUTS WOULD START 98 PER CENT OF THE COUNTRY'S SHOPKEEPERS ON THE ROAD TO BANKRUPTCY.

THE TENTATIVE DATE FOR THE BOARD OF TRADE ORDER ON THE UTILITY GARMENTS AND TEXTILES IS SEPT. 12.

UTILITY GOODS ARE A LOW-PRICED LINE ON WHICH THE GOVERNMENT PAYS A SUBSIDY. THE IDEA IS TO HOLD DOWN THE COST OF LIVING FOR THE POOR.

BRADSHAW SAID ONLY TWO PER CENT OF BRITISH SHOPS DO MORE THAN £100,000 ($400,000) WORTH OF BUSINESS A YEAR. THE OTHERS, HE SAID, RELY SO HEAVILY ON UTILITY SALES THAT THE CUTS WOULD FORCE THEM TO TRADE AT A NET LOSS AVERAGING HALF OF ONE PERCENT.

D. BERNARD MORGAN, PRESIDENT OF THE NATIONAL CHAMBER OF TRADE, DECLARED:

AUG 10 1949

"THE TRUTH IS THAT WE ARE WITNESSING A DISGRACEFUL EXAMPLE OF POLITICAL EXPENDIENNY OF THE WORST KIND."

THE 8,000,000-MEMBER TRADES UNION CONGRESS, MAINSTAY OF THE LABOR PARTY AT THE POLLS, HAS BEEN DEMANDING CUTS IN THE COST OF LIVING AS THE PRICE OF HOLDING THE LINE ON WAGES.

SHOPKEEPERS AT THE MEETING COMPLAINED THAT THE BOARD OF TRADE DREW UP ITS PRICE REDUCTION ORDER WITHOUT CONSULTING THE RETAILERS.

THE TEXTILE ASSOCIATION GROUP ALSO MADE THIS POINT IN ITS 90-MINUTE CONFERENCE WITH EDWARDS.

THE BOARD OF TRADE'S ANNOUNCEMENT AFTER THAT SESSION SAID THE DEPUTATION "DEPLORED THE ABSENCE OF CONSULTATION."

BOARD OF TRADE PRICE CONTROL ORDERS HAVE THE FORCE OF LAW. VIOLATORS MAY BE TRIED IN THE COURTS, FINED HEAVILY OR EVEN IMPRISONED.

K544PED

AUG 10 1949

(ADVANCE FOR AMS OF WEDNESDAY, AUG. 10)

(EEDITOR'S NOTE: BRITISH WORKERS HAVE BEEN TOLD BY THEIR GOVERNMENT THAT ONE OF THE CURES FOR BRITAIN'S ECONOMIC SICKNESS IS HIGHER PRODUCTIVITY -- THE MAKING OF MORE GOODS PER HOUR OF WORK. THEY NOW PRODUCE ONLY ABOUT ONE-HALF AS MUCH AS AMERICAN WORKERS. WHAT ARE THE REASONS FOR THIS, AND WHAT ARE THE PROSPECTS FOR

IMPROVEMENT? THE PROBLEM IS DISCUSSED IN A SERIES OF THREE ARTICLES, THE FIRST OF WHICH FOLLOWS.)

AUG 10 1949

BY ALVIN STEINKOPF

(ADVANCE) LONDON, AUG. 9-(AP)--THE WORLD'S DECISION THAT A GREAT DEAL OF BRITAIN'S MERCHANDIZE COSTS TOO MUCH HAS PRODDED BRITISH INDUSTRY INTO MAKING A CRITICAL EXAMINATION OF ITS METHODS.

PRODUCTIVITY, ECONOMISTS AGREED, IS A WEAK SPOT.

TOO MANY MEN, ACCORDING TO THIS VIEW, ARE TAKING TOO MUCH TIME TO TURN OUT AN INADEQUATE NUMBER OF PRODUCTS. TIME COSTS MONEY WHICH MUST BE ADDED TO THE PRICE OF COMMODITIES.

BRITISH EXPORTS AREN'T AS WELCOME AS THEY WERE, ESPECIALLY IN DOLLAR REGIONS. LOOKING FOR THE REASON, MANY TRADE SPECIALISTS AGREED THAT SIR STAFFORD CRIPPS, THE COUNTRY'S FINANCIAL PLANNER, PUT A FINGER ON THE DIFFICULTY IN HIS DISCUSSION OF THE DOLLAR CRISIS IN THE HOUSE OF COMMONS.

THE REAL WAY OUT OF THE PRESENT ECONOMIC TROUBLES, SAID CRIPPS, IS TO INCREASE THE PRODUCTIVITY OF BRITISH FACTORIES. THE SOLUTION HE PROPOSED BOILS DOWN TO A NEED FOR MORE PRODUCTS PER WORKER PER DAY -- MORE PRODUCTION IN PROPORTION TO THE CAPITAL INVESTED IN UNDERTAKINGS.

IT WAS EMPHASIZED THAT BRITAIN MUST FIND THE KEY TO THE DOOR MARKED "LOWER PRICES." BRITISH SALESMEN OUT IN THE BUYERS' WORLD FIND MK

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AUG 10 1949

MARKED "LOWER PRICES." BRITISH SALESMEN OUT IN THE BUYERS' WORLD FIND CUSTOMERS LOSE INTEREST WHEN THEY COMPARE BRITISH PRICE LISTS

WITH THOSE OF INDUSTRIALLY MORE EFFICIENT LANDS, PARTICULARLY THE UNITED STATES.

2- THE SALESMEN'S PROBLEMS ARE STILL MANAGEABLE IN STERLING AREAS, BECAUSE MANY REGIONS LACK THE DOLLARS TO BUY MUCH FROM THE UNITED STATES.

AUG 10 1949

BUT THE LATEST REPORT OF HAROLD WILSON, PRESIDENT OF THE BOARD OF TRADE, INDICATED THE STEEP DOWNWARD TREND OF BRITISH SALES IN THE UNITED STATES. HE DISCLOSED THAT EXPORTS TO AMERICA IN JUNE FELL TO £2,983,000 ($11,932,000) FROM £3,600,000 ($14,400,000) IN MAY.

AUG 10 1949

EXPLORING THE REASONS, SPECIALISTS AT THE TREASURY AND THE BOARD OF TRADE ENCOUNTERED EXAMPLES OF STRIKING CONTRASTS IN AMERICAN AND BRITISH INDUSTRIAL ORGANIZATIONS. BEFORE THE WAR A CONVENIENT GENERALIZATION ACCEPTED BY ECONOMISTS WAS THAT THE INDUSTRIAL PRODUCTIVITY OF AN AMERICAN WORKMAN WAS ROUGHLY DOUBLE THAT OF A COMPARABLE BRITISH WORKMAN. DATA FOR ACCURATE COMPARISONS NOW IS NOT AVAILABLE BUT IT WAS ASSUMED THAT THE GENERAL PICTURE HAS NOT CHANGED GREATLY.

WITH THE SPOTLIGHT TURNED ON PRODUCTIVITY SPECIALISTS OF THE TREASURY'S ECONOMIC UNIT STUDIED THE RECORD AND DECIDED THAT, IF THE WORLD GENERALLY WERE NOT SO UPSET, THE RECORD WOULDN'T BE TOO BAD. DESPITE WELL KNOWN SHORT-COMINGS, BRITAIN IS MAKING SOME PROGRESS IN BOOSTING THE INDUSTRIAL OUTPUT PER MAN. ONE WAY OF MEASURING PRODUCTIVE EFFICIENCY IS BY A STUDY OF THE TOTAL VOLUME OF INDUSTRIAL OUTPUT, WHICH IN BRITAIN IS A PRETTY ACCURATE REFLECTION OF THE OUTPUT OF ONE MAN BECAUSE THE NUMBER OF WORKERS IS FAIRLY CONSTANT. EFFICIENCY IS ON THE UP GRADE.

THE TREASURY TAKES THE YEAR 1946, THE FIRST FULL YEAR AFTER THE

WAR, AS A BASE WHICH IS GRADED 100.

THE COMPARATIVE PRODUCTION FIGURES FOR REPRESENTATIVE INDUSTRIES IN FEBRUARY, THIS YEAR, ARE:

CEMENT AND BRICKS 151, GLASS 143, METALS ENGINEERING AND VEHICLES 138, CHEMICALS 133, TEXTILES 139, CLOTHING 133, LEATHER 95, FOODS 117, TOBACCO AND DRINKS 104, WOOD PRODUCTS 125, PAPER 126, BUILDING 125 AND GAS AND ELECTRICITY 127.

MAKING A LESS SATISFACTORY SHOWING IS THE GREAT, NATIONALIZED COAL INDUSTRY. IT BARELY REACHES TARGETS AND IS CONSIDERABLY UNDER THE PRODUCTION OF PREWAR YEARS. THE OUTPUT IN 1948 WAS 208,418,000 TONS, COMPARED WITH 287,000,000 IN 1913 AND 231,336,000 IN 1939. BUT MINERS NOW ARE BRINGING OUT THE COAL AT A RATE OF SLIGHTLY MORE THAN 4,000,000 TONS A WEEK AND HAVE A GOOD CHANCE OF REACHING A TARGET OF 210,000,000 TONS THIS YEAR.

VIEWED BY ITSELF, THE GRADUAL INCREASE IN EFFICIENCY IS FAIRLY SATISFACTORY.

BUT THE OTHER SIDE OF THE STORY IS THAT BRITISH IMPORTS HAVE BEEN SO GREAT, THE POPULATION HAS GROWN SO FAST AND THE DOLLAR GAP IN SETTLEMENTS HAS WIDENED SO SWIFTLY THAT PRODUCTIVITY HAS NOT KEPT PACE WITH THE NEEDS. IT IS MOVING, BUT NOT FAST ENOUGH.

THE LARGE VOLUME OF IMPORTS CAN, IN THE LONG RUN, BE PAID FOR ONLY WITH EXPORTS, AND PRODUCTIVITY IS HELD TO BE FAULTY BECAUSE IT DOESN'T TURN OUT THE EXPORTABLE PRODUCTS AT A PRICE AT WHICH THEY CAN BE SOLD. IT IS ANOTHER WAY OF SAYING, ACCORDING TO THE ECONOMISTS, THAT THE NATION IS LIVING BEYOND ITS MEANS AND THAT IT IS NOT PAYING THE FULL BILL FOR ITS STANDARD OF LIVING WHICH, UNDER THE LABOR GOVERNMENT, EMBRACES MANY COSTLY SOCIAL SERVICES.

IT COMES BACK TO PRODUCTIVITY, CRIPPS TOLD COMMONS, AND THE POWER OF THE TREASURY HAS BEEN THROWN INTO AN EFFORT TO INCREASE THE EFFICIENCY OF BRITISH FACTORIES.

(END ADVANCE FOR AMS OF WEDNESDAY, AUG.10--MOVED AUG.8)

EJL82 15PED

UNITED NATIONS

BY MAX HARRELSON

LAKE SUCCESS, AUG. 9-(AP)-U.N. SECRETARY-GENERAL TRYGVE LIE HAS ADVANCED A SIX-POINT PROGRAM TO STRENGTHEN THE WORLD PEACE ORGANIZATION AND REDUCE THE DANGERS OF WAR.

THE PROGRAM IS OUTLINED IN LIE'S FOURTH ANNUAL REPORT WHICH WAS PUBLISHED LAST NIGHT. THE REPORT, BY FAR THE MOST OPTIMISTIC YET WRITTEN BY THE SECRETARY-GENERAL, SAID THE FEAR OF WAR HAS DEFINITELY DECREASED SINCE HIS LAST REPORT.

LIE CALLED THE PAST 12 MONTHS "A YEAR OF PROGRESS TOWARDS A MORE PEACEFUL WORLD." BIGGEST FACTOR IN THE IMPROVED ATMOSPHERE, HE SAID, WAS

PEACEFUL WORLD." BIGGEST FACTOR IN THE IMPROVED ATMOSPHERE, HE SAID, WAS THE LIFTING OF THE BERLIN BLOCKADE.

AT THE TOP OF HIS 6-POINT PROGRAM WAS CONTINUED CONSULTATION AND CONCILIATION AMONG THE BIG POWERS. HE OFFERED TO HELP BRING THE EAST AND WEST TOGETHER IN SUCH OUTSTANDING WORLD PROBLEMS AS THE GERMAN, AUSTRIAN AND JAPANESE PEACE TREATIES, ATOMIC CONTROL AND CREATION OF AN INTERNATIONAL POLICE FORCE.

"IT IS ESSENTIAL," HE SAID, "FOR THE GREAT POWERS TO KEEP IN CONTACT, TO TALK THINGS OVER, AND SERIOUSLY TO NEGOTIATE WITH ONE ANOTHER."

HIS OTHER POINTS DEALT PRIMARILY WITH CONTROVERSIES BEFORE THE U.N. SUCH AS THE DISPOSITION OF ITALY'S PRE-WAR COLONIES, THE ADMISSION OF NEW MEMBERS AND THE CREATION OF A 300-MAN U. N. GUARD FORCE TO AID PEACE MISSIONS ABROAD.

ONE OF THE HOTTEST ISSUES WAS THE ITALIAN COLONIES QUESTION WHICH COMES UP IN THE GENERAL ASSEMBLY IN SEPTEMBER. LIE JUMPED INTO THE BIG POWER SQUABBLE WITH A PROPOSAL THAT THE COLONIES BE PLACED UNDER DIRECT U.N. TRUSTEESHIP, WITH A SINGLE ADMINISTRATOR RESPONSIBLE DIRECTLY TO THE TRUSTEESHIP COUNCIL.

RUSSIA HAS INSISTED ON A DIRECT TRUSTEESHIP OVER THE COLONIES WITH A COUNCIL OR COMMISSION DOING THE ADMINISTERING. THE UNITED STATES AND BRITAIN HAVE PUSHED A PLAN WHICH WOULD PLACE THE COLONIES UNDER TRUSTEESHIP, WITH INDIVIDUAL TERRITORIES BEING ADMINISTERED SEPARATELY BY BRITAIN, ITALY AND FRANCE.

ON THE QUESTION OF ADMISSION OF NEW MEMBERS, LIE URGED THE ADMISSION OF ALL FOURTEEN COUNTRIES WHOSE APPLICATIONS ARE AWAITING APPROVAL. SOME OF THESE COUNTRIES HAVE BEEN KEPT OUT BY SOVIET VETOES AND SOME BY OPPOSITION FROM THE WESTERN MAJORITY ON THE SECURITY COUNCIL.

THE CREATION OF THE GUARD FORCE IS LIE'S OWN IDEA. HE IS PRESSING FOR ACTION DESPITE SOVIET CHARGES THAT THE PROPOSAL VIOLATES THE U.N. CHARTER. THE UNITED STATES HAS GIVEN ITS SUPPORT TO THE PLAN.

LIE'S OTHER TWO POINTS ARE CONCERNED WITH ECONOMIC PROBLEMS.

FIRST, HE URGED THE U.N. TO GIVE PRIORITY TO THE MIDDLE EAST IN ITS PROGRAM OF ASSISTANCE FOR ECONOMICALLY BACKWARD AREAS.

SECONDLY, HE CALLED ON MEMBER NATIONS TO TAKE FULL ADVANTAGE OF THE

MACHINERY OF THE U.N. AND ITS SPECIALIZED AGENCIES IN TACKLING WORLD ECONOMIC PROBLEMS. IN THIS CONNECTION, HE EXPRESSED SATISFACTION WITH PRESIDENT TRUMAN'S PROGRAM OF WORKING THROUGH THE U.N. TO AID BACKWARD AREAS.
JT248AED

LAKE SUCCESS, AUG. 9-(AP)-THE FIVE BIG POWERS AND CANADA TODAY HELD THE FIRST OF A SERIES OF SECRET TALKS ON ATOMIC CONTROL.
THE MEETING WAS IN COMPLIANCE WITH A RECENT RESOLUTION OF THE U.N. ATOMIC ENERGY COMMISSION WHICH CONCLUDED THAT IT WAS USELESS TO CONTINUE THE WORK OF THE 11-NATION COMMISSION UNLESS THE BIG POWERS COULD FIND A BASIS FOR AGREEMENT.
THE MEETING WAS DIFFERENT FROM THE ORDINARY CLOSED SESSION IN THAT U.N. PRESS OFFICERS WERE EXCLUDED. ONLY TWO REPRESENTATIVES FROM EACH OF THE SIX COUNTRIES WERE PERMITTED IN THE CONFERENCE ROOM.
RP102PED

LAKE SUCCESS-(AP)-RUSSIA WILL NOT TAKE PART IN THE U.N. SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES, IT WAS DISCLOSED TODAY.
A U.N. ANNOUNCEMENT SAID THE SOVIET UNION HAD NOTIFIED ACTING U.N. SECRETARY-GENERAL BYBON PRICE THAT RUSSIAN SCIENTISTS WOULD NOT ATTEND THE TALKS, ORIGINALLY PROPOSED BY PRESIDENT TRUMAN.
THE ONLY EASTERN EUROPEAN COUNTRY WHICH HAS INDICATED IT WOULD SEND REPRESENTATIVES TO THE CONFERENCE SO FAR IS YUGOSLAVIA, WHICH AT PRESENT IS AT ODDS WITH THE COMINFORM COUNTRIES.
MORE THAN 550 SCIENTISTS, ENGINEERS, ADMINISTRATORS AND EXPERTS FROM 50 COUNTRIES AND TERRITORIES HAVE ACCEPTED INVITATIONS TO ATTEND AUG.17, THE U.N. SAID. ABOUT 300 OF THESE WILL REPRESENT THE U.S.
MD1013PED

NEW YORK, AUG 9-(AP)-FEDERAL GOVERNMENT OFFICIALS TODAY BARRED 14 GREEKS FROM SAILING ON THE POLISH LINER BATORY--THE VESSEL ON WHICH COMMUNIST GERHART EISLER ESCAPED LAST MAY.
IMMIGRATION SERVICE OFFICIALS WOULD GIVE NO REASON FOR THE ACTION.
THE 14 PERSONS, MOST OF THEM YOUNG, WELL-DRESSED MEN WITH LOTS OF BAGGAGE, WERE HALTED AT THE GANGPLANK AN HOUR BEFORE THE BATORY SAILED FOR EUROPE. THEY WERE TAKEN TO IMMIGRATION SERVICE OFFICES. ALL HAD GREEK PASSPORTS.
EISLER STOWED AWAY ON THE LINER AFTER JUMPING BAIL ON TWO CONVICTIONS IN THIS COUNTRY. HE HAD BEEN CONVICTED OF PASSPORT FRAUD AND CONTEMPT OF CONGRESS.

NEW HYDE PARK, N.Y., AUG. 9-(AP)-AN EX-GI, RELEASED BY THE ARMY AFTER A SLAP ON THE WRIST, WAS BACK WITH HIS FOLKS HERE TODAY BUT STILL DETERMINED TO RETURN TO GERMANY AND BECOME A CITIZEN THERE.
HIS MOTHER AND SISTER AND BROTHERS HOPED DANIEL MCCARTHY, 22, WOULD CHANGE HIS MIND AFTER SOME HOME-COOKED MEALS AND A LITTLE TIME SPENT LIVING THE LIFE OF A LONG ISLAND SUBURBANITE.
MCCARTHY, WHO WAS EJECTED FROM GERMANY FOR ILLEGAL ENTRY, ARRIVED IN A TRANSPORT AT STATEN ISLAND YESTERDAY AND WAS TURNED LOOSE BY THE ARMY.
HE WAS MET AT FORT HANCOCK, N.J., BY HIS WIDOWED MOTHER, CATHARINE, AND A BROTHER, EUGENE, 24-YEAR-OLD ARMY VETERAN, WHO DROVE THERE TO MEET HIM.
HIS MOTHER, SAYING SHE WAS CERTAIN THAT THINGS WOULD WORK OUT ALL RIGHT, PUT AN ARM AROUND THE SON WHO HAD WANTED TO RENOUNCE HIS AMERICAN CITIZENSHIP AND BECOME A GERMAN.
"DAN IS GOING TO GET A GOOD JOB AT HOME," SHE SAID, "AND HAVE A LOT OF FUN IN THE UNITED STATES WHICH WE ALL KNOW HE LOVES."
BUT DAN HAD DIFFERENT IDEAS TO DISCUSS AFTER HE ARRIVED HOME, WHERE ANOTHER BROTHER, JAMES, 20, AND HIS SISTER, JOAN, 23, WERE WAITING.
"I EXPECT TO GO BACK TO GERMANY AS SOON AS I CAN SCRAPE UP ENOUGH MONEY," DAN TOLD A NEWSMAN. "I HOPE IT IS SOON.
"WHEN I GO BACK, I'LL BECOME A GERMAN CITIZEN. BUT AS LONG AS I REMAIN HERE, I'LL RETAIN MY U.S. CITIZENSHIP.
"I HAPPEN TO LIKE GERMANY AND THE PEOPLE THERE.
"I HAVEN'T ANY IDEA WHERE I'LL GET A JOB OR WHAT KIND OF WORK I'LL DO WHILE I'M HERE."
THE EX-GI SAID HE HAD "CERTAIN OFFERS" OF EMPLOYMENT IN GERMANY. HE SAID THERE WAS NO ROMANCE CONNECTED WITH HIS DETERMINATION TO GET BACK TO GERMANY--LEGALLY THIS TIME.
MCCARTHY, WHO SERVED WITH THE ARMY OF OCCUPATION IN BERLIN FROM 1945 TO 1947, SLIPPED BACK INTO GERMANY AS A CIVILIAN LAST SPRING AFTER HIS DISCHARGE. HE WAS PICKED UP IN THE AMERICAN ZONE EARLY IN JUNE AFTER HE APPEARED IN FRANKFURT AND SAID HE WANTED TO GIVE UP HIS AMERICAN CITIZENSHIP.
CONSULAR OFFICIALS TRIED TO DISSUADE HIM. HIS MOTHER TALKED TO HIM BY TRANSATLANTIC PHONE WITHOUT AVAIL.
TRIED BY AN AMERICAN MILITARY GOVERNMENT COURT IN GERMANY, HE WAS SENTENCED TO EIGHT MONTHS. HE WAS RELEASED LATER ON ORDER OF DR. JAMES R. NEWMAN, DIRECTOR OF MILITARY GOVERNMENT IN HESSE, GERMANY.
DR. NEWMAN SAID "HIS OFFENSE WAS NOT ONE OF CRIMINAL INCLINATIONS, BUT RATHER YOUTHFUL IMPETUOUSNESS AND THOUGHTLESSNESS."
JR542AED

SECOND LEAD COMMUNISTS
NEW YORK, AUG. 9-(AP)-THE COMMUNIST CONSPIRACY TRIAL RESUMED BRIEFLY THIS AFTERNOON AFTER A DOCTOR REPORTED THERE WAS NOTHING SERIOUSLY WRONG WITH A DEFENDANT WHO CLAIMED TO BE ILL.
HOWEVER, THE TRIAL WAS HALTED AGAIN TEMPORARILY AFTER THE DEFENDANT, HENRY WINSTON, MADE ANOTHER COMPLAINT.
THE TRIAL WAS RESUMED AT THE REGULAR AFTERNOON TIME DESPITE DEFENSE PROTESTS. ATTORNEY HARRY SACHER TOLD FEDERAL JUDGE HAROLD R. MEDINA THAT WINSTON WAS IN NEED OF A DAY'S REST.
WINSTON HAD SAID HE WAS SUFFERING FROM A HEART AILMENT. MEDINA ADJOURNED THE MORNING SESSION AND HAD THE NEGRO DEFENDANT EXAMINED BY DR. SAMUEL J. HALL OF THE PUBLIC HEALTH SERVICE.
AS THE AFTERNOON SESSION OPENED, MEDINA SAID HALL'S REPORT "IS THAT THERE IS NO REASON WHY WE SHOULDN'T GO AHEAD THIS AFTERNOON." THE PHYSICIAN REPORTED, THE JUDGE SAID, THAT AN ELECTROCARDIOGRAM SHOWED ACCTION OF WINSTON'S HEART TO BE NORMAL "EXCEPT FOR AN OCCASIONAL EXTRA BEAT WHICH IS NOT SIGNIFICANT."
WINSTON'S ATTORNEY SOUGHT COURT PERMISSION TO BRING IN A PRIVATE PHYSICIAN TO EXAMINE THE NEGRO DEFENDANT, ORGANIZATIONAL SECRETARY OF THE COMMUNIST PARTY. WINSTON, ONE OF 11 DEFENDANTS, IS IN THE FEDERAL HOUSE OF DETENTION WHERE HE WAS REMANDED FOR THE DURATION OF THE TRIAL LAST JUNE 3 AFTER HE WAS ADJUDGED IN CONTEMPT OF COURT.
JUDGE MEDINA TOLD THE DEFENSE COUNSEL HE HAD NO AUTHORITY TO PERMIT A PRIVATE PHYSICIAN TO SEE WINSTON, U.S. ATTORNEY JOHN F. X. MC GOHEY TOLD REPORTERS.
WINSTON WAS SENT TO THE MARINE HOSPITAL FOR EXAMINATION AT THE SUGGESTION OF THE WARDEN OF THE HOUSE OF DETENTION.
WINSTON, ONE OF THE THREE DEFENDANTS SERVING A JAIL SENTENCE FOR CONTEMPT OF COURT, WAS SO ADJUDGED AFTER HE PROTESTED IN COURT A 30-DAY JAIL SENTENCE IMPOSED ON JOHN GATES, ANOTHER DEFENDANT.
WHEN COURT IS NOT IN SESSION, THE THREE ARE CONFINED TO CELLS IN THE U.S. COURT HOUSE OR THE FEDERAL HOUSE OF DETENTION.
YESTERDAY MC GOHEY, THE GOVERNMENT PROSECUTOR, USED DOCUMENTARY EVIDENCE TO SUPPORT HIS CHARGE THAT SECRET PARTY SCHOOLS HAVE EMPLOYED TEXTBOOKS ON VIOLENT REVOLUTION SINCE THE WAR.

WASHINGTON, -7& 9-(AP)-FOUR OFFICERS OF A CIO-UNITED ELECTRICAL WORKERS UNION IN THE PITTSBURGH AREA TESTIFIED TODAY THAT COMMUNISTS ARE ACTIE THERE BUT DO NOT DOMINATE THE LOCAL.

CHARLES COPELAND, BUSINESS AGENT FOR LOCAL NO. 601, WHICH INCLUDES THE WESTINGHOUSE ELECTRIC PLANT, TOLD THE HOUSE UN-AMERICAN ACTIVITIES COMMITTEE THAT OF APPROXIMATELY 13,500 MEMBERS OF THE LOCAL, ONLY 200 TO 300 SUPPORT THE LOCAL'S "LEFT WING."

ALL OF THESE SO-CALLED LEFT WINGERS ARE NOT COMMUNISTS, HE SAID, BUT THEY FOLLOW THE COMMUNIST PARTY LINE IN MANY MATTERS AND ARE ACTIVE IN GETTING WORKERS WHO THINK THEIR WAY TO SHOW UP AT UNION MEETINGS.

ALL FOUR WITNESSES--THEOTHERS WERE WILLIAM H. PEELER, DIVISION STEWARD AND MEMBER OF THE LOCAL'S EXECUTIVE BOARD; BLAIR SEESE, CHAIRMAN OF THE SICK AND ACCIDENT COMMITTEE, AND STANLEY E. GLASS, RECORDING SECRETARY--MENTIONED SEVERAL MAMBERS OF THE LOCAL WHO, THEY SAID, WERE LOOKED UPON AS COMMUNISTS OR AT LEAST AS CLOSE FOLLOWERS OF THE PARTY'S LINE.

MENTIONED IN THIS CATEGORY WERE THOMAS J. FITZPATRICK, CHIEF STEWARD AND FORMER PRESIDENT OF THE LOCAL; FRANK PANZINO, ASSISTANT CHIEF STEWARD, AND NATHAN ALBERTS AND MARSHAL DOUGHERTY, MEMBERS OF THE LOCAL.

THE WITNESSES SAID THEY BASED THEIR OPINIONS UPON THE ACTIVITIES OF THE PERSONS NAMED, SUCH AS ATTENDANCE AT COMMUNIST PARTY MEETINGS, SOLICITING COMMUNIST MEMBERSHIPS OR URGING ADOPTION OF RESOLUTIONS THAT SUPPORTED THE COMMUNIST PARTY LINE.

SEESE SAID THAT FITZPATRICK ON ONE OCCASION "PRIVATELY ADMITTED TO MI THAT HE WAS A MEMBER OF THE COMMUNIST PARTY."

OF TODAY'S FOUR UNION WITNESSES, ALL OF WHOM ARE IDENTIFIED WITH THE LOCAL'S RIGHT WING, COPELAND SAID HE HAD BEEN A MEMBER OF THE COMMUNIST PARTY FROM 1943 TO 1945, SEESE SAID HE SIGNED AN APPLICATION BLANK AT ONE TIME BUT NEVER HAD ANYTHING TO DO WITH THE PRTY, AND THE OTHERS SAID THEY HAD BEEN APPROACHED NUMEROUS TIMES BUT NEVER JOINED.

COPELAND SAID HE LEFT THE PARTY WHEN HE BECAME CONVINCED IT COULD NOT HELP AMERICAN WORKERS AND THAT HE NOW CONSIDERS EVERY MEMBER OF THE COMMUNIST PARTY AS A TRAITOR TO HIS COUNTRY.

GLASS AGREED WITH THE OTHERS THAT THE LOCAL IS NOT UNDER COMMUNIST DOMINATION BUT SAID HE FELT "ABSOLUTELY" THE UNION'S DISTRICT 6, WHICH INCLUDES WESTERN PENNSYLVANIA AND WEST VIRGINIA, IS NOW UNDER COMMUNIST CONTRO).

SUBPOENAED TO TESTIFY TOMORROW ARE FITZPATRICK AND PANZINO, MENTIONED IN TODAY'S TESTIMONY, AND THOMAS QUINN AND ROBERT WHISNER (CQ). ALL ARE MEMBERS OF THE LOCAL.

IN A TELEGRAM TO THE COMMITTEE THESE FOUR SAID THEY WERE OPPOSED TO APPEARING TOMORROW BECAUSE THEY FELT THE HEARING WAS HURTING WAGE NEGOTIATIONS BETWEEN THE UNION AND WESTINGHOUSE. THERE WAS NO INDICATION, HOWEVER, THAT THEY WOULD IGNORE THE SUBPOENAS.

COPELAND, IN THIS REGARD, TOLD THE COMMITTEE HE COULDN'T SEE HOW THE HEARING COULD HURT NEGOTIATIONS BECAUSE NEGOTIATIONS WERE BROKEN OFF ON JULY 21 AND THAT NO DATE HAS BEEN SET FOR THEIR RESUMPTION.

PF758PED

(500) COMMUNISTS

WASHINGTON, AUG 9-(AP)-A SELF-DESCRIBED FORMER COMMUNIST PARTY EXECUTIVE TOLD THE HOUSE UN-AMERICAN ACTIVITIES COMMITTEE TODAY THAT THE COMMUNIST PARTY HAS SPENT LARGE SUMS TRYING TO GAIN INFLUENCE IN THE AMERICAN LABOR MOVEMENT.

THE WITNESS IDENTIFIED HIMSELF AS JOSEPH ZACK KORNFEDER OF DETROIT. HE SAID HE WAS A GRADUATE OF THE LENIN SCHOOL OF MOSCOW AND, AMONG OTHER JOBS, WAS AT ONE TIME A MEMBER OF THE CENTRAL COMMITTEE OF THE COMMUNIST PARTY OF THE UNITED STATES.

HE WAS A MEMBER OF THE COMMUNIST PARTY FROM 1919 TO 1934, HE SAID.

HE WAS CALLED AS THE COMMITTEE BEGAN HEARINGS ON ALLEGED COMMUNIST INFILTRATION OF THE CIO UNITED ELECTRICAL WORKERS UNION IN THE PITTSBURGH AREA. LOUIS J. RUSSELL, SENIOR INVESTIGATOR FOR THE COMMITTEE, SAID THE INVESTIGATION CONCERNS LOCAL 601 OF THE UNITED ELECTRICAL WORKERS AT THE WESTINGHOUSE PLANT IN PITTSBURGH.

RUSSELL SAID THE FIRST INVESTIGATION OF THE UNION WAS MADE IN 1946 AND THAT THE PRESENT INQUIRY WAS BEGUN IN APRIL OF THIS YEAR.

RUSS NIXON, WASHINGTON REPRESENTATIVE OF THE UNION, CONTENDED IN A STATEMENT TO NEWSMEN, HOWEVER, THAT THE HEARING WAS HASTILY CALLED AND WAS AIMED AT INFLUENCING THE ELECTIONS OF AUG. 14 WHEN LOCAL 601 WILL SELECT DELEGATES TO NEXT MONTH'S ANNUAL CONVENTION OF THE CIO ELECTRICAL WORKERS.

THE STATEMENT ADDED THAT "UE MEMBERS HAVE NOTHING BUT CONTEMPT FOR THE ACCUSATION THAT THEY AND THEIR UNION ARE SPIES, TRAITORS AND SABOTUERS AND THAT GOVERNMENT WORK BEING DONE BY WESTINGHOUSE IS UNSAFE IN THEIR HANDS."

KORNFEDER, WHO SAID HE ALSO AT ONE TIME WAS REPRESENTATIVE OF THE COMMUNIST INTERNATIONAL IN COLOMBIA AND VENEZUELA, DID NOT MENTION THE ELECTRICAL WORKERS IN HIS 24-PAGE STATEMENT BUT GAVE A DETAILED DESCRIPTION OF WHAT HE SAID ARE THE INFILTRATION METHODS OF THE COMMUNIST PARTY.

HE SAID HE KNEW FROM PERSONAL KNOWLEDGE THAT THE LABOR UNION ACTIVITIES DEPARTMENT OF THE COMMUNIST PARTY AT MOSCOW "HAD CHARGE OF ALL THE STRIKE STRATEGY TO BE FOLLOWED BY UNIONS CONTROLLED BY THE COMMUNIST PARTY."

"IT HAD CHARGE OF DECIDING WHERE STRIKES WERE TO BE CALLED IN ACCORDANCE WITH THE DESIGNS OF MOSCOW AND HOW THESE STRIKES WERE TO BE UTILIZED," HE SAID.

"SUBSIDIES FOR LABOR UNION ACTIVITIES HAD TO PASS THROUGH THIS DEPARTMENT. I WAS CONSULTED ON SOME OF THESE SUBSIDIES ON ACTIVITIES IN THE UNITED STATES, AND KNOW THAT THE ACTIVITIES IN THE MARITIME FIELD, IN THE MINING FIELD, AND ACTIVITIES AMONGST RAILROAD BROTHERHOODS RECEIVED SPECIAL CONSIDERATION. IN ALL OF THESE FIELDS SUBSIDIES WERE CONTINUOUS.

"IN ADDITION TO THE SUBSIDIES FOR ACTIVITIES IN CERTAIN INDUSTRIES, THERE WAS A GENERAL SUBSIDY FOR THE TRADE UNITY LEAGUE, THEN HEADED BY WILLIAM Z. FOSTER.

"I REMEMBER ESPECIALLY ONE DISCUSSION RELATING TO A SUBSIDY FOR ACTIVITIES INSIDE THE UNITED MINE WORKERS, HEADED BY JOHN L.LEWIS."

X X X

"THE COMPLAINT WAS THAT LARGE SUBSIDIES FORMERLY GRANTED HAD NOT BROUGHT THE RESULTS EXPECTED, AND THEY WANTED MY OPINION X X X ON A NEW REQUEST FOR $50,000. THE AMOUNT WAS CUT IN HALF."

THE WITNESS ADDED THAT "MOSCOW HAD A GREAT CONTEMPT FOR THE ABILITIES OF AMERICAN COMMUNISTS AND, FOR THAT, REASON, THEY ALWAYS TOOK SPECIAL ORGANIZATION MEASURES TO SEE TO IT THAT THEY GOT AT LEAST A PART OF THEIR MONEY'S WORTH."

FRANK S. TAVENNER, COMMITTEE COUNSEL, SAID OTHER WITNESSES WILL INCLUDE OFFICERS OF THE WESTINGHOUSE ELECTRIC CORPORATION'S LOCAL IN PITTSBURGH.

PF1255PED

AUG 10 1949

(150) COMMUNIST

WASHINGTON, AUG.9-(AP)-THE HOUSE UN-AMERICAN ACTIVITIES COMMITTEE TODAY CALLED A SURPRISE WITNESS IN ITS INVESTIGATION OF ALLEGED COMMUNIST INFILTRATION OF THE CIO-UNITED ELECTRICAL WORKERS UNION.

FRANK S.TAVENNER, COMMITTEE COUNSEL, IDENTIFIED THE WITNESS AS JOSEPH ZACK KORNFEDER OF DETROIT.

JUST WHAT CONNECTION KORNFEDER HAS WITH THE COMMITTEE'S INQUIRY INTO THE ELECTRICAL UNION, TAVENNER WOULD NOT SAY. THAT, HE TOLD NEWSMEN, WILL COME OUT DURING TWO DAYS OF HEARINGS STARTING TODAY (9:30 A.M. EST).

TAVENNER SAID OTHER WITNESSES WILL INCLUDE OFFICERS OF THE WESTINGHOUSE ELECTRIC CORPORATION'S LOCAL IN PITTSBURGH.

AMONG THEM, COMMITTEE SOURCES SAID, ARE STANLEY GLASS, SECRETARY OF THE WESTINGHOUSE LOCAL; THOMAS A.FITZPATRICK, CHIEF STEWARD AND FORMER PRESIDENT; FRANK PANZINO, ASSISTANT CHIEF STEWARD; CHARLES COPELAND, BUSINESS AGENT; ROBERT WISHNER, FACTORY SERVICE SUBDIVISION STEWARD; WILLIAM PEELER, EXECUTIVE BOARD MEMBER, AND BLAIR SEESE, CHAIRMAN OF THE SICK AND ACCIDENT COMMITTEE.

ES252AED

(300) WASHINGTON,AUG. 9-(AP)-ALEXANDER TRACHTENBERG SOUGHT TODAY TO CLEAR UP SOME OF THE MYSTERY PLACED BY THE HOUSE UN-AMERICAN ACTIVITIES COMMITTEE AROUND A "MANILA ENVELOPE" HE RECEIVED FROM A JOSEPH BERNSTEIN.

THE HOUSE COMMITTEE HAD SAID BERSTEIN WAS SUSPECTED OF ENGAGING IN SOVIET ESPIONAGE.

IN A REPORT ON JULY 25, THE COMMITTEE SAID MRS.MARY JANE KEENEY, A UNITED NATIONS EMPLOYE, RETURNED FROM EUROPE ON MARCH 9, 1946, AND WAS SEEN TO PASS A LARGE MANILA ENVELOPE TO BERNSTEIN, WHO PRESUMABLY TURNED IT OVER TO TRACHTENBERG. THE ENVELOPE, THE COMMITTEE ADDED, WAS PRESUMED TO CONTAIN "AN IMPORTANT WILL FURNISHED BY A FIRST POLITICAL DEPUTY WHO HAD BEEN SHOT DOWN BY THE GERMANS."

THERE WAS NOTHING AT ALL MYSTERIOUS ABOUT THE ENVELOPE, TRACHTENBERG EXPLAINED IN A LETTER TO THE ASSOCIATED PRESS. TRACHTENBERG, EDITOR OF INTERNATIONAL PUBLISHERS OF NEW YORK, SAID:

"THE 'IMPORTANT WILL' REFERRED TO WAS THE TEXT OF A BRIEF AUTOBIOGRAPHY WHICH GABRIEL PERI, FOR MANY YEARS A COMMUNIST MEMBER OF THE FRENCH CHAMBER OF DEPUTIES AND FOREIGN EDITOR OF L'HUMANITE, WROTE BEFORE HE WAS EXECUTED BY THE NAZIS ON DECEMBER 15, 1941, WHILE HE WAS IN PRISON AS A HOSTAGE.

"I FIRST HEARD ABOUT IT WHEN AN ARTICLE IN TRIBUTE TO PERI X X X WAS PUBLISHED IN THE MAGAZINE NEW MASSES IN JANUARY, 1945. AS EDITOR OF INTERNATIONAL PUBLISHERS I WAS INTERESTED X X X AND ASKED SEVERAL PEOPLE--AMONG THEM MR.JOSEPH BERNSTEIN, WELL KNOWN TRANSLATOR AND SPECIALIST IN FRENCH LITERATURE, WHO HAD TRANSLATED SEVERAL BOOKS FOR INTERNATIONAL PUBLISHERS--TO TRY TO OBTAIN FOR ME THE FRENCH TEXT.

"WARTIME CONDITIONS MADE COMMUNICATIONS DIFFICULT, AND IT WAS NOT UNTIL THE SPRING OF 1946 THAT MR.BERNSTEIN BROUGHT TO MY OFFICE A COPY OF PERI'S AUTOBIOGRAPHY (ENTITLED A 'TESTAMENT') PUBLISHED BY THE FRENCH PUBLISHING HOUSE OF THE RESISTANCE MOVEMENT X X X."

TRACHTENBERG SAID THE AUTOBIOGRAPHY WAS PUBLISHED AS A PAMPHLET AND HAS BEEN WIDELY SOLD AND IS STILL IN PRINT.

VX704PED

"ALL WE WANT IS THE MONEY AND THE AUTHORIZATION TO DO THE JOB," JOHNSON SAID. IN ANSWER TO A QUESTION BY SENATOR PEPPER (D-FLA), HE SAID REGARDLESS OF WHICH PLAN IS USED THE ULTIMATE COST TO THE TAXPAYER WOULD BE THE SAME. WASH-ARMS-XXX EUROPE

"IT IS OBVIOUS," VANDENBERG SAID, "THAT YOU WANT TO LOAD THE FIRST YEAR AS MUCH AS POSSIBLE AND THEN BE ABLE TO SHOW LOWER AMOUNTS IN THE FOLLOWING YEAR."

VANDENBERG SAID THAT HE UNDERSTANDS THE PRESIDENT'S BUDGET FOR THE CURRENT FISCAL YEAR CARRIES ABOUT $400,000,000 (M) FOR MILITARY AID.

"THE SUGGESTION I MAKE IS TO BRING THIS PROGRAM (FOR WESTERN EUROPE) ALMOST IN THE PRESENT BUDGET," HE SAID.

SENATOR RUSSELL (D-GA) TURNED TO RUSSIA. HE SAID CONGRESS HAS BEEN TOLD THAT RUSSIA IS MAINTAINING A STANDING ARMY THAT IS THE LARGEST IN THE WORLD DESPITE ITS HEAVY LOSSES DURING THE WAR.

"IS THERE ANY LIMIT TO THE NUMBER OF MEN RUSSIA CAN KEEP IN HER ARMIES WITHOUT UPSETTING HER ECONOMY?" HE ASKED.

JOHNSON LEANED BACK AND PUFFED ON HIS PIPE BRIEFLY BEFORE ANSWERING.

"WE HAVE FIGURES," HE SAID, "BUT WE PREFER THAT THIS BE BROUGHT OUT IN EXECUTIVE SESSION."

JOHNSON, IN ARGUING FOR THE $1,450,000,000 (B) FIGURE, SAID:

WASH-ARMS-XXX SHIPTHRU

SENATOR DULLES (R-NY) SUPPORTED THE SURPLUS LIMITATION MOVE.

HE ADDED THAT HE HAS AN OPEN MIND ABOUT THE TOTAL AMOUNT OF ARMS AID. THAT POINT HAS BECOME THE CENTER OF A HOT FIGHT WITHIN THE SENATE GROUPS. IT WAS EXPECTED, TOO, TO OCCUPY MUCH OF THE TIME OF THE HOUSE FOREIGN AFFAIRS COMMITTEE AS IT STARTED FINAL WORK ON THE BILL IN A CLOSED SESSION TODAY.

DULLES SAID HE REMAINS TO BE SHOWN, HOWEVER, THAT THE FULL AMOUNT IS NEEDED. CHAIRMAN CONNALLY (D-TEX) OF THE FOREIGN RELATIONS COMMITTEE, SAID HE THINKS THE ADMINISTRATION WILL STAND PAT ON THE $1,450,000,000(B) TOTAL.

DULLES AND SENATOR VANDENBERG (R-MICH) HAVE BEEN INSISTING THAT THE PROGRAM MUST BE KEPT STRICTLY ON A STOP-GAP BASIS UNTIL TREATY SIGNERS CAN GET A COMMITTEE INTO ACTION TO PLAN MUTUAL DEFENSE.

VANDENBERG AND ACHESON DISAGREED YESTERDAY ON WHETHER THE ADMINISTRATION BILL PROJECTED SUCH A PROGRAM. VANDENBERG SAID IT BY-PASSES THIS COUNTRY'S NORTH ATLANTIC ALLIES BECAUSE THE UNITED STATES DECIDES ALONE WHAT EUROPE NEEDS.

ACHESON STUCK TO HIS CONTENTION THAT THE PROGRAM MERELY IS PRELIMINARY AND WILL BE FITTED INTO ANY OVER-ALL DEFENSE PLAN.

-DASH-

(EDITORS: A LEAD ARMS MAY BE AVAILABLE BY 11 A.M. EST)

ES328AED

THE COMMITTEE IS LOOKING INTO THE ALLEGED USE OF INFLUENCE ON FEDERAL OFFICIALS AND THE ACTIVITIES OF "FIVE PER CENT MEN" WHO CHARGE FEES FOR GETTING GOVERNMENT CONTRACTS. THESE OTHER DEVELOPMENTS OCCURRED: WASHINGTON-5-PERCENTERS-XXX YESTERDAY

1. THE HOUSING WITNESSES DREW INTO THE TANFORAN CASE JOHN MARAGON, ONETIME SHOE-SHINER, PRESENT-DAY WASHINGTON GO-GETTER, AND FOR SEVERAL YEARS A FREQUENT CALLER IN VAUGHAN'S OFFICE IN THE WHITE HOUSE EAST WING.

2. SEN.MUNDT (R-SD) DEMANDED THAT VAUGHAN BE CALLED TO THE WITNESS STAND IF HE DOESN'T VOLUNTEER TO COME. VAUGHAN COULD NOT BE REACHED IMMEDIATELY FOR COMMENT.

THE MILITARY AIDE, IN A RECENT BRUSH WITH REPORTERS AT WASHINGTON'S UNION STATION, DECLARED HE KNEW OF 300 PERSONS ENGAGED IN CONTRACT OPERATIONS IN WASHINGTON.

3. A FORMER HOUSING OFFICIAL, WILLIAM MAHER, TESTIFIED HE REGARDED JAMES V.HUNT, THE CENTRAL FIGURE IN THE SENATE PROBE, AS AN UNOFFICIAL WHITE HOUSE LIAISON. HUNT TOOK A HAND IN THE TANFORAN CASE, HE SAID.

4. FROM STILL ANOTHER WITNESS, THE SENATORS RECEIVED EVIDENCE THAT GENERAL VAUGHAN TOLD HUNT HE WAS "DAMN SORE" BECAUSE A TANFORAN DELEGATION GOT A "BRUSHOFF" AT THE HOUSING AGENCY.

HUNT, WHO MAY TESTIFY IF HE RECOVERS RAPIDLY ENOUGH FROM A LEG OPERATION, IS THE MAINSPRING OF THE "FIVE PERCENT" FURORE. PUBLISHED REPORTS OF HIS ACTIVITIES LAUNCHED THE SENATE PROBE AND CAUSED THE ARMY TEMPORARILY TO SUSPEND TWO MAJOR GENERALS.

MORE

A MASSACHUSETTS MANUFACTURER YESTERDAY TESTIFIED HE PAID HUNT $1,000 TO GET HIM GOVERNMENT ORDERS. THE WITNESS, PAUL GRINDLE, SAID HUNT DESCRIBED HIMSELF AS ONE OF VAUGHAN'S "CLOSEST FRIENDS" AND AS BOASTING: "I HAVE ONLY ONE THING TO SELL AND THAT IS INFLUENCE."

TODAY WOODS SAID, "IN SOCIAL GATHERINGS WE CALLED HIM (HUNT) 'KINGMAKER.'" THAT, HE EXPLAINED, WAS BECAUSE HUNT CLAIMED CREDIT FOR WOODS' ADVANCEMENT IN THE GOVERNMENT.

A MEMORANDUM SUBPOENAED FROM HUNT'S FILES PICTURED HIM AS A GO-BETWEEN AND "PEACEMAKER" BETWEEN VAUGHAN AND THE EXPEDITER'S OFFICE ON THE TANFORAN CASE. AT THAT TIME--OCTOBER, 1947--THE OFFICE WAS HEADED BY FRANK CREEDON, WOODS' PREDECESSOR.

THE MEMO PURPORTED TO BE THE GIST OF A TELEPHONE CALL BETWEEN VAUGHAN AND HUNT. IT WAS READ INTO THE RECORD BY FRANCIS D.FLANAGAN, ATTORNEY ON THE SENATE COMMITTEE STAFF.

IT DEALT WITH A MEETING BETWEEN MAHER AND OTHER HOUSING OFFICIALS AND THREE MEN REPRESENTING THE RACETRACK. THE TRACK SPOKESMEN WERE IDENTIFIED BY THE HOUSING OFFICIALS AS A "MR.MORI," A "MR.ORLANDO," AND A "MR.MARAGON"--THE LATTER BEING FINALLY IDENTIFIED AS JOHN MARAGON.

VAUGHAN WAS REPRESENTED IN THE HUNT MEMO AS "REMARKING WITH VEHEMENCE, THAT 'YOUR (HUNT'S) FRIEND CREEDON IS A FINE GUY,' MEANING BY HIS TONE, THE OPPOSITE."

THE MEMO WENT ON: VAUGHAN TOLD HUNT HE HAD SENT THREE MEN TO SEE EXPEDITER CREEDON "AFTER ARRANGING THE MEETING PERSONALLY BY PHONE." BUT CREEDON TURNED THEM OVER TO A GROUP "HEADED BY A LAWYER NAMED MAYER' AND THE TRACK PEOPLE GOT A "FINE BRUSHOFF."

VAUGHAN EXPLAINED THAT THE GROUP HAD RECENTLY PURCHASED THE TANFORAN TRACK, WHICH HAD BEEN IN TROUBLE FOR ALLEGEDLY VIOLATING CONSTRUCTION REGULATIONS.

"THE NEW OWNERS TO WHOM GENERAL VAUGHAN REFERRED (THE MEMO CONTINUED), WANTED NOW TO COMPLETE SOME UNFINISHED BUILDINGS AND DO SOME REPAIR WORK. HE SAID THESE PEOPLE HAD NO PART IN THE PREVIOUS TROUBLE AND ASKED THE HOUSING EXPEDITER FOR PERMISSION TO SPEND ABOUT $75,000 TO PROTECT THEIR BUILDINGS.

"X X X CREEDON'S PEOPLE WERE NOT HELPFUL AND IN FACT, HE (VAUGHAN) WAS TOLD THAT THEY WERE SARCASTIC AND OFFICIOUS. HE QUOTED ONE OHE (OFFICE OF HOUSING EXPEDITER) MAN WHO ASKED THEM, "WHAT DO YOU WANT US TO DO, LEAD YOU AROUND BY THE HAND?' AS AN EXAMPLE X X X.

GENERAL VAUGHAN SAID THERE WAS NO EXCUSE FOR GOVERNMENT PEOPLE TREATING CITIZENS IN THIS MANNER AND HE WAS DAMN SORE AT CREEDON FOR PERMITTING IT."

THE DOCUMENT CONTINUED: HUNT, ANXIOUS TO AVOID ANY ILL FEELING "BETWEEN THE WHITE HOUSE AND A GOOD AGENCY" SAID HE WOULD TALK TO CREEDON AND MAHER "TO SEE IF I COULD STRAIGHTEN IT OUT." HUNT SAID VAUGHAN CONCURRED THAT THIS WOULD BE A GOOD IDEA.

FLANAGAN THEN READ AN ENTRY FROM HUNT'S DIARY DATED TWO DAYS LATER OCTOBER 27.- IT NOTED THAT HUNT HAD CALLED MAHER AND MAHER SAID HE WOULD LIKE TO DISCUSS THE MATTER. A MEETING WHICH INCLUDED HUNT, MAHER AND OTHER HOUSING MEN WAS HELD THE FOLLOWING DAY.

IN TESTIMONY PRECEDING FLANAGAN'S, MAHER HAD SAID HE HAD UNDERSTOOD THE FIRST MEETING WAS "ARRANGED BY THE ADMINISTRATION, AS THE TERM WAS LOOSELY USED."

SIMILARLY, ANOTHER OF THOSE PRESENT, BENJAMIN J.SHULMAN, AN ATTORNEY IN OHE, TESTIFIED HE HAD HEARD THE CONFERENCE WAS SET UP BY "SOME ONE IN THE ADMINISTRATION, OR IN THE DEMOCRATIC NATIONAL COMMITTEE, OR BY SOMEONE IN CONGRESS."

HE ADDED: "I KNEW IT WAS SOMEONE CONNECTED WITH POLITICS."

AT THE NEXT MEETING HUNT WAS PRESENT AS A "SO-CALLED PEACEMAKER," MAHER TESTIFIED. HE SAID HE ACCEPTED HUNT AS A WHITE HOUSE LIAISON--A FIGURE WITHOUT OFFICIAL CONNECTION BUT HAVING A "CIRCLE OF FRIENDS AROUND THE WHITE HOUSE." HUNT NEVER DISCLOSED ANY CONNECTIO

TANFORAN, HE STATED.

MAHER SAID HE DIDN'T KNOW AT THE TIME WHO IT WAS, SPECIFICALLY, IN THE ADMINISTRATION WHO HAD INTERCEDED, BUT LEARNED THAT IT WAS VAUGHAN FROM A NEWSPAPER STORY LAST WEEK.

SHULMAN, WHEN QUESTIONED ON HUNT'S PRESENCE AS PEACEMAKER, SAID: "I WAS UPSET AND A LITTLE ANGRY BECAUSE HERE WAS A MAN PURPORTED TO COME FROM THE WHITE HOUSE SAYING THAT WE HAD BEEN DISCOURTEOUS WHEN I KNEW THE REVERSE WAS TRUE. THE WHOLE INCIDENT WAS UPSETTING."

AS TO THE TANFORAN AFFIDAVIT, ATTORNEY FLANAGAN TESTIFIED HE TALKED TO HELIS' SON, WILLIAM G. HELIS JR., AND TO MORI RECENTLY ABOUT THE TANFORAN OWNERSHIP. THE YOUNGER HELIS NOW MANAGES MUCH OF HIS FATHER'S BUSINESS.

THE YOUNGER HELIS TOLD HIM, FLANAGAN SAID, THAT THERE WERE SOME NEGOTIATIONS WITH MORI AND OTHERS IN THE SUMMER AND FALL OF 1947 BUT THEY "NEVER WENT BEYOND THE NEGOTIATING STATE."

TALKING TO MORI BEHIND CLOSED DOORS LAST WEEK, FLANAGAN CONTINUED, HE GOT "SUBSTANTIALLY" THE SAME STORY FROM HIM.

SENATOR MCCARTHY (R-WIS) ASKED WOODS WHETHER HE DID NOT CONSIDER IT HIS DUTY TO REFER THE DOCUMENT BACK TO THE JUSTICE DEPARTMENT TO SEE IF PERJURY WAS INVOLVED.

THE HOUSING EXPEDITER SUGGESTED THAT HELIS, JR., AND MORI SHOULD BE BROUGHT BEFORE THE COMMITTEE TO GET THEIR STATEMENTS UNDER OATH.

MCCARTHY PRESSED: "IS IT INCUMBENT ON YOU TO SUBMIT THE AFFIDAVIT TO THE DEPARTMENT OF JUSTICE?"

"DEFINITELY," WOODS REPLIED. "I WILL TAKE STEPS TO DO THAT IMMEDIATELY."

GOVERNMENT APPROVAL WAS NEEDED UNTIL MARCH 31, 1948, ON ANY CONSTRUCTION FOR AMUSEMENT OR RECREATIONAL PURPOSES.

WOODS HAS TESTIFIED, IN AN EARLIER CLOSED COMMITTEE SESSION, THAT HE REGARDED THE REGULATIONS AS A "FARCE." THEY WERE SO FULL OF "LOOPHOLES," HE SAID, THAT ANYONE WHO READ THE FINE PRINT COULD FIND A WAY TO QUALIFY FOR CONSTRUCTION. THIS, HE SAID, WAS TRUE OF THE TANFORAN PROJECT.

THE APPROVAL FINALLY GIVEN TO TANFORAN, THEREFORE, CAME ONLY ABOUT 2 1/2 MONTHS BEFORE THE CONTROLS WERE DISCARDED AND ABOUT TWO MONTHS AFTER WOODS BECAME EXPEDITER. WOODS ASKED THAT THE INJUNCTION BE MODIFIED AT ABOUT THE SAME TIME.

WOODS WAS RENT DIRECTOR FOR THE OFFICE OF HOUSING EXPEDITER BEFORE BECOMING EXPEDITER. HE TOLD THE COMMITTEE THAT WHEN HE HAD THAT JOB, VAUGHAN ONCE CALLED HIM AT HOME AND COMPLAINED THAT "SOME FRIENDS OF MINE" (VAUGHAN'S) WERE "PUSHED AROUND" IN THE AGENCY.

VAUGHAN WAS QUOTED AS BLAMING "SOME SMART ALECK ATTORNEY." BUT WOODS SAID HE WAS QUITE SURE VAUGHAN DID NOT MENTION THE TANFORAN CASE AT THAT TIME.

WOODS DISCLOSED THAT HUNT FIRST INTRODUCED HIM TO CREEDON. WOODS THEN WAS IN CHARGE OF THE CHICAGO RENT OFFICE. CREEDON BECAME INTERESTED IN HIM AND SUBSEQUENTLY NAMED HIM RENT DIRECTOR, HE SAID. HE LATER STEPPED INTO CREEDON'S SHOES.

WILLIAM ROGERS, SUBCOMMITTEE COUNSEL, ASKED THE WITNESS WHETHER HUNT TOOK CREDIT FOR THE PROMOTION. "YES, I WOULD SAY HE DID," WOODS REPLIED.

"DIDN'T YOU TELL ME EARLIER THAT YOU PEOPLE HAD A NAME FOR HUNT?" ROGERS ASKED.

"YES, WE DID," WOODS REPLIED. "IN SOCIAL GATHERINGS WE CALLED HIM 'KINGMAKER'."

"BECAUSE HE WAS ALWAYS TAKING CREDIT?"

"THAT IS CORRECT."

AUG 10 1949

LATER, MARAGON CALLED REPORTERS TOGETHER TO TELL THEM HIS ONLY ROLE IN THE CONFERENCE WITH HOUSING OFFICIALS WAS THAT HE "VOLUNTEERED TO DRIVE A MR.MORI AND MR.ORLANDO" TO THE HOUSING EXPEDITER'S OFFICE.

THE TWO MEN HAD BEEN TOLD BY A MUTUAL ACQUAINTANCE IN SAN FRANCISCO TO CONTACT HIM HERE AS "A FRIENDLY GESTURE", MARAGON SAID. HE ADDED THAT HE HAD NEVER SEEN THE PAIR BEFORE "AND I HAVEN'T SEEN THEM SINCE."

"AFTER IT (THE CONFERENCE) WAS OVER, I DROVE THEM BACK TO THE STATLER HOTEL AND THAT WAS ALL."

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IN THE TANFORAN CASE UP TODAY, THE SUBCOMMITTEE WANTS TO FIND OUT HOW THE RACE TRACK AT SAN BRUNO, CALIF., GOT GOVERNMENT APPROVAL TO USE SCARCE BUILDING MATERIALS DESPITE A POSTWAR FEDERAL REGULATION DESIGNED TO PROHIBIT CONSTRUCTION AT RECREATION PLACES.

SHORTLY AFTER THE WAR THE TRACK APPLIED FOR A PERMIT ON CONSTRUCTION, BUT EVENTUALLY WAS TURNED DOWN BY THE OLD CIVILIAN PRODUCTION ADMINISTRATION, FOREBRUNNER OF THE OFFICE OF HOUSING EXPEDITER.

WOODS, THE HOUSING CHIEF, HAS SAID CONSTRUCTION WENT AHEAD ANYWAY AND WAS HALTED ONLY WHEN THE COURTS STEPPED IN.

IN OCTOBER 1947, WOODS HAS SAID, A SECOND GROUP APPLIED TO HIS AGENCY FOR APPROVAL AND GOT IT AFTER THE APPLICATION WAS CHECKED BY THE JUSTICE DEPARTMENT. WOODS SAID HUNT FIGURED IN THE SECOND CHAPTER TO THE EXTENT OF ASKING THE HOUSING AGENCY TO GIVE THE APPLICATION FAVORABLE CONSIDERATION. WASH D.C. - 5 - PERCEIVED - XXX TESTIFY

IN A COPYRIGHTED STORY LAST WEEK, THE WASHINGTON EVENING STAR QUOTED HUNT AS SAYING:

"I WAS NOT INVOLVED WITH TANFORAN IN THE SLIGHTEST WAY. I WAS CHATTING WITH GENERAL VAUGHAN IN HIS OFFICE AND HE MADE A COMMENT THAT SOME OF HIS FRIENDS HAD COMPLAINED TO HIM THE DAY BEFORE THAT THEY HAD GOTTEN THE RUN-AROUND FROM SOME OF THE PEOPLE IN THE OFFICE OF THE HOUSING EXPEDITER WHEN THEY WENT IN TO INQUIRE ABOUT THEIR RIGHTS TO BUILD AT A TRACK IN CALIFORNIA.

"GENERAL VAUGHAN SAID IT BOTHERED HIM THAT FELLOWS I SPOKE SO HIGHLY OF AT HOUSING HAD TREATED HIS FRIENDS LIKE SCHOOLBOYS. I TOLD HIM I WOULD BE AT HOUSING IN A DAY OR TWO THAT I'D TALK TO THEM ABOUT IT, BUT THAT I DIDN'T THINK THEY PUSHED PEOPLE AROUND BECAUSE THEY HAD BEEN SO COURTEOUS TO ME.

"WHEN I WENT DOWN THERE I ASKED A MAN NAMED MAHER ABOUT THE THING, AND HE CALLED IN TWO OR THREE OTHERS WHO HAD BEEN PRESENT AT THE OTHER MEETING AND THEY DISCUSSED IT FRANKLY AND FULLY WITH ME AND WENT OVER THEIR CONVERSATION.

"I TOLD GENERAL VAUGHAN I THOUGHT HIS FRIENDS HAD BEEN ACCORDED COURTESY AND PROPER TREATMENT AND OFFERED TO SHOW HIM A MEMO I HAD WRITTEN ABOUT IT. I GOT NO FEE. I JUST DIDN'T WANT TO SEE ANY MISUNDERSTANDING BETWEEN TWO OFFICIALS OF THE GOVERNMENT." #

- WASHINGTON - B-36 - XXX RECOMMENDATION -

IN AUGUST, 1947,S SMITH SAID, THE NEWLY FORMED AIRCRAFT AND WEAPONS BOARD WHICH THE AIR FORCE SET UP AFTER ITS DIVORCE FROM THE ARMY TOOK UP THE B-36 PROGRAM AT ITS FIRST MEETING. SMITH, WHO WAS NAMED SECRETARY OF THIS BOARD, REPORTED THAT THE GROUP IMMEDIATELY SPLIT OVER THE PROJECT. SOME, HE SAID, WANTED TO SCRAP IT ENTIRELY, OTHERS WANTED TO INCREASE THE PLANE'S SPEED WITH A NEW TYPE ENGINE, AND OTHERS FAVORED PRIORITY ATTENTION ON THE B-50--A HIGH SPEED BOMBER SUCCESSOR OF THE B-29.

SMITH SAID THAT CONSOLIDATED VULTEE PROPOSED PUTTING IN NEW TYPE ENGINES IN THE LAST 34 PLANES ON ORDER AT AN ADDED COST OF $15,000,000 AND A DELAY UNTIL MAY 1950 FOR DELIVERY.

THE BOARD DEBATED THIS AND WITH GEN.KENNEY DISSENTING, SMITH SAID, THE GROUP DECIDED TO APPROVE THE CHANGE.

"IT TURNED OUT TO BE A COMPLETE FAILURE," SMITH SAID. "AT THE TIME IT SEEMED TO BE THE WAY TO CORRECT THE PLANE'S WEAKEST SPOT FOR VERY LITTLE EXTRA COST, AND MAKE THE BIG INVESTMENT IN THE B-36 PAY OFF. THE INVESTMENT PAID OFF LATER, BUT NOT WITH THE NEW ENGINE."

UNDER THE INITIAL ORDER WITH CONSOLIDATED VULTEE, THE FIRM WAS TO RECEIVE $154,000,000, PLUS A FIXED FEE OF $6,170,000 AND WAS TO DELIVER THE FIRST PLANE IN AUGUST, 1945 WITH THE COMPLETION DATE SET FOR OCTOBER 1946. THAT OUTLAY, HOWEVER, DID NOT INCLUDE THE GOVERNMENT-SUPPLIED ITEMS SUCH AS ENGINES, GUNS AND RADIO EQUIPMENT WHICH TOTALED ALMOST AS MUCH AS THE PLANE ITSELF.

ALTHOUGH EACH B-36 ORIGINALLY WAS ESTIMATED TO COST A TOTAL OF $2,720,000, SUBSEQUENT CHANGES IN DESIGN AND OTHER ADDED COSTS BROUGHT THE TOTAL UP TO ABOUT $3,500,000 EACH.

FOLLOWING SMITH'S TESTIMONY VAN ZANDT TOLD REPORTERS THAT HE THOUGHT THE INVESTIGATION GOT OFF TO A "VERY GOOD" START.

"GEN.SMITH CONFIRMED ONE THING THAT HAS BEEN ONLY A RUMOR AROUND HERE FOR SOME TIME THAT GEN.KENNEY OPPOSED THE B-36 FROM THE VERY START," VAN ZANDT SAID.

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WASHINGTON,AUG.9-(AP)-ROBERT A.LOVETT, A FORMER ASSISTANT SECRETARY OF WAR FOR AIR, TOLD THE HOUSE ARMED SERVICES COMMITTEE TODAY ABSOLUTELY NO OUTSIDE INFLUENCE WAS EXERTED TO GET THE B36 BOMBER ON ITS WAY IN 1941.

LOVETT WAS THE FIRST WITNESS AS THE COMMITTEE OPENED ITS INVESTIGATION OF THE B36 AND STRATEGIC AIR POWER POLICIES.

THE B36 WAS BORN IN AUGUST,1941, HE SAID, AFTER AIR CORPS PLANNERS DECIDED THE U.S. HAD TO HAVE A BOMBER CAPABLE OF LUGGING A 10,000-POUND BOMB LOAD 10,000 MILES.

A CONTRACT FOR DESIGNING THE PLANE WAS AWARDED THE CONSOLIDATED VULTEE AIRCRAFT CO. AFTER IT AND TWO OTHER PLANE MANUFACTURERS HAD SUBMITTED PRELIMINARY PLANS, LOVETT RELATED.

JOSEPH B.KEENAN, THE COMMITTEE'S SPECIAL COUNSEL FOR THE INVESTIGATION, ASKED LOVETT WHETHER HE KNEW OF "ANY EVIDENCE OF INFLUENCE" FROM "BANKERS, INDUSTRIALISTS, FLOYD ODLUM, MR.EMMANUEL, OR ANY OTHER WELL KNOWN PERSONS."

"ABSOLUTELY NO EVIDENCE," LOVETT REPLIED. "I HAD NEVER HEARD OF MR.ODLUM OR MR.EMMANUEL AT THAT TIME."

ODLUM IS HEAD OF THE ATLAS CORP., WHICH NOW CONTROLS CONSOLIDATED. VICTOR EMMANUEL HEADS THE AVIATION CORPORATION, WHICH CONTROLLED CONSOLIDATED BEFORE ATLAS. BOTH ARE DUE TO TESTIFY BEFORE THE COMMITTEE LATER.

LOVETT, A WORLD WAR I NAVY FLIER, TOLD THE COMMITTEE "ORDINARY PROCEDURE" WAS DEPARTED FROM WHEN THE WAR DEPARTMENT SIGNED A CONTRACT FOR CONSOLIDATED TO BEGIN PRODUCTION OF THE NEW, LONG-RANGE BOMBER.

HE SAID THE COMPANY WANTED THE PRODUCTION ORDER IN JUNE OF 1943--BEFORE THE EXPERIMENTAL PLANES WERE COMPLETED.

"THE PERIOD OF GESTATION FOR A NEW, COMPETENT AIRCRAFT IS AT LEAST FIVE YEARS," HE SAID.

"BECAUSE OF THE PRESSING NECESSITY FOR A SUPER BOMBER OF EXTENSIVE RANGE,"LOVETT WENT ON, THE AIR FORCE DECIDED "TO TAKE THE BAMBLE AND GIVE AN ORDER FOR 100 B36s."

HE SAID "APPROVAL BY THE SECRETARY OF WAR, THE UNDERSECRETARY, MYSELF AND GEN.ARNOLD TOOK PLACE IN JUNE, OR JULY OF 1943."

GEN.H.H.ARNOLD WAS HEAD OF THE AIR FORCE DURING THE WAR.

KEENAN ASKED LOVETT IF GEN.ARNOLD HAS PASSED ON THE PLAN.

"HE DID," LOVETT REPLIED. "HE WAS IN FAVOR OF IT."

GENERAL HOYT S.VANDENBERG, AIR FORCE CHIEF OF STAFF; LT.GEN.CURTIS LE MAY, COMMANDING GENERAL OF THE STRATEGIC AIR COMMAND, AND ROBERT P.PATTERSON, FORMER SECRETARY OF WAR, ARE ALSO SCHEDULED TO TESTIFY. #

WITH B-36 PROBE (860)

WASHINGTON,AUG.9-(AP)-AS IT OPENED ITS LONG-HERALDED B-36 PROBE, THE HOUSE ARMED SERVICES COMMITTEE TODAY PUT INTO THE OFFICIAL RECORD AN ANONYMOUS COMMUNICATION PURPORTING TO TELL THE "EFFORTS OF THE ATLAS CORPORATION TO TAKE OVER THE NATIONAL MILITARY ESTABLISHMENT."

CHAIRMAN VINSON (D-GA) SAID THE DOCUMENT WAS GIVEN TO HIM BY REP. DEANE (D-NC) WHO REFUSED TO DISCUSS WHERE IT CAME FROM. ALL DEANE WOULD TELL REPORTERS WAS THAT HE HAD RECEIVED IT THROUGH THE MAIL.

DEANE SAID HE THOUGHT IT BEST TO LET THE COMMITTEE COUNSEL JOSEPH B.KEENAN, "BRING IT OUT AS THE INVESTIGATION PROGRESSES."

IN GENERAL, THE DOCUMENT APPEARS TO BE AN EXPANSION OF THE "DISTURBING REPORTS" REP.VAN ZANDT (R-PA) SAID HE HAD HEARD ABOUT TOP DEFENSE OFFICIALS AND AIRPLANE MANUFACTURERS. AMONG THOSE VAN ZANDT LINKED TO THE REPORTS WERE FLOYD ODLUM, HEAD OF ATLAS CORP. WHICH CONTROLS CONSOLIDATED VULTEE AIRCRAFT CO., MAKERS OF THE B-36 BOMBER.

THE LENGTHY DOCUMENT OPENED WITH THIS INTRODUCTION:

"A SAD LESSON OF HISTORY IS THAT WHENEVER MONEY IN SUCH QUANTITIES IS AVAILABLE, THERE APPEAR MEN OF A CERTAIN KIND TO OBTAIN IT BY ANY MEANS.

"IT IS NEARLY BUT NOT QUITE POSSIBLE TO COVER ALL TRACKS IN PURSUIT OF THIS END. AS A COURSE OF EVENTS BECOMES EVIDENT, HONEST MEN ARE AFFLICTED WITH SHAME AND ARE RELUCTANT TO PUSH THE MESS INTO THE LIGHT. THERE IS A TENDENCY TO DRAW BACK, TO HOPE THAT A CHANGE WILL OCCUR WITHOUT SCANDAL.

"HOWEVER, THERE ARRIVES A RECOGNIZABLE MOMENT WHEN UNSCRUPULOUS MEN BECOME OVER CONFIDENT AND CREATE CIRCUMSTANCES THAT ARE INTOLERABLE. X X X

"THAT MOMENT IS CLOSE AT HAND WITH RELATION TO THE EFFORTS OF THE ATLAS CORPORATION TO TAKE OVER THE NATIONAL DEFENSE ESTABLISHMENT."

IT WENT ON:

"THIS BRIEF COMPILATION IS NOT EVIDENCE. IT IS NOT COMPLETE. X X X."

THE PAPER THEN REPORTED:

"IN 1947 THE CONSOLIDATED-VULTEE AIRCRAFT COMPANY WAS IN FINANCIAL STRAITS. ITS PRINCIPAL ASSET WAS A CONTRACT FOR 100 B-36 AIRCRAFT. X X X EFFORTS TO DISPOSE OF CONSOLIDATED WERE MADE OPENLY AND VARIOUS AIRCRAFT COMPANIES, NOTABLY LOCKHEED, GAVE SERIOUS CONSIDERATION TO THE ACQUISITION OF THE COMPANY."

--DASH--

"IN JANUARY 1948 LT.GEN.LAURIS NORSTAD INFORMED SECRETARY OF DEFENSE FORRESTAL THAT THE AIR FORCE FOUND THE B-36 UNSATISFACTORY. X X X NORSTAD SAID NO MONEY WOULD BE SAVED BY STOPPING PRODUCTION BEFORE 50 OR 60 HAD BEEN TURNED OUT."

--DASH--

"ON APRIL 12 AND 13, 1948, (SECRETARY OF AIR W.STUART) SYMINGTON TESTIFIED BEFORE A COMMITTEE OF CONGRESS THAT THE UNITED STATES REQUIRED AN AIR FORCE IN EXCESS OF THAT SUPPORTED BY THE PRESIDENT AND SECRETARY OF DEFENSE.

"SHORTLY AFTERWARD MR.FORRESTAL INDICATED IN A CONVERSATION THAT HE HAD WITH DIFFICULTY PERSUADED THE PRESIDENT NOT TO ASK FOR SYMINGTON'S RESIGNATION. FORRESTAL'S REASON WAS TO AVOID MAKING SYMINGTON A POPULAR MARTYR."

"THE VERY SUBSTANTIAL CONTRIBUTIONS TO THE DEMOCRATIC CAMPAIGN COMING FROM MR.ODLUM AND HIS COMPANY ARE SAID TO HAVE BEEN MADE AT THE INSTANCE OF SYMINGTON AND JOHNSON."

(THE STATEMENT INDICATED THE CONTRIBUTIONS AMOUNT TO $6,500,000.)

--DASH--

"ON JUNE 15, (1948) ODLUM ANNOUNCED THAT AN OFFER OF 1,159,849 SHARES OF CONSOLIDATED HAD BEEN OVERSUBSCRIBED BY STOCKHOLDERS AT $9 A SHARE.

"IN LATE JULY A PUBLICITY CAMPAIGN FOR THE B-36 OPENED UNDER VERY HIGH PRESSURE. THIS EFFORT WAS SUPERIOR IN QUALITY TO ANYTHING OF ITS KIND THEREFORE DONE BY THE AIR FORCE AND THERE WAS INTERNAL EVIDENCE OF OUTSIDE ASSISTANCE.

"THE CAMPAIGN HAD TWO IDEAS TO PUT ACGOSS.

"THE FIRST IDEA WAS AN EXTENSION OF THE OBSESSION THAT AIRPLANES CAN REDUCE WARFARE TO A CLEAN, QUICK INEXPENSIVE AND, TO OUR SIDE, PAINLESS PROCEDURE.

"THE SECOND IDEA WAS THAT THE B-36 WAS THE BEST MEANS OF WAGINT THIS FORM OF EASY WAR. X X X THESE EXTRAORDINARY EFFORTS ARE MADE ON BEHALF OF THE SAME AIRCRAFT WHICH EARLIER HAD BEEN PROVED OBSOLETE AND OF SMALL WORTH BY THE SAME PEOPLE NOW AT THE HEAD OF THE AIR FORCE."

--DASH--

"IN THE EARLY FALL OF 1948 THE PEOPLE IN THE AIRCRAFT INDUSTRY BEGAN TO HEAR OF A MERGER OF VARIOUS SUBSTANTIAL COMPANIES WITH CONSOLIDATED.

"BOTH NORTHRUP AND CURTISS-WRIGHT ARE KNOWN TO HAVE BEEN INFORMED THAT UNLESS THEY AGREED TO MERGE WITH CONSOLIDATED, BUSINESS WOULD BE BAD FOR THEM.

"THE HEAD OF THE MERGED COMPANY WOULD BE W.STUART SYMINGTON.

"THE FAVORED POSITION OF CONSOLIDATED BECAME EVIDENT EARLY IN 1948. X X X

"CONSOLIDATED SOUGHT AND OBTAINED A SUBCONTRACT IN SEPTEMBER FOR CONSTRUCTION OF 167 BOEING B-50 NOSE SECTIONS.

"IN THE FIRST WEEK OF OCTOBER A LETTER OF INTENT WAS SIGNED FOR THE AIR FORCE AND BOTH COMPANIES TRANSFERRING PRODUCTION OF B-49A AIRCRAFT FROM NORTHRUP TO CONSOLIDATED.

"THE B-49 IS A NORTHRUP JET-BOMBER AND NORTHRUP HAD DECLINED TO JOIN THE BIG COMPANY IN THE MAKING.

"TRANSFER OF ENTIRE PRODUCTION IN THIS WAY IS UNHEARD OF. FOUR MONTHS LATER, AS PART OF PLANS TO INCREASE B-36 PRODUCTION, THE B-49 CONTRACT WAS CANCELLED ENTIRELY."

"IN MID-OCTOBER CURTISS-WRIGHT, WHO HAD BACKED AWAY FROM THE MERGER PROPOSAL, WERE INFORMED THAT PRODUCTION PLANS FOR THEIR F-87 WERE CANCELLED. THE AIR FORCE IN ANNOUNCING CANCELLATION STATED THAT ITS ACTION MADE $80,000,000 AVAILABLE FOR OTHER AIRCRAFT PURCHASES.

"ON OCTOBER 29 IT WAS ANNOUNCED THAT THE PRESIDENT HAD CERTIFIED EXPENDITURE OF $80,000,000 OF WHICH THE LARGEST AMOUNT WENT TO CONSOLIDATED FOR TRAINING PLANES. X X X

"ON THE 11TH OF JANUARY (1949) THE AIR FORCE ANNOUNCED THAT IT HAD CANCELLED PRODUCTION PLANS FOR FOUR TYPES OF AIRCRAFT IN ORDER TO MAKE AVAILABLE FUNDS FOR THE PROCUREMENT OF A SUBSTANTIAL NUMBER OF B-36'S AND FOR MODIFICATION OF B-36 AND B-50 PLANES.

"THE PLANES CANCELLED WERE NORTH AMERICAN B-45. NORTHRUP RB-49,

NORTH AMERICAN F-95, THIRTY OF 53 NORTHRUP [illegible] AND TEN KELLET HELICOPTERS.

"THE MONEY INVOLVED IN THE SERIES OF CUT-BACKS WAS APPROXIMATELY $312,000,000. X X X

"THE MONEY FOR NEW CONSTRUCTION WAS, OF COURSE, ALL FOR CONSOLIDATED. OF $182,600,000 REQUESTED FOR MODIFICATION OF AIRCRAFT, $147,858,000 WAS FOR CONVERSION OF B-36'S. THIS MADE $320,488,000 FOR CONSOLIDATED'S B-36'S ALONE."

--DASH--

"THERE IS NOW IN THE INDUSTRY A WIDESPREAD CIRCUMSTANTIAL REPORT THAT MR.SYMINGTON WILL RESIGN A FEW WEEKS AFTER THE 1950 BUDGET RECEIVES APPROVAL.

"HE IS TO BECOME OPERATING HEAD OF A LARGE COMPANY TO INCLUDE CONSOLIDATED AND OTHER FIRMS WHICH ARE BEING PRESSED TO ENTER THE MERGER. X X X

"ODLUM IS MENTIONED AS THE NEXT DIRECTOR OF THE NATIONAL SECURITY RESOURCES BOARD. PRESUMABLY HE WOULD HAVE TO DIVEST HIMSELF OF HIS CONSOLIDATED HOLDINGS TO ACCEPT THAT POSITION.

"CONSOLIDATED'S EXTRAORDINARY PROGRESS SINCE HE TOOK OVER (AS CHAIRMAN OF THE BOARD OF THE ATLAS CORP., OWNER OF CONSOLIDATED, IN LATE 1947) SHOULD MAKE IT POSSIBLE FOR HIM TO DISPOSE OF IT PROFITABLY.
X X X"

WASHINGTON, AUG.9-(AP)-THE FIRST GROUP OF AIR TRAINING CADETS FROM ENGLAND FRANCE AND SWITZERLAND ARRIVED BY PLANE TODAY TO VISIT U.S. AIR FORCE INSTALLATIONS UNDER THE CADET TRAINING PROGRAM.

IN THE GROUP ARE 25 FROM ENGLAND, FIVE FROM FRANCE, AND FIVE FROM SWITZERLAND.

THEY WILL BE IN THIS COUNTRY THREE WEEKS AND WILL GO TO AIR FORCE INSTALLATIONS IN ILLINOIS, OKLAHOMA AND CALIFORNIA.

A U.S. GROUP OF 35 AIR CADETS IS NOW OVERSEAS VISITING BRITAIN AND SWITZERLAND.

AB713AED

DENVER, AUG. 9-(AP)-THE RUSSIAN TRADE UNION MOVEMENT ACT'S AS A "THERMOMETER" WHICH RECORDS THE TEMPERATURE OF THE PEOPLE FOR COMMUNIST LEADERS TO OBSERVE, DR. JOHN N. HAZARD SAID TODAY.

DR. HAZARD, COLUMBIA UNIVERSITY EXPERT ON RUSSIAN LAW AND GOVERNMENT, MADE THE ASSERTION IN A LECTURE AT THE UNIVERSITY OF DENVER INSTITUTE FOR THE STUDY OF THE SOVIET UNION.

HE SAID IF THE RUSSIAN WORKER GETS INTO AN ARGUMENT WITH HIS FOREMAN, THE UNION TAKES UP THE MATTER. IF THERE ARE TOO MANY "BEEFS" DR. HAZARD SAID, THE TOP OFFICIALS MAY CHANGE THINGS.

THE SYSTEM, DR. HAZARD DECLARED, SHOWS THE DESIRE OF COMMUNIST LEADERS TO "RULE BY GOOD WILL. BUT, OF COURSE, IF NECESSARY, THE WHIP IS IN THE BACK POCKET."

THE CONTRAST BETWEEN AMERICAN AND RUSSIAN TRADE UNIONS WAS EMPHASIZED BY HIM. HE SAID THE RUSSIAN WORKER HAS LITTLE OPPORTUNITY TO DECIDE WHETHER HE WILL BE A UNION MEMBER. IF HE STAYS OUT, DR. HAZARD SAID, MORE THAN LIKELY HE WILL BE CONSIDERED "AN ENEMY OF THE STATE."

UNLESS THE RUSSIAN WORKER IS A MEMBER OF THE OFFICIAL UNION HE IS DENIED MANY SOCIAL SECURITY TYPE BENEFITS WHICH MEMBERS RECEIVE.

THE RUSSIAN WORKER CAN NOT STRIKE, DR. HAZARD SAID,AND HIS WAGES ARE NOT DETERMINED BY COLLECTIVE BARGAINING. THE RUSSIAN CONTRIBUTES ONE PER CENT OF HIS SALARY EACH MONTH TO THE UNION, 5£3 '-8$.

FJ11PCS

DENVER,AUG 9 (AP)-DR.JOHN HAZARD OF COLUMBIA UNIVERSITY BELIEVES COMMUNIST LEADERSHIP IN RUSSIA IS MELLOWING CONSIDERABLY.

HAZARD, EXPERT ON RUSSIAN LAW AND GOVERNMENT, TOLD A DINNER MEETING OF DENVER BUSINESSMEN YESTERDAY THAT:

1. SOVIET LEGAL DECISIONS SHOW A GREAT DEAL MORE CONCERN FOR THE RIGHTS OF THE INDIVIDUAL THAN THEY DID BEFORE THE WAR.

2. SINCE THE WAR COMMUNIST OFFICIALS HAVE PROPOSED ELIMINATION OF LEGAL CLAUSES WHICH MAKE IT POSSIBLE FOR A PERSON TO BE PUNISHED FOR PRACTICALLY ANY ACTIVITY FELT THREATENING TO THE GOVERNMENT.

DR.HAZARD SAID HE THOUGHT THAT RUSSIAN LEADERS FEEL A "SENSE OF CRISIS AND THAT THEIR RULE IS SHAKY."

HE SAID THE RUSSIAN ECONOMIC SITUATION APPEARS TO BE CRITICAL AND THAT INFLATION IS APPARENTLY GROWING WORSE."

HAZARD SPOKE IN CONNECTION WITH AN INSTITUTE FOR STUDY OF THE SOVIET UNION, SPONSORED BY THE UNIVERSITY OF DENVER.

GG1221PCS

SAN FRANCISCO -TOKYO ROSE -TAX ANNIE?

HE SAID SHE PLAYED A RECORD "MOON OVER MIAMI."

"BEFORE SHE PLAYED THE RECORD, SHE SAID: "HOW'S THE MOON ON TINIAN TONIGHT." THEN SHE WENT ON TO TELL HOW THE BOYS AND GIRLS WERE LIVING IN MIAMI ENJOYING THE HEAT, THE MOON AND THE WARM BREEZES."

HE SAID THAT HE RECALLED SHE ADDRESSED AMERICAN SERVICEMEN AS "FIGHTING BONEHEADS" AND "SUCKERS IN THE PACIFIC."

THE GOVERNMENT CONTENDS THAT THE DEFENDANT, WHO BROADCAST AS ORPHAN ANN, IS THE WOMAN WHO BECAME KNOWN TO TROOPS IN PACIFIC AREAS AS TOKYO ROSE.

FJ836PCS NM

FAIRFIELD, CALIF., AUG. 9-(AP)-BRITISH ADMIRAL SIR FREDERICK DALRYAMPLE-HAMILTON, SENIOR MEMBER OF THE JOINT SERVICE MISSION, WASHINGTON, ARRIVED TODAY TO CONFER WITH NAVY LEADERS ON THE WEST COAST.

HE VISITED MARE ISLAND NAVAL SHIPYARD AT VALLEJO THIS AFTERNOON AND EXPECTS TO VISIT ALAMEDA NAVAL AIR BASE AND INSTALLATIONS AT SEATTLE AND SAN DIEGO BEFORE FLYING TO HONOLULU.

FJ1127PCS

GANDER, NFLD., AUG 9-(AP)-THE TRANSPORT PLANE CARRYING THE U.S. CHIEFS OF STAFF BACK TO WASHINGTON AFTER A 10-DAY AIR TOUR OF WESTERN EUROPE LEFT HERE TODAY AT 1:30 A.M., EST. THE PLANE HAD ARRIVED ABOUT AN HOUR EARLIER.

ARMY CHIEF OF STAFF GEN. OMAR BRADLEY, NAVY CHIEF OF OPERATIONS ADM. LOUIS DENFELD AND AIR FORCE CHIEF GEN. HOYT VANDENBERG CONFERRED IN EUROPE WITH MILITARY LEADERS OF THE OTHER ATLANTIC PACT NATIONS.

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End August 9, 1949

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SERVICE UNITY BILL IS SIGNED BY PRESIDENT

Measure Will Enable U.S. To Attain Effective National Defense

Washington, Aug. 10 (AP)—President Truman signed into law today a measure designed to tie the nation's fighting forces into trim, taut unity.

The President said the legislation, which strengthens and revises the unification law of 1947, should enable the United States to attain "a balanced and effective national defense."

The measure gives the Secretary of Defense more direct power to steer all military activities, provides for a permanent chairman of the Joint Chiefs of Staff, and—of possibly vast importance to American taxpayers—creates a centralized, business-type budget and accounting system which has been held capable of saving hundreds of millions of dollars a year.

Truman Uses Seven Pens

Mr. Truman used seven successive pens in signing the document in front of an assemblage of lawmakers, defense officials and Army, Air Force and Navy officers. Then he gave the pens away as souvenirs.

Signature of the measure today could not have failed to have pleased former President Herbert Hoover, who was celebrating his seventy-fifth birthday.

Hoover headed the bi-partisan Commission on Organization of the Executive Branch of the Government. That commission laid heavy stress on the desirability of revisions in the defense setup, particularly the budget and accounting changes which were designed to eliminate duplication, overlapping and waste.

Billion May Be Saved

Estimates of the possible savings ran up to a billion dollars or more, once the system gets into full swing.

President Truman registered one complaint against the measure, although viewed as a whole it was just about what he and Louis A. Johnson, Secretary of Defense, ordered.

Mr. Truman said that Congress took a backward step in placing "cumbersome restrictions" on whom he might name to the National Security Council.

This council, composed of Cabinet officers and other high officials, advises the President on ways to co-ordinate foreign and domestic policies in order to strengthen national defense.

Senate Retains Power

Under the previous law, the President could add to the council the heads of any departments and of certain agencies whenever he desired. The new law fixes the regular membership and says that the President can appoint additional ones, from among the holders of specified Government posts, only with the Senate's approval.

Congress added the Vice President to the membership. The President himself heads the council.

In general, Mr. Truman said in a brief statement, the bill represents an advance that should lead to greater efficiency, economy and co-ordination among the armed services.

McNarney Heads Management

As soon as the measure became law, Secretary Johnson appointed a national-defense management committee and a management advisory group. Their task is to make the biggest possible cut in defense-department spending while at the same time maintaining top military effectiveness.

To head the management committee, Johnson selected Gen. Joseph T. McNarney, former Chief of the Air Force Materiel Command at Wright-Patterson Air Force Base, Dayton, Ohio. Other members are Gordon Gray, Secretary of the Army; Daniel A. Kimball, Navy Under-Secretary, and Eugene M. Zuckert, Assistant Secretary of the Air Force.

The business management firm of Robert Heller and Associates, Cleveland, Ohio, will provide the personnel for the advisory group.

While the new law raises the defense establishment to full Cabinet status, it reduces the Army, Navy and Air Force to the status of military departments. However, there could be no merger of the three services or of their component elements, such as the Marine Corps of the naval aviation branch.

Bradley May Head Chiefs

Gen. Omar N. Bradley, now Army Chief of Staff, is expected to get the nod as chairman of the joint chiefs. While the chairmanship carries no command authority, or even a vote, it is expected to be a position of tremendous prestige. The chairman will be the nation's highest ranking military officer.

The Under Secretary of Defense (now Stephen Early) gets a new title: deputy secretary, outranking the Army, Navy and Air Force secretaries. His pay will be $14,500 a year, or $500 more than theirs. The law authorizes the appointment of three assistant Secretaries of Defense.

The new fiscal administration system is to be in charge of a comptroller in the Defense Secretary's office. There will be similar officials for each of the three services.

Truman Signs Bill Advancing Merger

Washington, Aug. 10 (AP)—President Truman today signed the new armed services unification bill. He said that this will permit the United States to progress toward "a balanced and effective national defense."

Mr. Truman signed the measure in a ceremony in his oval room office. Senators and Representatives who handled the legislation, the heads of the defense establishment and top-ranking Army, Navy and Air Force "brass" looked on.

The legislation, which strengthens Secretary of Defense Johnson's control over the entire military setup, drew one criticism from Mr. Truman.

Restrictions Hit

"It is unfortunate that in this generally progressive legislation, at least one provision represents a backward step," the President said.

"New and cumbersome restrictions are placed on the membership of the National Security Council—whereas the desirable course would be to follow the recommendation of the Commission on Organization of the Executive Branch and remove the statutory restrictions on the Council's membership."

As a whole, however, Mr. Truman said the bill "represents a great advance" and will lead to "increased efficiency and economy and greater co-ordination of our military forces."

Uses Seven Pens

He used seven pens in signing the bill. They went as souveniers to Chairman Tydings (D., Md.) of the Senate Armed Services Committee; Chairman Vinson (D., Ga.) of the House committee, Secretary Johnson and Stephen Early, who becomes the $14,500-a-year Deputy Secretary of Defense under the measure. Secretary of the Army Gray, Secretary of the Air Force Symington and Secretary of the Navy Matthews were handed the other three pens.

As soon as the bill was signed Johnson appointed a national defense management committee and a management advisory group.

Gen. McNarney Named

This new agency is to work out a program for maximum reduction of Defense Department expenditures—and still maintain military effectiveness.

Johnson named Gen. Joseph T. McNarney as chairman of the management committee. Other members will be Army Secretary Gray; Undersecretary of the Navy Daniel A. Kimball, and Air Force Assistant Secretary Eugene M. Zuckert.

McNarney will be relieved from his present assignment as chief of the Air Force Material Command and transferred to the Department of Defense. He has been on temporary duty as adviser to Johnson since the Defense Secretary took office.

Johnson said that the business management firm of Robert Heller and Associates, Cleveland, Ohio, will provide the personnel for the management advisory group.

Export Goods Stay In Britain

London, Aug. 10 (AP)—In Britain where costs of industrial production are high, domestic consumers are beginning to rear the doubtful benefits of a business boomerang that is called "frustrated exports."

Much merchandise made for sale abroad is turning up on shop counters at home.

The reason is simple—many British products cost too much for purchasers in other lands because, according to the economic planners, there is something wrong with British productivity. The difficulty had long been foreseen and for a year and a half a committee headed by Sir Henry Tizard has been studying the problem, making recommendations and conducting a campaign to make the British worker and factory operator production conscious.

"Step up your efficiency, make it for less," they are being told.

Released To Home Market

Many Britons feel the campaign is a bit unreal. It comes at a time when, for the very reason that there are frustrated exports, life is brightening a little on the heretofore drab domestic scene.

Many tea sets and textiles intended for department stores in Detroit and Des Moines are being released to the hungry home market because the foreign purchaser doesn't want them at the price demanded.

The frustrated exports make the display windows in London's West End and other shopping centers look a little brighter. The housewife is encouraged.

But economists warn that it is a false sense of well-being. In an austerity system like Britain's, they say, there should be no frustrated exports. They aren't in the plan.

The Tizard committee looked into them, and has concluded that the products Britain needs to sell could be made cheaper—if some factories were modernized, if some methods were changed, if workers tried a little harder, and especially if they did every task more efficiently.

New Designs Needed

(In New York, Edward Murphy, American buyer recently back from a purchasing assignment in Britain, brought out another angle. Murphy, director of the Hambro House of Design, said British products must be styled, designed and colored for the American market, as well as priced for it.)

The Tizard committee itself was instructed to make proposals which can be put into effect in a hurry, and which do not require large capital investments. There is a shortage, among other things, of cash for capital outlays.

Under repair and conversion in April, 1948, were 3,236,000 tons. In April, 1949, the figure was 2,830,000 tons.

There are some corners to be cut, but on the score of productivity British shipbuilding remained a lusty competitor throughout the world.

HIGH-PRICED GOODS HANDICAP BRITAIN

London, Aug. 10 (A. P.).—The world's decision that a great deal of Britain's merchandise costs too much has prodded British industry into making a critical examination of its methods.

Productivity, economists agree, is a weak spot. Too many men, according to this view, are taking too much time to turn out an inadequate number of products. Time costs money which must be added to the price of commodities.

British exports aren't as welcome as they were, especially in dollar regions. Looking for the reason, many trade specialists agreed that Sir Stafford Cripps, the country's financial planner, put a finger on the difficulty in his discussion of the dollar crisis in the House of Commons.

The real way out of the present economic troubles, said Cripps, is to increase the productivity of British factories. The solution he proposed boils down to a need for more products per worker per day—more production to the capital invested in undertakings.

It was emphasized that Britain must find the key to the door marked "lower prices." British salesmen out in the buyers' world find customers lose interest when they compare British price lists with those of industrially more efficient lands, particularly the United States.

The salesmen's problems are still manageable in sterling areas, because many regions lack the dollars to buy much from the United States.

BRITAIN'S FOREIGN TRADE DECREASES

London, Aug. 10 (A. P.).—Britain's overseas trading slumped again during July, the Government announced today.

Her imports still were greater than her exports. The unfavorable balance of trade was £40,700,000 ($162,800,000). But July imports were the lowest this year with the exception of those in February and the gap between imports and exports had narrowed from June's £54,200,000 ($216,800,000).

The Secretary for Overseas Trade reported Britain imported provisionally £186,500,000 worth of goods ($746,000,000).

At the same time, despite the London dock strike, direct exports were valued at £141,500,000 ($566,000,000) and re-exported goods at £4,300,000 ($17,200,000) making total provisional exports worth £145,800,000 ($583,200,000).

July imports were £15,200,000 ($60,800,000) less than the June figure. July exports were £1,700,000 ($6,800,000) less than in June.

Deficit Spending By Britain And U.S. Compared

By Sam Dawson

New York, Aug. 10 (AP)—United States government bonds have been going up as the Treasury heads into deficit financing. British government bonds have been going down as the English Exchequer's dollar deficit heads into another of its perpetual crisis.

Deficit financing means you are spending more than you are taking in and finding the cash for this way of living by various means.

One of them is by selling bonds. At the start, this has an inflationary effect on business and the financial markets. But if confidence becomes undermined, you find deficits may work the other way.

American bonds are up in price because the Administration is adjusting the money supply to make bond-buying attractive to our banks.

Reason For British Drop

British bonds are down in price because the London government cannot, or will not, take the steps that would hold them steady. Falling prices in the last three weeks have wiped out about $2 billion in their quoted values.

Americans are still sold on the financial soundness of this country. No matter how much they may differ among themselves from time to time on the wisdom of various fiscal and governmental policies.

Therefore, the United States Treasury is able to sell its securities, in increasing quantity, in the face of an announced policy of red-ink bookkeeping. People still regard them as one of the best buys. And the banks haven't many other places just now to put their money to work.

Sell And Keep Cash

Britons, on the other hand, are showing signs of being worried about the financial status of their country, as crisis follows crisis. So some of them have been selling their Government securities and keeping the cash.

The Federal Reserve Board has kept a close watch on United States bond prices. Recently, it has stopped putting its bond holdings on the market, to let the banks bid up the price of available bonds. As bond prices rise, the yield is lower—"money is cheaper."

This creates the cheap-money climate the Treasury wants when it goes into the market to raise cash through offering increased quantities of short-term bills.

The idle money from the three sources—freed reserves, the money business doesn't want, and the people's savings—can flow into the United States securities market. So bond prices rise in over-the-counter sales as the demand for them increases.

In England, however, the tide has been running the other way.

Investors Nervous

The London Government has been issuing a string of new securities in recent years to pay for the industries it nationalized. Its costs of running them have been high, too. This swells the supply of Government bonds.

At the same time, the Government's well-advertised dollar shortage makes British investors nervous. And the rumor that never dies—that England will soon devalue the pound—makes investors even more nervous, because it would also devalue their holdings.

All this is aggravated just now by the approaching showdown in Washington in September, when British and American officials will seek some way out of the current dollar crisis, brought on because Britain has been contracting to buy more goods with dollars than she has been able to sell for dollars.

Another Loan?

The first way out that comes to mind—another loan to Britain—might have hard sledding in Congress. The Senate has just clipped Marshall plan funds for this year. England got about $1¼ billion from the ECA last year.

This year she may get only $900,000,000, according to a Paris account that will make unpleasant reading in London. It indicates a change may be coming over "old uncle bountiful."

One way to cure deficit financing, of course, either here or abroad, is to cut governmental expenditures.

Critics' Views

British critics of their Government say that if costs and taxes were cut Britain's economic crisis could right itself. So far, London has shown no signs of doing either.

In this country, the mere suggestion to Congress by the Federal Reserve Board chairman that costs be trimmed and the burden of taxation lightened, brought an immediate rise in prices on the country's stock exchanges.

Cancer Outkills War In England And Wales

London, Aug. 10 (AP)—Enemy action throughout the war killed fewer civilians in England and Wales than cancer kills in a single year, the registrar general reported today.

A statistical review for six years said enemy action killed 60,342 civilians, while deaths from cancer and malignant growths in 1940 were 68,922 and in 1945 were 74,291.

Requirements Lowered

The board also has lowered bank reserve requirements. This means that money which banks formerly had to hold now can be used for investment. The banks, however, have already large sums on hand—their loans to business dropped steadily throughout the first half of the year, and deposits and savings accounts piled up.

REDS TRY TO KEEP AUSTRIAN ENGINES

London, Aug. 10 (A. P.).—Russia told the Western Powers today to forget about property it removed from Austria, including 500 locomotives, in drafting the Austrian independence treaty.

Soviet Deputy Foreign Minister Georgi N. Zarubin informed representatives of the United States, Britain and France that any consideration of Austrian movable property was outside their jurisdiction. The Western delegates insisted, however, that both movable and immovable assets must be included in settling the question of booty and reparations. Under the proposed treaty Russia will be paid $150,000,000 by Austria in place of certain physical reparations.

United States delegate Samuel Reber said that his Government would not agree to a treaty provision which did not include transport and other property removed from Austria. He demanded the return by Russia of 500 locomotives which he said were Austrian property before Hitler marched in.

Like most previous sessions, the meeting ended with this announcement: "No agreement."

American Warships To Visit France

Paris, Aug. 10 (A. P.).—The battleship Missouri and other components of United States task force 61 will visit Cherbourg Monday, American embassy officials announced today.

The Missouri will remain in port five days. The task force consists of the Missouri and nine destroyers commanded by Rear Admiral Allen E. Smith. It is on the annual midshipman's cruise.

WEST GERMAN JEWS FEW

Total in Area Declines From 500,000 in 1933 to 20,000

FRANKFORT, Germany, Aug. 10 (AP)—West Germany's Jewish population has declined from 500,000 in 1933 to about 20,000, a survey showed today.

Berlin, with 7,100 Jews, and Munich with 800, are the only two German cities with more than 500 Jews. Frenkfort, which before the war had the second largest Jewish community in Germany, now has only 365.

The survey was made by Jack Hain of Passaic, N. J., an expert on manpower problems, who was called to Germany to survey the Jewish community with particular emphasis on the employment outlook for Jews. He said that he found "little perceptible discrimination on the part of the German public employment exchanges, Government agencies and private employers" toward Jews.

Austria Property Seized By Russia

Vienna, Austria, Aug. 10 (AP)—Russia is dismantling and shipping eastward vast amounts of former German assets which are supposed to be returned to Austria at the conclusion of an Austrian independence treaty, reliable sources said today.

The foreign ministers in Paris agreed that Austria was to pay $150,000,000 for these assets, which were seized by the Russians during and after the war. The payments are to be made over a six-year period.

One Government official said today "if these shipments continue, and the West does nothing to stop them, we will be paying $150,000,000 for some empty buildings."

Thus far no inventory of the assets now in Russian hands has been submitted to the deputy foreign ministers who are writing an Austrian treaty in London. The informants said they believed the Russians are trying to ship out as much as possible before an accounting is called for.

Czech Reds Attack Protestant 'Link'

Prague, Aug. 10 (AP)—Czech Communists asserted today that under the leadership of Russia the Eastern European "peoples democracies" would defeat the Vatican excommunication decree.

The Czech press, led by the Communist party organ, *Rude Pravo*, returned to its bitter assault upon the Vatican, the Czech Catholic hierarchy and American "imperialists."

Rude Pravo's chief foreign commentator, Andre Simone, claimed that Pope Pius XII initiated a joint American-Vatican campaign against Russia and communism as long ago as 1936, when he visited the United States as papal secretary of state.

Czech Peasants Told To Spy On Neighbors

Prague, Czechoslovakia, Aug. 10 (AP)—The army newspaper *Obranu Lidu* urged farmers today to spy and informed on their wealthier neighbors in order to prevent harvest "sabotage."

The newspapers called on peasants to keep a sharp eye on the "remnant of our internal reaction—the class enemy in the village, the rich farmers—and to call the security police as soon as these people are suspected of doing anything wrong."

A "big" farmer is considered one holding a maximum of 125 acres under the land reform program, the press assault on which landowners may be the forerunner to an often predicted full-scale Government drive for collectivization of farms.

Sweden Denies Report Of Inquiries On Treaty

Stockholm, Aug. 10 (AP)—The Swedish Foreign Office has no knowledge of any American approach to sound out Sweden's present attitude toward the North Atlantic treaty, a Foreign Office spokesman said tonight.

Another official source said "any Swedish Government which demanded that Sweden join the pact would hardly survive for one day."

HUNGARY PARLIAMENT STARTS ITS SESSION

BUDAPEST, Hungary, Aug. 10 (AP)—Hungary's Communist-led Parliament met today, minus former Foreign Minister Laszlo Rajk and three other deputies arrested two months ago on treason charges.

The meeting halted speculation since Mr. Rajk's arrest that other prominent Communists might have shared his fate of expulsion from the party.

Mr. Rajk, Tibor Szoenyi, another leading Communist, and eighteen

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"accomplices" were thrown out of the party and arrested last June 18 on charges of spying for an unnamed foreign power.

The arrests followed charges by Matyas Rakosi, vice premier and Communist leader, that Yugoslavia's Communists — struggling against members of the Russian-led Communist Information Bureau—had established a network of spies in Hungary.

Mr. Rakosi later announced in Prague that 200,000 Hungarian Communists, about 18 per cent of the party membership—had been ousted in a campaign against "spies and provocateurs."

The Vice Premier read a draft of a proposed new Hungarian Constitution, modelled after that of the Soviet Union. He was cheered by the deputies.

Parliament met against a background of optimistic reports on Hungary's post-war recovery. Figures announced by the National Planning Office showed industrial production 27 per cent higher for the first half of 1949 than in the same period last year.

ALBANIA SAYS GREEK INVADE

Tirana Reports 4-Day Battle On 100-Mile Front

London, Aug. 10 (AP)—Albania, smallest of Russia's satellites, charged today she is being invaded by the Greeks fighting Communist guerrillas along the frontier.

Greek Government spokesmen here said "there is certainly no invasion." But they said there had been "big action" against guerrillas for the last four or five days in the Mount Grammos area on the border.

The official Albanian radio at Tirana quoted the Albanian ministry of armed forces as saying fighting had been in progress for four days on a 30-mile front and hundreds of Greek soldiers had been killed or taken prisoner.

Charges 5-Hour Shelling

Later the Albanian radio charged Greek artillerymen fired 1,000 shells into Albania for five hours late today and wounded two Albanian soldiers. It claimed two Greek planes flew over Albanian soil and one dropped bombs near a village. Both planes were driven off by anti-aircraft fire, the radio said.

At Lake Success, N.Y., it was announced that Albania has sent two appeals to the United Nations to intervene in what it termed a large-scale Greek attack. The Albanian Government protested that attacks by Greek infantry, artillery and aircraft "seriously threatens the peace."

One protest said three Greek battalions, reinforced by artillery and fifteen Spitfire planes, penetrated a quarter of a mile into Albania on August 2. On August 4 and 5, Albania charged, the Greeks fired more than 1,500 shells on Albanian territory.

Byron Price, acting secretary general, forwarded the protests to the United Nations Special Commission on the Balkans for an on-the-spot investigation.

All-Out Greek Offensive

The invasion charge coincided with an all-out Greek Government offensive against guerrillas in the mountainous Grammos region. Greece and Albania have a common frontier 100 miles long.

The Greek Government repeatedly has charged that guerrilla units use Albania as a haven when hard pressed, and as a jumping off place for fresh forays into Greece.

Albania charged that Greek Army planes and artillery have bombed, shelled and strafed hundreds of Albanians in the border zone between Leskovik and Bozhigrad. The armed forces ministry claimed Greek planes had been shot down and listed hundreds of alleged border violations by Greek forces from August 6 to 9, inclusive.

Charge To Go To U.N.

The Communist organ, *Zeri I Popullit* (voice of the people), said Greece will have to "give an accounting on the dock" before the United Nations for violations of the Albanian frontier.

The Greeks have charged that guerrilla troops are anchored in the rugged mountains by a string of heavy fortifications inside Albanian territory. Athens also has charged that Greek troops have been shelled from Albanian border forts.

An Athens communique today said Greek forces overcome bitter guerrilla resistance in the Grammos area and captured important heights but paid the highest toll of casualties since early March. The Communiqué said 62 soldiers were killed, 247 wounded and 14 missing, while the guerrillas suffered 116 killed and 37 captured.

Greeks Admit Heavy Loss

Since the Grammos offensive began, Government forces suffered 612 casualties as compared with 366 guerrilla casualties. Observers said the army's wounded casualties were largely due to extensive minefields.

The guerrilla radio claimed Greek troops in the western Grammos area suffered 250 killed and 400 wounded and were routed in a major battle in the western Grammos area during the past two days.

The Greeks said their air force carried out extensive attacks throughout the Grammos region.

ALBANIA REPORTS GREEKS INVADING ON 30-MILE FRONT

Tirana Broadcast Tells of Bloody Fighting—Athens Denies Charges.

London, Aug. 10 (A. P.).—Albania said today that she is being invaded by Greece and that fighting is in progress along a thirty-mile front.

A broadcast by the official Tirana radio said that bloody clashes with Greek Government troops began four days ago. It added that hundreds of Greek soldiers had been killed or taken prisoner.

A spokesman for the Greek Information Service in London said, "There is certainly no invasion."

He said the Albanian report probably referred to the new offensive launched by the Greek Army against the Communist-led guerrillas in the Grammos Mountain area not far from the Albanian border.

The Albanian invasion charge, which coincides with an all-out-offensive by the Greek Government against Communist-led rebels, was made by the Albanian Ministry of Armed Forces. The official broadcast, monitored in London, also quoted the Communist newspaper Zeri I Popullit (Voice of the People) on details of the fighting.

The Greek Government has asserted repeatedly that Albania is used by the rebels as a haven when hard pressed and as a jumping off place for fresh forays into Greece.

Zeri I Popullit said hundreds of Greek "royalist Fascist" troops had been killed and captured by Albanian soldiers in the border outbreak. It added that Albanian troops had "shed pure blood" in defending their country's sovereignty.

The Government charged bitterly that Greek Army aircraft and artillery had bombed, shelled and strafed hundreds of Albanians on a thirty-mile front between Leskovik and Bozhigrad, just inside Albania on Greece's northern border. The ministry said that Greek planes had been shot down by "our brave troops."

It charged hundreds of border violations by the Greek Army during August 6, 7, 8 and 9.

Albania Denies Aiding Rebels.

The newspaper, which is a Government organ, said that the Greeks were preparing to cite the recent clashes to the United Nations as proof that Albania was aiding the rebels. This was categorically denied, and the Albanians said that instead, the Greeks would have to "give an accounting on the dock" before the United Nations of its violations of the Albanian border.

The four-day period marks the beginning of the Greek Government's announced offensive to wipe out Communist-led rebels from their last northern stronghold in Greece.

The Greeks have charged that rebel troops are anchored by a triangular base in the rugged mountains by a string of heavy fortifications inside Albanian territory. They say the rebels pass freely back and forth from Greece to Albania and that supply trucks have been seen coming from Albania. Athens has officially charged that her army has been shelled during the offensive from the Albanian border forts.

Charge Is Denied.

The Albanian Army newspaper denied in Tirana last night that Albania had given the Greek guerrillas any aid.

The Greek guerrilla radio, meanwhile, in another broadcast heard here, charged that Government troops were launching attacks from Yugoslav territory.

Yugoslavia, Albania and Bulgaria have been accused in the past of aiding the Greek Communist rebels. Yugoslavia, however, has split with the other two over her dispute with the Russian-led Communist Information Bureau. Premier Marshal Tito recently announced closing of the southern frontier facing rebel territory.

Greece Will Get 49 U.S. Planes

Athens, Aug. 10 (AP)—Forty-nine United States Navy dive bombers will be turned over to the Greek Air Force in a few days, Lieut. Gen. James A. Van Fleet, chief of the United States military mission, announced today.

Two of the planes, known as Hell Divers, were delivered several weeks ago and United States Navy pilots have been secretly training Greek flyers in their use at Larisa.

Van Fleet said the dive bombers would play an important role in final liquidation of Communist-led guerrillas by pinpoint bombing and rocketing of mountain strongholds.

Part Of Aid Program

The plane shipment is part of the military-aid program. The bombers are scheduled to arrive within a week on the United States aircraft carrier Sicily. Previously, the Greek Air Force's only bombers were a few obsolete British-made Ansons.

The Greek Army announced that its forces, overcoming stiff resistance, captured important heights from the Communist-led guerrillas in the Grammos Mountains offensive.

However, the communiqué reported the army lost 62 killed, 247 wounded and 14 missing, the highest one-day toll since last March.

Attack In Fifth Day

The National forces killed 116 rebels and captured 37, the communiqué added. The attack has been under way for five days, in which the army has suffered 612 casualties, compared with 366 sustained by the rebels.

The high number of army casualties is accounted for by the mine fields around fortified rebel heights, which wounded many Greek soldiers, the communiqué said.

The air force carried out extensive attacks in the Grammos area yesterday.

CHINA CAPITAL SET TO MOVE

Officials Ready To Go To Chungking As Reds Gain

Canton, Aug. 10 (AP)—The Government today is hastily packing the official archives for the long, sad journey back to Chungking, the wartime capital.

Little more than three years ago, Chiang Kai-shek and his government triumphantly moved out of that far western city and returned to Nanking. Japan was beaten.

Now another of Chiang's old enemies, the Chinese Communist, threatens. Red armies are little more than 200 miles to the north.

The Red advance has put two provincial governments to flight. The Kiangsi province government fled from menaced Kanhsien to Hweichang. Kanhsien is 215 miles northeast of Canton. Hweichang is 50 miles southeast of Kanhsien.

The Hunan province government, in the path of the main Red advance, has cleared out to Chihkiang. That is 380 miles northwest of Canton.

Fall Seen Certain

The gloom is thick in this refugee capital deep in south China. Few believe Canton will remain the Nationalist capital much longer. Six weeks at the most, say some.

Some officials already have gone to Chungking. Others have left for Taipeh, capital of the island fortress of Formosa.

Unless plans are changed, Chungking again will become the Nationalist capital. But the seat of Nationalist power—as everyone knows—will remain with Chiang at Formosa.

Most of the embassies will close. Some foreign firms already have shut up. They don't like the uncertainty that Red rule brings.

The American, British, French and Dutch plan to keep consulates here.

Reds Use Fresh Forces

In the civil war fighting, the Communists were said to have thrown fresh forces into a hot battle northwest of Kanhsien. It is in this area that the Nationalists by official account assert they have 11,000 Reds encircled. Whether the fresh Red troops were sent to the relief of this force was not clear.

[Official government reports from Formosa to Hong Kong said

Communists and getting the Communists to agree to become an unarmed political party.

Marshall picked Stuart for the post because of his long years of close association with Chinese leaders, particularly those considered liberals. Many had been his students. He first went to China in 1908 as a teacher and later became president of Yen Ching University at Peiping, a post he held from 1919 until 1946.

Tried To Contact Communists

After the failure of the Marshall mission, Stuart stayed on as envoy, apparently in the hope that his influence would moderate the policies of the Nationalist Government to the extent of giving increasing power to the liberals. Some political changes were made by Generalissimo Chiang Kai-shek, but the State Department felt there was never an adequate transfer of authority from the hands of those it considered reactionary to the hands of men whom it called liberal.

When the Communists finally swept down on Nanking several months ago, a part of the American embassy staff was moved to the new Nationalist capital of Canton, but Stuart and the rest of the staff remained in Nanking and sought to establish contact with Communist authorities.

Reds Put Fresh Troops In Fight For Canton

Canton, Aug. 10 (AP)—Communists threw fresh forces into a battle on the approaches to this Nationalist capital, today. The Kiangsi provincial government fled Kanhsien, only 215 miles from Canton.

The battle raged northwest of Kanhsien in south-central Kiangsi, perhaps as near as 50 or 60 miles to the Canton's Kwangtung province. Reports said the Reds had put a new division into the fight.

Kiangsi's provincial government transplanted the capital to Hweichang, 50 miles southeast of Kanhsien.

Reds Reported Surrounded

The Nationalists claimed yesterday that 11,000 Communist troops had been surrounded near Suichwan, 50 miles northwest of Kanhsien. It was not clear whether the fresh Red division was thrown into this sector or elsewhere on the Kiangsi front, where the Communists have penetrated as close as 215 miles northeast of Canton.

Transfer of the Capital of Hunan province, which joins Kiangsi on the west, also was disclosed. The Government set up shop at Chihkiang, 210 miles southwest of the capital city of Changsha, which was handed over to the Communists last week by turncoat Gen. Chen Ming-jen.

Chihkiang is where the Japanese surrender in China at the end of World War II was signed. Then an important American airbase, it was never reached by the Japanese in their China offensive.

Further Setback In Kansu

Far to the northwest of the Hunan-Kiangsi front, the Nationalists admitted a further setback in Kansu province, stronghold of Moslem war lord Gen. Ma Hung-kwei.

Nationalist forces retreated to a point 30 miles north of Communist-held Kuyuan, which is 150 miles east of Lanchow, Kansu's capital.

Yesterday, the Nationalists claimed they had inflicted 20,000 casualties on Red troops in Kansu.

Chungking Next Capital When Canton Falls

Canton, Aug. 10 (AP)—Best estimates here today were that Canton would continue as provisional capital of Nationalist China another three to six weeks.

Gloom reigns among Nationalist officials. Only a few weeks ago they thought something might still be done to turn the tide against the Reds. Today even the most optimistic have brave forebodings over the future.

Back To Inland Capital

There is haste in the manner in whtich official archives are being packed for the long road back to Chungking, the inland wartime capital from which Chiang Kai-shek and his Government returned triumphantly to Nanking a little over three years ago.

Every day more familiar faces are missing. Some have gone to Chungking, others to Taipeh, capital of the island redoubt of Formosa.

Chiang Staying In Formosa

Under present plans the seat of government will be established at Chungking. But the reins will be held by Chiang at Taipeh.

Several foreign firms in Canton have closed rather than face the uncertainties of doing business under Red rule. Bigger firms like Standard Vacuum, Cal-Tex and Shell Oil companies are planning to keep representatives here, but their womenfolk have been or being evacuated.

Ambassador Stuart Arrives To Help Chart Policy On China

Washington, Aug. 10 (AP)—Ambassador John Leighton Stuart, veteran of 40 years educational and diplomatic work in China, today joined State Department policy makers charting a new anti-Communist program for the United States in the Far East.

The 73-year-old envoy arrived this afternoon by plane from San Francisco. He had left the Communist-controlled city of Nanking where he maintained his embassy more than a week ago.

Stepping from a Flying Fortress which had brought him across the Pacific and the United States, the gray-haired diplomat looked more lively and vigorous than the sweltering State Department officials who greeted him at the sunbaked National Airport.

Calls At State Department

In the company of Dean Rusk, deputy Under Secretary of State, and officers of the Far Eastern division, Stuart left the airport for a brief visit at the State Department.

He is expected to report to Dean Acheson, Secretary of State, tomorrow and to see President Truman soon thereafter.

He evidently arrived under orders not to say anything publicly until after his meetings with Acheson and the President. To all questions about conditions in China, Stuart replied, "I have nothing to say until I have reported to the Secretary of State."

First Visit In 3 Years

His return here, his first since he became Ambassador three years ago, was the latest in a series of developments bearing on the China situation. These began last week with the issuance of the State Department's White Paper, writing off the Nationalist Government as a failure in its effort to stop communism and opened the way for the development of new American policies.

Preceding Stuart's arrival, Acheson began a round of conferences with congressional committees which he hopes will result in the creation of the new policy on the firm basis of bipartisan support here. He appeared at a closed session of the House Foreign Affairs Committee and it was reported later that he had discussed the White Paper and the problems of China relations in general. It was understood that he would meet with the Senate Foreign Relations Committee tomorrow.

Others Back From Shina

Returning on the plane with Stuart were Harry A. Hinderer, administrative officer of the American Embassy in China, Col. John A. Dunning, air attache, and Philip Fugh, Stuart's personal secretary. Officials said Consul General John M. Cabot, who crossed the Pacific with Stuart, was coming to Washington from San Francisco by train.

Stuart became Ambassador to China at the time Gen. George C. Marshall, prior to his appointment as Secretary of State, was trying to unify the country by having the National Government absorb the Communists and getting the Communists to agree to become an unarmed political party.

Marshall picked Stuart for the post because of his long years of close association with Chinese leaders, particularly those considered liberals. Many had been his students. He first went to China in 1908 as a teacher and later became president of Yen Ching University at Peiping, a post he held from 1919 until 1946.

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When the Communists finally swept down on Nanking several months ago, a part of the American embassy staff was moved to the new Nationalist capital of Canton, but Stuart and the rest of the staff remained in Nanking and sought to establish contact with Communist authorities.

[The reports said Nationalist gunboats captured thirteen vessels and lighters owned by foreign firms off Taku bar, gateway to Tientsin. The dispatch did not give the ownership of the vessels. It said the haul included one small steamer, two tug boats and four lighters captured and one lighter sunk.

[A news dispatch from Formosa said a gunboat captured a Communist vessel in the mouth of the Yangtze, seizing seventeen Red soldiers and several British and Russian crewmen.]

Stuart To Report To President On China

Washington, Aug. 10 (AP)—Ambassador John Leighton Stuart is arriving today from China to give a first-hand report on what the United States is confronted with there.

He will talk with President Truman and Secretary of State Acheson.

Stuart's reports, following publication of the Truman Administration's White Paper, are expected to have an important bearing on the development of new American policies toward China. The White Paper wrote off the Chinese Nationalist Government as a failure.

Estimates Important

Especially important will be Stuart's estimates of:

1. The possibilities of further resistance to Chinese Communists by Nationalist generals outside the Red area.

2. The possibility of anti-Communist forces growing up inside the Communist controlled provinces.

Acheson, meanwhile, was reported ready to begin consultations with House and Senate Foreign Affairs committees on the Chinese situation. Indications are that he is especially anxious to try to build new policies on a bipartisan basis.

Woods Admits 'Hurry' Order By Vaughan

Washington, Aug. 10 (AP)—Housing Expediter Tighe E. Woods said today he recalls that Maj. Gen. Harry H. Vaughan asked him to "hurry" along a construction permit for the Tanforan race track.

Woods told a Senate investigating subcommittee that Vaughan, President Truman's military aide, came to his office January 12, 1948, to make the plea. He said Vaughan was accompanied by Eugene Mori, of Cadmen, N.J., listed as Tanforan's president.

Had Previous Meeting

Woods previosly had told the subcommittee only of being called to the White House January 9 last year by Vaughan to discuss the Tanforan matter. He quoted Vaughan as telling him at the White House meeting that "some of my friends" were interested in the case.

Woods said that at the meeting three days later he believed that Vaughan asked him to "please hurry" along the permit because there was "something" before the California race-track commission which would make Tanforan lose its franchise if the construction work could not proceed.

Asked Court Order Change

Woods sent letters to the Justice Department the next day urging modification of a court order issued against the former owners of the track to stop construction.

Meanwhile, the White House again said that Vaughan has Mr. Truman's permission to testify in the committee's so-called "five per-center" inquiry if the senators want him to do so.

Presidential Secretary Charles Ross said he had "no comment" concerning testimony linking Vaughan's name with the Tanforan race track matter.

Okay For Vaughan To Testify

When a reporter recalled that the President told a recent news conference that Vaughan has his permission to testify, Ross said that "still applies."

Committee Chairman Hoey (D., N.C.) said his group is especially interested in getting all the details as to why the Tanforan track finally got Government blessing for the construction after approval had been denied repeatedly.

Others To Be Called

The committee is checking on whether improper influence has figured in the administration of Federal regulations and in the awarding of Government contracts. In that connection the group is looking into the activities of "five percenters"—persons who charge a fee for help in getting Government contracts for others.

After hearing Woods the committee plans to call to the witness stand:

1. Albert W. Lewitt, a public relations counsel here. Until late in 1947 Lewitt served as secretary

30.24- 4945

to former Senator Albert Hawkes, of New Jersey. The investigators said Hawkes has nothing to do with the situation they want to question Lewitt about.

Hotel Sold Back To Owners

2. Clarence H. Oehler, former supervisor of the War Assets Administration's storage warehouse division in Chicago. The committee said Oehler now is with the American Industrial Development Corporation of St. Louis.

Committee officials said they want to question Lewitt about a transaction in which the Government sold the Lido Beach Hotel on Long Island (N.Y.) back to its original owners after taking over the property during the war.

Hunt's Biggest Fee

The subcommittee already has heard testimony that James V. Hunt a key figure in the "five percenter" inquiry, collected a $102,500 fee for handling that deal for the owners. Paul D. Grindle, a Massachusetts manufacturer, told the senators Hunt informed him it was his biggest fee as a management counselor.

Hunt once was a lieutenant colonel in the Army Quartermaster Corps. Later he worked for the War Assets Administration.

The committee is known to be trying to find out who suggested that the Lido Beach Hotel people get in touch with Hunt.

Oehler Correspondence

Oehler is being called, a committee official said, for questioning about "certain correspondence he had with Hunt over several months starting in April, 1947."

At yesterday's session Woods testified that Hunt was dubbed "king maker" by those who knew him because, as Woods put it, he always was claiming credit for getting friends appointed to good Federal jobs.

Woods said Hunt made it clear he felt he was responsible for Woods beig named Rent Control Director and later Housing Expediter. Woods, on the other hand, said he felt he won advancement on his merits.

day, the 55-year-old one-time Greek immigrant charted for reporters the course of his sometimes hectic, sometimes fabulous career.

The yarn smacks of Horatio Alger—but only to a point—as Maragon tells it.

First Job At $6 A Week

It was the year-to-year account from $6 a week 13-year-old Kansas City bootblack to his present role in Congress' probe of "five percenters."

Maragon listed a sheaf of senators and representatives, past and present, as his friends. He talked of Sir Thomas Lipton, the British tea tycoon and yachtsman, and of the late Hugh Johnson, who ran the NRA during the early days of the New Deal. Even Kaiser Wilhelm was brought in.

Vaughan A "Close Friend"

And Maj. Gen. Harry H. Vaughan? A "very close friend," was Maragon's description of the presidential military aide.

"To retain a good friend," he went on to say, "three things are necessary. You must be honest, loyal and not use them."

His attorney, Myron G. Ehrlich, asked:

"Have you ever accepted any money for doing anybody a favor in any Government department?"

"I have not," Maragon answered.

His Mission To Greece

Then he went into his service as a G-man. He told of a job overseas as an interpreter for an official Government mission to Greece. There were his foreign jaunts as representative for a perfume company. And his job as a traffic representative of the Baltimore and Ohio Railroad.

But never did he make big money.

Maragon said things started looking up for him in Washington during prohibition days. As he put it, he "took the rap" for a Senator about to be arrested because the lawmaker's suitcase was dripping bootlegged gin.

Maragon Tells Story—He Knew 'Em All

Washington, Aug. 10 (AP)—How did John F. Maragon climb from shoe-shine boy to man-about-Washington and favor-doer to people-about-Washington?

For nearly three hours yester-

SAYS BLOCKADE BOOSTED B-36'S

Gen. Smith Testifies Berlin Airlift Pushed Program.

Washington, Aug. 10 (A. P.).—An Air Force General said today that Russia's sudden blockade of Berlin last summer had a strong influence on decisions to carry out the B-36 bomber program.

Major-Gen. Frederick H. Smith, Air Force requirements chief, returned to the witness stand for his second day before the House Armed Services Committee now investigating the history of the giant six-engined bomber.

Smith told this story:

In April, 1948, there was "considerable difference of opinion" in the Air Staff as to the value of the B-36.

Gen. George C. Kenney, then chief of the Strategic Air Command, preferred refueling medium bombers for long-range missions, and had proposed using the B-36 as a tanker instead of a bomber.

During that month, however, an early model B-36 made a 6,900-mile flight carrying a simulated 10,000-pound bomb load. In May, it flew another long mission with the heavy load, covering 8,062 miles in thirty-six hours.

Smith said the majority of potential enemy targets would have been within this range. "The performance was encouraging," he said.

In June, he continued, Air Secretary Symington called a meeting of Air Force commanders and technicians to review the entire B-36 program. Symington had seen B-36's flown at the Consolidated Vultee Aircraft plant in Fort Worth, Tex., not long before, and had been impressed by performance records.

Clay Was Concerned.

As the June meeting started, the Berlin airlift was being put into operation by the Air Force, Gen. Smith said, and Gen. Lucius D. Clay, U. S. commander in Ber-

lin, "took a most serious view of the situation."

"After review, the decision was clearly in favor of carrying out the full B-36 contract," Smith said.

Those at the meeting, he said, decided it would not be wise to drop the program and lose the industrial potential of the Government-owned Fort Worth plant.

"Just when new production miracles might be demanded, as they were after Pearl Harbor," Smith added.

B-36 Probers Call Spaatz As Next Witness

Washington, Aug. 10 (AP)—Gen. Carl A. Spaatz, a pioneer of the Air Force, was called today to the witness chair in the House Armed Services Committee's investigation of the B-36 bomber.

The gray-haired Spaatz, now retired, was asked to tell the part he played as a combat commander in getting the six-engined, long-striking bomber from dream stuff to reality.

As a reporter for a weekly magazine, Spaatz yesterday heard his onetime chief, Robert A. Lovett, former Assistant Secretary of War for Air, talk about the plane's infancy in 1941.

Lovett Heard First

Lovett was the first witness called by the committee's special counsel Joseph B. Keenan. The inquiry is the result of statements made before the House on May 26 in a speech by Representative Van Zandt (R., Pa.).

The House ordered the investigation after Van Zandt told of "disturbing reports" about the relations of military leaders and industrialists connected with the B-36 program.

Lovett reviewed the steps that led to a contract with the Consolidated Aircraft Company for two experimental B-36's, and said there was "absolutely no evidence" of outside influence in the selection of the builder.

Procurement Poll Denied

In reply to direct questions, Lovett said he knew of no influence

from "bankers, industrialists, Floyd Odlum, (Victor) Emmanuel, or any other well-known persons."

Emmanuel is head of the Aviation Corporation, which controlled Consolidated before it was transferred to the Atlas Corporation, under the direction of Odlum.

HOUSE PROBERS HEAR UEW AID

He's 'Uncertain' If Workers Should Defend Russia

Washington, Aug. 10 (AP)—A Pittsburgh official of the CIO United Electrical Workers testified today he was uncertain whether American workers should defend Soviet Russia.

He was Robert Whisner, a shop steward of the union's local at the Westinghouse Electric Company and one of three local officers who refused to give yes or no answers whether they were or had been Communists.

Whisner stated his uncertainty when Frank S. Tavenner, counsel for the House Un-American Activities Committee, suddenly handed him an article in the publication Soviet Russia today signed by "Robert Whisner."

"Duty To Defend U.S.S.R."

The witness already had testified to visiting Russia in 1934. The article's last paragraph, read aloud, said:

"I am now convinced that it is the duty of every worker in the U.S.A. to defend the U.S.S.R. in every way possible, for the Soviet workers have shown us the way out."

Tavenner asked whether his opinions have changed. Whisner said at first that they hadn't, adding "I still feel we should be friendly with the U.S.S.R."

But later, admitting uncertainty he said he didn't subscribe to the same views because conditions in the United States have changed in the fifteen years since 1934.

Other Officials

The other Pittsburgh officials were Thomas J. Fitzpatrick, chief steward at the Westinghouse plant, and Frank Panzino, assistant chief steward.

All insisted that under their constitutional rights they did not have to make "categorical" answers. They were equally insistent that the replies they gave were not refusals to answer the question.

The committee is investigating alleged Communist influence in the powerful Westinghouse local. The hearing is expected to close tomorrow. One more subpoenaed union witness remains to be heard. He is Thomas Quinn, field organizer.

Says He Was Trapped

Whisner related that he made the trip to Russia, along with other unionists, under auspices of the Friends of the Soviet Union.

When confronted with the article, which Tavenner said was published after the trip, Whisner protested that "you fellows are leading me into a trap."

He said he probably had not written the article as it appeared but acknowledged that he had had "something to do with it."

As to whether he still agreed with the entire article, he replied that there was widespread unemployment in the United States then. Consequently, he said, he had found there was little to choose between the lot of American and Soviet workers.

But regarding the final paragraph and its reference to the defense of Russia, Whisner turned again to his constitutional rights.

Declines Answer

"I wouldn't like to say if I agree with it," he said, and again expressed fear that "it looks like you're trying to get me into a political discussion." He added:

"I don't know too much about communism."

Whisner, who had a lawyer, David Scribner, of New York, sitting beside him and consulting him during much of his testimony, told the committee he was out of a job in 1934 and someone asked him if he'd like to go to Russia. He said he would, and later at a meeting of Westinghouse workers—not the union—he was elected to make the trip.

The workers provided $225 or $250 for the trip and also contributed something each week to his family during his six-week absence, he said.

Passport Destination False

The passport application said he was going to visit England and France and see some friends. He went to England, then to Russia, and returned by way of France. But he spent only passing-through time in England and France and didn't see any friends. Most of the time was spent in Russia.

The application caused considerable questioning. Tavenner wanted to know why it did not mention Russia, and who made it out.

Whisner replied he didn't know. He said it was his signature, all right, on the application, but for all the rest he said he couldn't remember.

PENTAGON AIM TO GAG PRESS FIRMLY DENIED

AUG 12 1949

Reporters Need Not Get Approval For Interviews

Washington, Aug. 10 (AP)—The Pentagon rolled out the welcome mat for newsmen today as it sent out word that reporters do not have to get advance approval from the chief of the press branch to interview defense officials.

William Frye, information director for the three armed services, issued a statement saying his office had not laid down such a requirement and had no intention of doing so.

He said the military press branch did have a form for Washington reporters to fill out when seeking interviews but that it was intended to help rather than hinder them.

Blank To Be Changed

Earlier in the week it had been disclosed that the form carried this heading: "All interviews must be approved in advance by the chief of the press branch."

This was taken to mean that the military establishment was tightening up its information policies.

Frye, however, denied that such was the aim and press branch officers said that henceforth the interview request blank would not carry the heading.

Aims To Assist

Frye said the form was put out "principally for reporters who have no established contacts within the military establishment." The aim of this system, he said was two-fold:

1. To make certain that the request actually had been transmitted to the official concerned and that his agreement or refusal to grant the interview was transmitted promptly to the reporter.

2. To prevent more than one press branch employé from approaching the same official on a single request.

Frye declared that his Office of Public Information is "neither a police department nor a barrier reef" and that its "consistent policy has been to facilitate, not to hinder, the work of reporters."

AEC Names Unit For Data Release

Washington, Aug. 10 (AP)—The Atomic Energy Commission tonight announced the first step in a trial program to determine whether information about its metal-handling techniques and other metallurgical data can be given to industry without disclosing atomic secrets.

It appointed a temporary twelve-man advisory committee to recommend members for a small working party of engineers, representatives of professional societies, and members of the business press in the field of metallurgy. After members of the working party are cleared from the standpoint of security, the commission will make available to them metallurgical information which it thinks might be made public.

The working party will then recommend to the commission the data it believes should be considered for publication because of its usefulness to American industry and technology. The commission will make the final decision.

The commission said the trial program would concern information about pumps, blowers, valves, techniques of handling metals, and other metallurgical data. Any information whose release is approved will be made available for publication by established engineering and industrial journals in the field of metallurgy. If the trial program in metallurgy proves effective, the commission said, it will consider doing the same thing in other fields of technological and industrial information.

Senators Urge MacArthur Be Recalled

AUG 13 1949

Washington, Aug. 10 (AP)—A group of ten senators today "urgently requested" Secretary of Defense Johnson to recall General Douglas MacArthur from Japan.

Nine Republicans and one Democrat—Senator Byrd, of Virginia—said in a letter to Johnson that the pending $1,450,000,000 foreign-arms-aid bill deals with "a problem which is global in character."

Noting that the chiefs of staff have visited European countries but are not likely to have time to go to the far Pacific, the senators said they want the views of MacArthur and Vice Admiral Oscar C. Badger, naval commander in that area, before voting on the arms measure.

China Aid Proposed

Senator Knowland (R., Cal.) and twelve other senators have proposed that $175,000,000 of the bill's funds be earmarked for military aid to non-Communist China.

Those who signed the letter urging MacArthur's return included Knowland, Byrd and Republican Senators Bridges, of New Hampshire; Smith, of New Jersey; Hickenlooper, of Iowa; Morse, of Oregon; Wiley, of Wisconsin; Saltonstall, of Massachusetts; Baldwin, of Connecticut, and Gurney, of South Dakota.

Explosive Cloud Menace Revealed

Fire Prevention Official Discloses Vapor Over Houston Threatened City During War.

Houston, Aug. 10 (A. P.).—An explosive cloud once menaced Houston during the war, Hugh V. Keppers, assistant manager of the Fire Prevention and Engineering Bureau of Texas, said today.

He revealed that a dangerous vapor of butadiene gas escaped from a rubber plant near Houston when certain operations failed and workmen opened valves as a precaution against destruction of the plant.

The vapor formed a great cloud, about 1,000 feet thick and several miles in diameter, and floated above Houston.

"Luckily," said Keppers, "no airplane flew through it. Only a spark was needed to set it off."

After the danger passed, Keppers added, steps were taken to prevent it from happening again.

Shah of Iran to Visit U. S. in November

Washington, Aug. 9 (A. P.).—President Truman announced today that Mohammed Reza Pahlavi, Shah of Iran, had accepted his invitation to visit the United States the latter part of November.

HOOVER SAYS NATION IS BLISSFULLY HEADED TOWARD COLLECTIVISM

AUG

Ex-President, Speaking At Ceremonies Honoring His 75th Birthday, Decries Government Spending And High Taxes

Palo Alto, Cal., Aug. 10 (AP)—Former President Herbert Hoover declared tonight Government spending and taxes threaten the nation with collectivism.

In a major address climaxing his seventy-fifth birthday celebration, the country's only living former President asserted that "through Government spending and taxes our nation is blissfully driving down the back road" and is "on the last mile" to collectivism.

A crowd estimated at between 8,000 and 10,000, including many old-time friends and associates, heard the address in Frost Memorial Bowl, nestled among the trees almost in the shadow of the Hoover Institute and Library on War, Revolution and Peace.

Looks Well And Robust

It was much like a large, informal family gathering. The crowd was quiet. When Hoover entered, and when he finished speaking, they sang "Happy Birthday To You."

At two or three points in his talk, he evoked laughter. There was dignified applause at the end.

Hoover looked well and robust. He wore a brown, double-breasted business suit and a four-in-hand tie. He was introduced by Fred Wickett, of Palo Alto, chairman of the Hoover Birthday Fund. Wickett presented the former President with a birthday card representing $155,182 in endowments for the Hoover Institute and Library, founded by the former President. The gifts came from 1,221 persons over the country.

Text of Hoover speech follows:

My first duty is to acknowledge your generous reception and these most generous gifts to the library.

It is now 34 years since this library on war, revolution and peace was founded. Over these years friends of the library have contributed over $3,450,000 toward its support. And of priceless value have been the millions of documents and materials furnished freely by hundreds of individuals and threescore governments.

This institution is not a dead storage. It is a living thing which over the years will correct a vast amount of error in the history of these troubled times. It will also teach the stern lessons of how nations may avoid war and revolution.

Not being a Government institution, it has never received a dime from Government sources, and its scholars therefore can be as free as the Sierra winds in its use and in the expression of objective truth.

Grave Questions Arise

In the somber situation of the world I would be derelict if today I discussed the lighter side of life instead of the serious issues which weigh on my heart.

Some of you will know that during the last two years I have added somewhat to my previous knowledge of the currents of Government in this republic. Beyond the immediate problems of efficient organization of the Federal departments, there arise from these investigations some grave questions as to our whole future as a nation.

Now, as never before, we need thinking on some of these questions. If America is to be run by the people, it is the people who must think. And we do not need to put on a sackcloth and ashes to think. Nor should our minds work like a sundial which records only sunshine. Our thinking must square against some lessons of history, some principles of government and morals, if we would preserve the rights and dignity of men to which this nation is dedicated.

The real test of our thinking is not so much the next election as it is the next generation.

Lists Items For Thought

I am not going to offer you solutions to our national ills. But I shall list some items for thought. Perhaps in Japanese-English a subhead would be "bring feet from clouds into swamp where we now are."

We must wish to maintain a dynamic progressive people. No nation can remain static and survive. But dynamic progress is not made with dynamite. And that dynamite today is the geometrical increase of spending by our governments — Federal, state and local.

Perhaps I can visualize what this growth has been. Twenty years ago, all varieties of government, omitting Federal debt service, cost the average family less than $200 annually. Today, also omitting debt service, it costs an average family about $1,300 annually.

This is bad enough. But beyond this is the alarming fact that at this moment executives and legislatures are seriously proposing projects which if enacted would add one third more annually to our spending. Add to these the debt service and the average family may

30.24- 4947

be paving $1,900 yearly taxes. They may get a little back if they live to over 65 years of age.

Traces Governmental Growth

No doubt life was simpler about 147 years ago, when our Government got well under way. At that time there was less than one government employé, Federal, state and local including the paid military, to each 120 of the population. Twenty years ago, there was one Government employé to about 40 of the population. Today, there is one Government employé to about every 22 of the population. Worse than this, there is today one Government employé to about eight of the working population.

Twenty years ago, persons directly or indirectly receiving regular monies from the Government —that is, officials, soldiers, sailors, pensioners, subsidized persons and employés of contractors working exclusively for the Government— represented about one person in every 40 of the population.

Today about one person out of every seven in the population is a regular recipient of Government monies. If those of age are all married, they comprise about one half the voters of the last presidential election.

Think it over.

Working Citizens Pay

In the long run it is the average working citizen who pays by hidden and other taxes. I have made up a little table showing the number of days which this kind of citizen must work on average to pay the taxes.

	Day's Work
Obligations from former wars	11
Defense and cold war	24
Other Federal expenditures..	12
State and local expenditures..	14
Total thus far	61

But beyond this, the seriously proposed further spending now in process will take another twenty days' work from Mr. and Mrs. Average W. Citizen.

Taking out holidays, Sundays, and average vacations, there are about 235 working days in the year. Therefore, this total of 81 days' work a year for taxes is about one week out of every month.

You might want to work for your family instead of paying for a gigantic bureaucracy.

Think it over.

To examine what we are doing, we must get away from such sunshine figures as the gross national income. We must reduce our problem to the possible savings of the people after a desirable standard of living. If we adopt the Federal Government's estimate of such a desirable standard, then the actual, and the seriously proposed, national and local government spend-

ing will absorb between 75 per cent to 85 per cent of all the savings of the people. In practice it does not work evenly. The few will have some savings, but the many must reduce their standard of living to pay the tax collector.

Cites Productive System

And it is out of savings that the people must provide their individual and family security. From savings they must buy their homes, their farms and their insurance. It is from their savings finding their way into investment that we sustain and stimulate progress in our productive system.

One end result of the actual and proposed spendings and taxes to meet them is that the Government becomes the major source of credi and capital to the economic system At best the small business man i starved in the capital he can find Venture capital to develop new ideas tends to become confined t the large corporations and the grow bigger. Governments do no develop gadgets of improved living

Another end result is to expos all our independent colleges an other privately supported institu tions to the risk of becoming de pendent upon the state. The through politics we will undermin their independence which give stimulus to government supported institutions.

No nation grows stronger by sub traction.

Think it over.

Decries More Borrowing

It is proposed that we can avoid these disasters by more Govern ment borrowing. That is a device to load our extravagance and waste on to the next generation. But in creasing Government debts can carry immediate punishment for that is the road to inflation. There is far more courage in reducing our debts than in increasing them And that is a duty to our children

And there is no room for this spending and taxes except to cut the standard of living of most of our people. It is easy to say in crease corporation taxes. That is an illusion. The bulk of corporation taxes is passed on to the consumer —that is, to every family. It is easy to say increase taxes on the higher personal income brackets. But if all incomes over $8,000 a year were confiscated, it would cover less than 10 per cent of these actual and proposed spendings.

The main road is to reduce spending and waste and defer some desirable things for a while.

There are many absolute necessities and there are many less urgent meritorious and desirable things that every individual family in the nation would like to have but cannot afford. To spend for them or borrow money for them would endanger the family home and the family life. So it is with the national family.

American Mind Troubled

So long as we must support the necessary national defense and cold war at a cost of 24 days work per year to Mr. Average W. Citizen there are many comforting things that should be deferred if we do not wish to go down this road to ruin of our national family life.

Think it over.

Along this road of spending, the Government either takes over which is socialism, or dictates in stitutional and economic life which is facism.

The American mind is troubled by the growth of collectivism throughout the world.

We have a few hundred thousand Communists and their fellow travelers in this country. They cannot destroy the republic. They are a nuisance and require attention. We also have the doctrinaire Socialists who peacefully dream of their Utopia.

But there is a considerable group of fuzzy-minded people who are engineering a compromise with all these European infections. They fail to realize that our American system has grown away from the systems of Europe for 250 years. They have the foolish notion that a collectivist economy can at the same time preserve personal liberty and constitutional government.

Cites English "Austerity"

The steady lowering of the standard of living by this compromised collectivist system under the title "austerity" in England should be a sufficient spectacle. It aims at a fuller life, but it ends in a ration.

Most Americans do not believe in these compromises with collectivism. But they do not realize that through governmental spending and taxes our nation is blissfully driving down the back road to it at top speed.

In the end these solutions of national problems by spending are always the same — power, more power, more centralization in the hands of the state.

We have not had a great socialization of property, but we are on the last mile to collectivism through governmental collection and spending of the savings of the people.

Think it over.

Cites Malign Distortions

A device of these advocates of gigantic spending is the manipulation of words, phrases and slogans to convey new meanings different from those we have long understood. These malign distortions drug thinking. They drown it in emotion. We see Government borrowing and spending transferred into the soft phrase "deficit spending."

The slogan of a "welfare state" has emerged as a disguise for the totalitarian state by the route of spending. Thomas Jefferson would not recognize this distortion of his simple word "welfare" in the Constitution. Jefferson's idea of the meaning of welfare lies in his statement "to preserve our independence . . . we must make a choice between economy and liberty or profusion and servitude. . . . If we can prevent Government from wresting the labors of the people under the pretense of caring for them we shall be happy."

Another of these distortions is by those who support such a state and call themselves "liberals." John Morley would not recognize them.

Out of these slogans and phrases and new meanings of words come vague promises and misty mirages, such as "security from the cradle to the grave," which frustrate those basic human impulses to production which make a dynamic nation.

Think it over.

Hits Pressure Groups

It is customary to blame the administrations or the legislatures for his gigantic increase in spending, these levies on the nation's workdays, and this ride to a dead-end of our unique and successful American system. A large cause of this growing confiscation of the work of the people by our various governments is the multitude of great pressure groups among our citizens. Also the state and municipal governments pressurize the Federal Government. And within the Federal Government are pressure groups building their own empires.

Aggression of groups and agencies against the people as a whole is not a process of free men. Special privilege either to business or groups is not liberty.

Many of these groups maintain paid lobbies in Washington or in the state capitols to press their claims upon the administrations or the legislatures.

Urges Thinking, Debate

Our representatives must run for election. They can be defeated by these pressure groups. Our officials are forced to think in terms of pressure groups, not in terms of need of the whole people.

Perhaps some of my listeners object to somebody else's pressure group. Perhaps you support one of your own. Perhaps some of you do not protest that your leaders are not acting with your authority.

Think it over.

And finally, may I say that thinking and debate on these questions must not be limited to legislative halls. We should debate them in every school. We should resort to the old cracker-barrel debate in every corner grocery. There phrases and slogans can be dissolved in common sense and integrity.

Lauds American Qualities

A splendid storehouse of integrity and freedom has been bequeathed to us by our forefathers. In this day of confusion, of peril to liberty, our high duty is to see that this storehouse is not robbed of its contents.

We dare not see the birthright of posterity to individual independence, initiative and freedom of choice bartered for a mess of a collectivist system.

My word to you, my fellow citizens, on this seventy-fifth birthday is this: The founding fathers dedicated the structure of our Government "to secure the blessings of liberty to ourselves and our posterity." We of this generation inherited this precious blessing. Yet as spendthrifts we are on our way to rob posterity of its inheritance.

The American people have solved many great crisis in national life. The qualities of self-restraint, of integrity, of conscience and courage still live in our people. It is not too late to summon these qualities.

IENDS, NOTABLES ELICITATE HOOVER

Truman Among World Figures Sending Congratulations to Ex-President, Now 75

PALO ALTO, Calif., Aug. 10 (AP) —"I have had every honor to which any man could aspire," Herbert Hoover said years ago, and in that spirit the only living former President of the United States today celebrated his seventy-fifth birthday anniversary.

Mr. Hoover was among friends —more than 12,000 of them—on the campus of Stanford University, where he had been a member of the first graduating class in 1895.

"There is no place on the whole earth except here in America where all the sons of man could have this chance in life," Mr. Hoover had told his friends as they gathered before his address.

Mr. Hoover appeared well and robust. He wore a brown double-breasted business suit and a four-in-hand tie.

The orphan son of a blacksmith, Mr. Hoover became a millionaire while still a comparatively young man. And with wealth came recognition of him as a great humanitarian.

Today there came to him a telegram of congratulations from President Truman. "This should be among your happiest birthdays," Mr. Truman said, noting "the noble report" on Government efficiency which Mr. Hoover just completed, and concluding "I trust that many birthdays and many fruitful years lie ahead, all made happy by continued service in the cause of efficiency in Government and the respect and affection of your fellow countrymen."

There were thousands of other messages of greetings, from all over the world. Many came from Europe, where Mr. Hoover directed aid after World War I, and where he is well remembered.

Senators, Representatives and Governors from many states sent felicitations, as did the Mayors of many cities.

Messages From Everywhere

Congratulations came from Patrick Hurley, Mr. Hoover's Secretary of War; from Bernard Baruch; the President of Ecuador; the Mayor of Hamburg, Germany; the United States Ambassador to Venezuela; the German Secretary of State; Foreign Minister Robert Schuman of France; the Chancellor of Finland, and Warren R. Austin, chief United States delegate to the United Nations.

Bright sunshine bathed the Stanford campus. The Frost Amphitheatre, a natural bowl, was a beautiful green, backed by trees. Five hours before Mr. Hoover's speech, people took their seats. Some brought their lunch.

Among those present were Jeremiah Milbank, New York banker; Edgar Rickard, New York, associated with Mr. Hoover in the Belgian relief phase of his career; Dave Hinshaw, New York author, and Raymond S. Richmond of Jackson Heights, Queens, New York, of the Gannett newspapers and an associate of Mr. Hoover in relief work in Finland and Poland.

Mr. Hoover was voted an honorary life membership in the Stanford student body.

The ex-President lunched at the Stanford Union, where the faculty and students eat. He came with a

family party, including all his five grandchildren.

Gov. Earl Warren of California arrived by plane, to offer his personal congratulations. He had issued a special proclamation which said of Mr. Hoover, "Few men anywhere have lived more useful lives, and none with greater devotion, both at home and throughout the world."

Hoover Is 75, Gets World Acclaim

Palo Alto, Cal., Aug. 10 (AP)—Herbert Clark Hoover is 75 years old today, and tributes for the country's only living ex-President poured in from all over the world.

Late today Stanford University will honor its most illustrious graduate in the Frost amphitheater. A crowd of 12,000 to 14,000 was expected.

The program will be climaxed by a major address by Mr. Hoover (9 P.M., E.S.T.). His topic will be "Think of the Next Generation."

Even Mr. Hoover, who once said, "I have had every honor to which any man could aspire," probably was suprised by the stir created by his birthday anniversary and by the congratulatory letters by the thousands.

Maryland Joins Acclaim

Two states, Arkansas and Maryland, proclaimed today "Hoover Day." Gov. Earl Warren, of California issued a proclamation in which he said: "Few men anywhere have lived more useful lives, and none with greater devotion, both at home and throughout the world."

The governors of New Mexico and Vermont extended greetings to Mr. Hoover in proclamations, and personal congratulations were sent by the governors of Idaho, Alabama, Virginia, South Dakota, Kansas, New York and Washington.

Mr. Hoover, born in Iowa and a member of the first graduating class of Leland Stanford University, was the thirtieth President of the Unietd States—from 1929 to 1933.

Still A Hard Worker

At 75 he is, as always, a hard worker, usually putting in a 16-hour day. His chief concern for many years has been for national and international affairs.

Even when on fishing trips or at the annual encampment of the Bohemian Club on the Russian River, he usually works at least part of the day. At his New York hotel residence, he keeps four secretaries busy.

After World War II he was called back into his country's service. President Truman sent him on a tour to determine the world's desperate food needs.

Develops Whimsical Humor

And in 1947 Mr. Truman named the former President to head the Commission on Organization of the Executive Branch of the Government. He accepted gladly, although he was 73 and already had devoted 40 years to public service.

A whimsical type of humor, as exhibited in some of his recent speeches, has helped somewhat to dispel the rather general impression that Mr. Hoover is a dour man.

Discussing the Hoover Commission report recently, he told of the little girl writing her thanks to a man who had sent her a book about pelicans. "This is, indeed, a very interesting thing," the girl wrote. "It contains more about pelicans than I really need to know."

"That," commented Mr. Hoover, "is the feeling of the commission at the present moment" after eighteen months of work on its report.

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At 75 he is, as always, a hard worker, usually putting in a sixteen-hour day. His chief concern for many years has been

Honored in Germany

STUTTGART, Germany, Aug. 10 (AP)—An exhibition of children's drawings opened here today in honor of Herbert Hoover's seventy-fifth birthday. The drawings commemorate the former American President's work in helping feed German school children after two world wars.

PALO ALTO, Calif., Aug. 10 (AP)—The complete text of former President Herbert Hoover's address tonight at Stanford University on the occasion of his seventy fifth birthday:

My first duty is to acknowledge your generous reception and these most generous gifts to the library.

It is now thirty-four years since this library on war, revolution and peace was founded. Over these years friends of the library have contributed over $3,450,000 toward its support. And of priceless value have been the millions of documents and materials furnished freely by hundreds of individuals and three-score governments.

This institution is not a dead storage. It is a living thing which over the years will correct a vast amount of error in the history of these troubled

grave questions as to our whole future as a nation.

Calls Next Generation Real Test

Now, as never before, we need thinking on some of these questions. If America is to be run by the people, it is the people who must think. And we do not need to put on sackcloth and ashes to think. Nor should our minds work like a sundial which records only sunshine. Our thinking must square against some lessons of history, some principles of government and morals, if we would preserve the rights and dignity of men to which this nation is dedicated.

The real test of our thinking is not so much the next election as it is the next generation.

I am not going to offer you solutions to our national ills. But I shall list some items for thought. Perhaps in Japanese-English a subhead would be "Bring Feet From Clouds Into Swamp Where We Now Are."

We must wish to maintain a dynamic progressive people. No nation can remain static and survive. But dynamic progress is not made with dynamite. And that dynamite today is the geometrical increase of spending by our governments—Federal, state and local.

Perhaps I can visualize what this growth has been. Twenty years ago, all varieties of government, omitting Federal debt service, cost the average family less than $200 annually. Today, also omitting debt service, it costs an average family about $1,300 annually.

This is bad enough. But beyond this is the alarming fact that at this moment executives and legislatures are seriously proposing projects which if enacted would add one-third more annually to our spending. Add to these the debt service and the average family may be paying $1,900 yearly taxes. They may get a little back if they live to over sixty-five years of age.

Rise in Government Workers

No doubt life was simpler about 147 years ago, when our government got well under way. At that time there was less than one government employee, Federal, state and local, including the paid military, to each 120 of the population. Twenty years ago, there was one government employee to about forty of the population. Today, there is one government employee to about every twenty-two of the population. Worse than this, there is today one government employee to about eight of the working population.

Twenty years ago, persons directly or indirectly receiving regular monies from the government—that is, officials, soldiers, sailors, pensioners, subsidized persons and employees of contractors working exclusively for the government — represented about one person in every forty of the population.

Today about one person out of every seven in the population is a regular recipient of government moneys. If those of age are all married, they comprise about one-half the voters of the last Presidential election.

Think it over.

In the long run it is the average working citizen who pays by hidden and other taxes. I have made up a little table showing the number of days which this kind of citizen must work on average to pay the taxes.

Day's Work

Obligations from former wars	11
Defense and cold war	24
Other Federal expenditures	12
State and local expenditures	14
Total thus far	61

But beyond this, the seriously proposed further spending now in process will take another twenty days' work from Mr. and Mrs. Average W. Citizen.

Taking out holidays, Sundays and average vacations, there are about 235 working days in the year. Therefore, this total of eighty-one days' work a year for taxes is about one week out of every month.

You might want to work for your family instead of paying for a giant bureaucracy.

Think it over.

It All Comes Out of Savings

To examine what we are doing, we must get away from such sunshine figures as the gross national income. We must reduce our problem to the possible savings of the people after a desirable standard of living. If we adopt the Federal government's estimate of such a desirable standard, then the actual, and the seriously proposed, national and local government spending will absorb between 75 per cent

Hoover, 75, Honored Today

Stanford U. Is Paying Top Tribute—He Will Give Radio Address Tonight.

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Late today Stanford University will honor its most illustrious graduate. A crowd of 12,000 to 14,000 was expected. The program will be climaxed by a major address by Hoover, beginning

for national and international affairs. Even when on fishing trips or at the annual encampment of the Bohemian Club on the Russian River, he usually works at least part of the day. At his New York hotel residence, he keeps four secretaries busy.

After world war II he was called back into his country's service. President Truman sent

him on a tour to determine the world's desperate food needs. In 1947, Mr. Truman named him to

head the commission on organization of the executive branch of the Government.

times. It will also teach the stern lessons of how nations may avoid war and revolution.

Not being a government institution, it has never received a dime from government sources, and its scholars therefore can be as free as the Sierra winds in its use and in the expression of objective truth.

In the somber situation of the world I would be derelict if today I discussed the lighter side of life, instead of the serious issues which weigh on my heart.

Some of you will know that during the last two years I have added somewhat to my previous knowledge of the currents of government in this republic. Beyond the immediate problems of efficient organization of the Federal departments, there arise from these investigations some

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to 85 per cent of all the savings of the people. In practice it does not work evenly. The few will have some savings, but the many must reduce their standard of living to pay the tax collector.

And it is out of savings that the people must provide their individual and family security. From savings they must buy their homes, their farms and their insurance. It is from their savings finding their way into investment that we sustain and stimulate progress in our productive system.

One end result of the actual and proposed spendings and taxes to meet them is that the government becomes the major source of credit and capital to the economic system. At best the small business man is starved in the capital he can find. Venture capital to develop new ideas tends to become confined to the large corporations and they grow bigger. Governments do not develop gadgets of improved living.

Another end result is to expose all our independent colleges and other privately supported institutions to the risk of becoming dependent upon the state. Then, through politics we will undermine their independence which gives stimulus to government-supported institutions.

No nation grows stronger by subtraction.

Think it over.

Where Will the Money Come From

It is proposed that we can avoid these disasters by more government borrowing. That is a device to load our extravagance and waste on to the next generation. But increasing government debts can carry immediate punishment for that is the road to inflation. There is far more courage in reducing our debts than in increasing them. And that is a duty to our children.

And there is no room for this spending and taxes except to cut the standard of living of most of our people. It is easy to say increase corporation taxes. That is an illusion. The bulk of corporation taxes is passed on to the consumer—that is to every family. It is easy to say increase taxes on the higher personal income brackets. But if all income over $8,000 a year were confiscated, it would cover less than 10 per cent of these actual and proposed spendings.

The main road is to reduce spending and waste and defer some desirable things for a while.

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So long as we must support the necessary national defense and cold war at a cost of twenty-four days work per year to Mr. Average W. Citizen, there are many comforting things that should be deferred if we do not wish to go down this road to ruin of our national family life.

Think it over.

Along this road of spending, the government either takes over, which is Socialism, or dictates institutional and economic life which is Fascism.

The American mind is troubled by the growth of collectivism throughout the world.

Says Reds Can't Destroy Republic

We have a few hundred thousand Communists and their fellow travelers in this country. They cannot destroy the republic. They are a nuisance and require attention. We also have the doctrinaire Socialists who peacefully dream of their utopia.

But there is a considerable group of fuzzy-minded people who are engineering a compromise with all these European infections. They fail to realize that our American system has grown away from the systems of Europe for 250 years. They have the foolish notion that a collectivist economy can at the same time preserve personal liberty and constitutional government.

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In the end, these solutions of national problems by spending are always the same—power, more power, more centralization in the hands of the state.

We have not had a great socialization of property, but we are on the last mile to collectivism through governmental collection and spending of the savings of the people.

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A device of these advocates of gigantic spending is the manipulation of words, phrases and slogans to convey new meanings different from those we have long understood. These malign distortions drug thinking. They drown it in emotion. We see government borrowing and spending transferred into the soft phrase "deficit spending." The slogan of a "welfare state" has emerged as a disguise for the totalitarian state by the route of spending. Thomas Jefferson would not recognize this distortion of his simple word "welfare" in the Constitution. Jefferson's idea of the meaning of welfare lies in his statement "to preserve our independence . . . we must make a choice between economy and liberty or profusion and servitude. . . . If we can prevent government from wresting the labors of the people under the pretense of caring for them we shall be happy."

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Aggression of groups and agencies against the people as a whole is not a process of free men. Special privilege either to business or groups is not liberty.

Why Pressure Groups Succeed

Many of these groups maintain paid lobbies in Washington or in the state capitols to press their claims upon the administrations or the legislatures.

Our representatives must run for election. They can be defeated by these pressure groups. Our officials are forced to think in terms of pressure groups, not in terms of need of the whole people.

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AUG 12 1949

LONDON - ALBANIA-GREECE - XXX TWO DAYS.

THE GREEKS SAID THEIR AIR FORCE CARRIED OUT EXTENSIVE ATTACKS THROUGHOUT THE GRAMMOS REGION.

IN ATHENS LT. GEN. JAMES A. VAN FLEETN CHIEF OF THE AMERICAN MILITARY MISSION, ANNOUNCED THAT 49 U.S. NAVY DIVE BOMBERS SOON WILL BE TURNED OVER TO THE GREEK AIR FORCE AS PART OF THE MILITARY AID PROGRAM. TWO OF THE PLANES, KNOWN AS HELL DIVERS, ARRIVED SEVERAL WEEKS AGO. VAN FLEET SAID, THE DIVE BOMBERS, WHICH CAN CARRY TWO TONS OF BOMBS, WILL PLAY AN IMPORTANT ROLE IN THE' FINAL LIQUIDATION OF GUERRILLA FORCES.

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LONDON, AUG. 10-(AP)-U.S.AIRMEN IN ENGLAND MADE PUBLIC TODAY A VOLUNTARY GOOD CONDUCT CODE WHOSE THEME IS "DON'T LET'S BE BEASTLY TO THE BRITISH."

IT ADVISES THE GI'S TO SWEAR OFF GRIPING ABOUT BRITISH FOOD, TALKING TOO MUCH, PLAYING THE BLACK MARKETS AND BOASTING ABOUT AMERICA.

THE CODE WAS PUBLISHED IN THE "UNITED KINGDOM EAGLE," WEEKLY NEWSPAPER OF THE THIRD AIR DIVISION HEADQUARTERS AT SUBURBAN RUISLIP.

IT WAS HAMMERED OUT BY THE ENLISTED MEN THEMSELVES IN ONE OF THEIR WEEKLY DISCUSSION HOURS.

SOME 8,000 U.S.AIRMEN ARE STATIONED IN ENGLAND, INCLUDING THE PERSONNEL OF THREE B29 SUPERFORT GROUPS IN THE MIDLANDS AND A BIG FORCE OF AIRCRAFT MAINTENANCE MEN AT BURTONWOOD.

THE 11-POINT GOOD CONDUCT CODE FOLLOWS:

1. DON'T BE OVERTALKATIVE AND FAMILIAR. MAINTAIN THE PROPER UNIFORM AT ALL TIMES. BE A CREDIT TO YOUR UNIFORM.

2. KEEP OUT OF BLACK MARKETS.

3. TIP SENSIBLY. LAVISH TIPPING ANTAGONIZES THE VAST MAJORITY OF PEOPLE HERE WHO CANNOT COMPETE WITH IT.

4. IF YOU GO IN FOR CLIP JOINTS BE SPORTING ENOUGH TO TAKE THE FINANCIAL CONSEQUENCES.

5. DON'T GRIPE ABOUT RATION OR CURRENCY REGULATIONS OR PROTEST ABOUT THE NON-AMERICAN SIZE OF FOOD PORTIONS. THE PEOPLE IN THIS COUNTRY DON'T LIKE IT ANY MORE THAN YOU DO.

6. DON'T JUDGE A PEOPLE BY ITS SMALL FRINGE OF SHADY CHARACTERS AND BLACK MARKETEERS. TREAT PEOPLE, ESPECIALLY WOMEN, WITH THE RESPECT THEY DESERVE.

7. DON'T JUDGE A WHOLE PEOPLE BY A FEW ANTI-AMERICAN TROUBLE MAKERS. IF YOU HAPPEN TO RUN INTO AN UNFRIENDLY INCIDENT, HANDLE YOURSELF WITH COMPOSURE.

8. STEER A MIDDLE COURSE--NEITHER BOAST ABOUT AMERICA NOR APOLOGIZE FOR IT.

9. REMEMBER THAT BRITAIN'S DISTINCTIVE CHARACTER LIES IN TRADITION AND THAT ITS PRESENT STANDARD OF LIVING IS CONSIDERABLY BELOW ITS NORMAL.

10. DON'T FLAUNT YOUR RATIONS OR BOAST OF ITS QUALITY OR PRICE.

11. THE MOST IMPORTANT THING YOU SHOULD BE CERTAIN TO HAVE AT ALL TIMES IS A SENSE OF RESPONSIBILITY AS AN AMERICAN ABROAD.

THIRD DIVISION HEADQUARTERS RECENTLY WARNED THE AIRMEN TO STEER CLEAR OF LEFTIST MASS MEETINGS TO AVOID INCIDENTS. ONE OF THE FAVORITE SLOGANS OF THE BRITISH COMMUNISTS IS "SEND THE YANKS HOME."

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BY ARTHUR GAVSHON

LONDON, AUG. 10-(AP)-DIPLOMATIC OFFICIALS REPORTED TODAY AN AMERICAN FEELER HAS GONE OUT TO TEST WHETHER SWEDEN MIGHT NOW BE READY TO JOIN THE ATLANTIC PACT.

THE STOCKHOLM GOVERNMENT'S REACTION SO FAR HAS BEEN NEGATIVE, THE OFFICIALS SAID.

THERE WAS NO IMMEDIATE CONFIRMATION OF THE REPORT FROM OTHER SOURCES. THEINFORMANTS ASKED NOT TO BE IDENTIFIED EVEN BY NATIONALITY

THEY DECLARED A TENTATIVE AND INFORMAL APPROACH WAS MADE IN WASHINGTON SOME TIME IN THE PAST MONTH. THEY DID NOT SAY EXACTLY WHO MADE THE MOVE. IT WAS PRESUMABLY DIRECTED TO THE SWEDISH EMBASSY.

THE INFORMANTS EXPRESSED THE VIEW A MORE FORMAL AMERICAN APPROACH TO SWEDEN TO RECONSIDER HER DECISION TO STAY OUT OF THE 12-NATION GROUPING MIGHT STILL BE MADE.

SWEDEN, TRADITIONALLY NETURAL IN FOREIGN AFFAIRS, ORIGINALLY ELECTED TO STAY OUT OF THE ATLANTIC PACT BECAUSE SHE CONSIDERED IT DIRECTED AGAINST NEARBY RUSSIA.

SHE DID HOWEVER OFFER TO JOIN DENMARK AND NORWAY IN A SCANDINAVIAN DEFENSE TREATY, PROVIDED THE THREE-NATION GROUP KEPT OUT OF THE ATLANTIC ALLIANCE AND OUT OF EAST-WEST SQUABBLES. NORWAY AND DENMARK WERE NOT INTERESTED.

THE INFORMANTS SAID THE LATEST AMERICAN TRIAL BALLOON IN WASHINGTON WAS AIMED AT ESTABLISHING WHETHER SWEDEN WOULD BE WILLING TO JOIN THE SCANDINAVIAN WING OF THE ATLANTIC PACT. THE AMERICAN ARGUMENT WAS SAID TO BE THAT MEMBERSHIP IN THAT WING WOULD AMOUNT TO MEMBERSHIP IN A PURELY SCANDINAVIAN ALLIANCE.

THE ATLANTIC PARTNERS HAVE BEEN REPORTED PLANNING TO FORM THEMSELVES INTO GROUPS--AMERICAN, SOUTH EUROPEAN, WEST EUROPEAN,AND SCANDINAVIAN, THE LAST COMPRISING NORWAY, DENMARK AND ICELAND.

SWEDEN'S ANSWER WAS SAID TO BE NO, BECAUSE SUCH MEMBERSHIP WOULD MEAN COMING INTO THE ATLANTIC PACT IN ONE FORM OR ANOTHER.

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SECOND LEAD COUNCIL OF EUROPE

BY FRANK O'BRIEN

STRASBOURG,FRANCE,AUG.10-(AP)-FORMER FRENCH PREMIER EDOUARD HERRIOT SAID TODAY THE NEW COUNCIL OF EUROPE MIGHT BE ABLE TO FIND A BASIC SOLUTION TO THE PROBLEM OF THE CONTINENT'S TRADE DEFICIT WITH THE UNITED STATES.

HE IMPLIED THAT HE THOUGHT THE ORGANIZATION MIGHT HAVE MORE LUCK IN THIS RESPECT THAN THE AMERICAN-FINANCED EUROPEAN RECOVERY PROGRAM (ERP).

HERRIOT ADDRESSED THE OPENING SESSION OF THE COUNCIL'S CONSULTATIVE ASSEMBLY. HE WAS NAMED TEMPORARY PRESIDENT OF THE BODY PENDING THE ELECTION OF A PERMANENT PRESIDENT.

JUST OVER 100 DELEGATES FROM A DOZEN COUNTRIES ATTENDED THE SESSION OF THE ASSEMBLY--A BODY WHICH HAS SOME OF THE ASPECTS OF A UNIFIED EUROPEAN PARLIAMENT.

HERRIOT, LONG AN ADVOCATE OF EUROPEAN UNITY, SAID ONLY SOME NEW POLITICAL ORGANIZATION, LIKE THE COUNCIL OF EUROPE, COULD GET AT THE ROOTS OF EUROPE'S POLITICAL, SOCIAL AND ECONOMIC PROBLEMS.

HE GAVE FIGURES SHOWING EUROPE'S TRADE DEFICIT WITH THE UNITED STATES AND SAID:

"EXPERIMENTS MADE RECENTLY TO HARMONIZE THE ECONOMIES OF DIFFERENT COUNTRIES HAVE HARDLY BEEN ENCOURAGING. THE REAL REASON IS THAT THE PROBLEM HAS BEEN DEALT WITH WITHIN THE FRAMEWORK OF EXISTING INSTITUTIONS. TO RELIEVE SO MANY DIFFICULTIES, THERE MUST BE A POLITICAL BODY, A POLITICAL DEMONSTRATION, AND POLITICAL ACTION."

HERRIOT SAID A DIVISION OF MINDS EXISTS ON THE QUESTION OF ADMITTING GERMANS TO THE COUNCIL. HE INDICATED WESTERN GERMANY SHOULD WORK HER WAY INTO THE ORGANIZATION WITH PROOFS THAT SHE NO LONGER HARBORS AGGRESSIVE INTENTIONS.

PAUL-HENRI SPAAK OF BELGIUM APPEARED THE LIKELY CHOICE OF THE ASSEMBLY FOR ITS FIRST PERMANENT PRESIDENT. SPAAK TOLD A REPORTER HE EXPECTS TO RESIGN AS BELGIUM'S FOREIGN MINISTER SO THAT HE CAN BE FREE TO TAKE THE ASSEMBLY PRESIDENCY TOMORROW. PAUL VAN ZEELAND WILL SUCCEED TO THE FOREIGN MINISTRY POST, SPAAK SAID.

THE ASSEMBLY, ON A MOTION OF FORMER PREMIER PAUL REYNAUD OF FRANCE, DECIDED TO PUT OFF THE ELECTION OF ITS OFFICERS UNTIL TOMORROW'S MORNING SESSION. AFTER LESS THAN AN HOUR IN SESSION, THE ASSEMBLY ADJOURNED.

TWELVE NATIONS WERE REPRESENTED IN THE INAUGURAL MEETING. THE FOUNDER NATIONS WERE BRITAIN, FRANCE, THE NETHERLANDS, BELGIUM, SWEDEN, DENMARK, NORWAY, ITALY, LUXEMBOURG, AND IRELAND. THEY INVITED GREECE, TURKEY AND ICELAND TO BE MEMBERS, AND THE FORMER TWO ALREADY HAVE TAKEN THEIR SEATS.

HERRIOT, AFTER GIVING HIS FIGURES ON EUROPE'S TRADE DEFICIT

ADDED:
"AS A RESULT OF THE MARSHALL PLAN WE ARE NOW LIVING IN AN ARTIFICIAL REGIME IN A STATE OF TEMPORARY WELL BEING."
HERRIOT SAID IT WAS A MISTAKE TO BELIEVE THAT INTERNATIONAL UNDERSTANDING MUST HAVE ITS ORIGIN IN DIMINISHING THE IDEA OF PATRIOTISM. HE SAID ONLY SOME NEW POLITICAL ORGANIZATION LIKE THE COUNCIL OF EUROPE CAN GET AT THE ROOTS OF EUROPE'S POLITICAL, SOCIAL AND ECONOMIC PROBLEMS. #

THE COMMITTEE IS MADE UP OF REPRESENTATIVES OF MEMBER NATIONS, EACH HAVING ONE VOTE. SEATS IN THE ASSEMBLY ARE APPORTIONED ROUGHLY ON THE BASIS OF POPULATION. STRASBOURG/FRANCE XX MADE.
SPOKESMEN FOR THE EUROPEAN MOVEMENT WERE EQUALLY INSISTENT ON GIVING THE ASSEMBLY MORE LEEWAY IN SHAPING ITS OWN PROGRAM.
AS THE DEPUTIES PREPARED FOR THEIR FIRST MEETING, INTEREST CENTERED ON THE ASSEMBLY'S CHOICE OF A PRESIDING OFFICER.
THE MINISTERIAL COMMITTEE IS TO RECOMMEND SOMEONE TO THE ASSEMBLY, BUT IN VIEW OF THE DELEGATES' TEMPER, THAT RECOMMENDATION MIGHT WELL BE A "KISS OF DEATH."
FORMER FRENCH PREMIER EDOUARD HERRIOT, LONG AN ADVOCATE OF EUROPEAN UNITY, WILL CONVOKE THE ASSEMBLY AND GIVE THE OPENING ADDRESS. THE ELECTION OF A PRESIDENT WILL COME IMMEDIATELY AFTER HIS SPEECH.
WINSTON CHURCHILL, WHO WAS GREETED BY ABOUT 1,000 CHEERING PERSONS WHEN HE ARRIVED FROM ITALY LAST NIGHT, ALSO IS EXPECTED TO SPEAK. HE IS ONE OF THE 18 MEMBERS OF THE BRITISH DELEGATION.
M323AED

NIGHT LEAD EUROPEAN
BY FRANK O'BRIEN
STRASBOURG, FRANCE, AUG 10-(AP)-FRANCE'S ELDER STATESMAN EDOUARD HERRIOT OPENED THE FIRST SESSION OF EUROPE'S CONSULTATIVE ASSEMBLY TODAY WITH THE WARNING THAT "OUR MINDS ARE DIVIDED" ON ADMITTING GERMANY.
WINSTON CHURCHILL, WHO IS EXPECTED TO LEAD A MOVEMENT FOR THE ADMISSION OF WESTERN GERMANY, WAS LOUDLY CHEERED BY THOUSANDS OF STRASBOURG CITIZENS AND THE VISITOR'S GALLERY AS HE STRODE INTO THE CHAMBER FOR THE INAUGURAL SESSION OF THE OLD WORLD'S FIRST UNIFIED PARLIAMENT.
HERRIOT, WHO TOLD 101 DISTINGUISHED DELEGATES FROM A DOZEN NATIONS THEY MUST DEAL WITH PROBLEMS OF "LIFE AND DEATH" URGENCY TO EUROPE, PRAISED THE FORMER BRITISH PRIME MINISTER AS THE MAN FROM WHOSE "MIND SPRANG THE MOVEMENT WHICH HAS BROUGHT US TOGETHER HERE."
THE SESSION CLOSED IMMEDIATELY AFTER THE FRENCHMAN'S 15-MINUTE INAUGURAL ADDRESS WITH THE VIRTUAL CERTAINITY THAT PAUL-HENRI SPAAK OF BELGIUM WILL BE ELECTED FIRST PRESIDENT OF THE ASSEMBLY TOMORROW.
SPAAK, A SOCIALIST, SAID HE WOULD RESIGN TONIGHT AS BELGIAN FOREIGN MINISTER AND WOULD BE SUCCEEDED BY THE SOCIAL CHRISTIAN PAUL VAN ZEELAND. ASSEMBLY RULES DO NOT PERMIT A CABINET MINISTER TO PARTICIPATE IN ITS DELIBERATIONS. THE SHIFT WAS MADE POSSIBLE BY A SOLUTION OF BELGIUM'S 50-DAY CABINET DEADLOCK FOLLOWING RECENT ELECTIONS.
AT ONE PLACE HERRIOT APPEARED TO LEND HIS PRESTIGE TO A POTENTIAL REVOLT AMONG THE ASSEMBLYMEN AGAINST THE POWERS EXERCISED BY THE OTHER BRANCH OF THE COUNCIL OF EUROPE, THE MINISTERIAL COMMITTEE.
MANY ASSEMBLYMEN FEEL THAT THE COMMITTEE, MADE UP OF ONE MINISTER FROM EACH NATION, USUALLY THE FOREIGN MINISTER, SHOULD NOT HAVE THE RIGHT TO SAY WHAT SUBJECTS THE ASSEMBLY MAY OR MAY NOT DISCUSS.
SEAN MACBRIDE, IRISH FOREIGN MINISTER, SAID TODAY HE THOUGHT THE ASSEMBLY WOULD BECOME A "RUNAWAY CONGRESS" IN ITS RELATIONS WITH THE COMMITTEE.
THE ISSUE, TOGETHER WITH THAT OF GERMANY'S STATUS, IS LIKELY TO BE THE MOST IMPORTANT AT THE SESSION EXPECTED TO CONTINUE THE REST OF THIS MONTH.
HERRIOT SAID "THE EUROPEAN ASSEMBLY WILL BE WHAT YOUR DETERMINATION MAKES IT."
CONCERNING THE "EXTREMELY DELICATE" QUESTION OF GERMANY HE SAID "WE ARE HORRIFIED TO NOTE THE REAPPEARANCE OF CERTAIN IDEOLOGIES (IN GERMANY) BASED ON A CULT OF FORCE AND THE RIGHT OF THE MAILED FIST."
HE DID NOT MAKE CLEAR WHETHER HE WAS SPEAKING OF CURRENT POLITICAL MOVEMENTS IN GERMANY, OR OF NAZISM AND THE PAST WAR.
"IF GERMANY HAD REMAINED FAITHFUL" TO THE EXAMPLES OF HER GREAT MEN OF SCIENCE, LITERATURE AND ARTS, HE ADDED, "HOW EAGERLY WE SHOULD WORK WITH HER FOR THE ORGANIZATION OF A LIBERAL EUROPE."
BUT, HE INDICATED, GERMANY MUST PROVE THAT SHE NO LONGER HARBORS AGGRESSIVE INTENTIONS.
HE SAID THE EUROPEAN COUNCIL IS OPEN "TO THE EAST" AND IS NOT "PREPARING A MILITARY ALLIANCE." "WE MERELY DESIRE TO ASSOCIATE OURSELVES IN ORDER TO DEFEND THESE TWO GREAT ACQUISITIONS OF HUMAN CIVILIZATION: FREEDOM AND LAW," HE DECLARED.
COMMUNIST PROPAGANDA HAS REPRESENTED THE COUNCIL AS AN ADJUNCT OF THE BRUSSELS AND ATLANTIC PACTS AND AN INSTRUMENT OF AMERICAN POLICY.
HERRIOT SUGGESTED THAT THE ASSEMBLY MIGHT BE MORE SUCCESSFUL THAN THE MARSHALL PLAN IN SOLVING BASIC PROBLEMS OF EUROPEAN RECOVERY.
"AS A RESULT OF THE MARSHALL PLAN WE ARE NOW LIVING UNDER AN ARTIFICIAL REGIME IN A TEMPORARY STATE OF WELL-BEING", HE DECLARED, BUT A BASIC SOLUTION DEMANDS "A POLITICAL BODY, A POLITICAL DETERMINATION, AND POLITICAL ACTION."
MCBRIDE, WHO PREDICTED A REVOLT AGAINST THE MINISTERIAL COMMITTEE, CRITICIZED THE AGENDA WHICH IT HAS PREPARED FOR THE ASSEMBLY, THE AGENDA HAS NOT YET BEEN MADE PUBLIC.
"THE ASSEMBLY IS NOT EVEN PERMITTED TO DISCUSS HUMAN RIVHTS--THAT IS RIDICULOUS," THE IRISH FOREIGN MINISTER SAID.
HE HINTED THAT ONE OF THE FOUR IRISH DEPUTIES WILL RAISE A PROTEST ON THE FLOOR AGAINST THE SEPARATION OF IRELAND AND NORTHERN IRELAND.
IT HAS BEEN REPORTED, TOO, THAT FRANCE WILL URGE THE ADMISSION OF THE SAAR AS AN ASSOCIATE MEMBER, AND THAT THE QUESTION OF AUSTRIA'S ADMISSION

IT HAS BEEN REPORTED, TOO, THAT FRANCE WILL URGE THE ADMISSION OF THE SAAR AS AN ASSOCIATE MEMBER, AND THAT THE QUESTION OF AUSTRIA'S ADMISSION WILL BE RAISED.

THE ASSEMBLY IS MADE UP OF DELEGATES CHOSEN ON A POPULATION RATIO FROM BRITAIN, FRANCE, BELGIUM, THE NETHERLANDS, LUXEMBOURG, THE THREE SCANDINAVIAN COUNTRIES, ITALY, IRELAND AND THE TWO COUNTRIES ADMITTED EARLIER THIS WEEK, GREECE AND TURKEY.
SEATED IN ALPHABETICAL RATHER THAN NATIONAL ORDER IN THE AUDITORIUM OF STRASBOURG UNIVERSITY, THEY INCLUDED SUCH NOTABLES AS ESOBIDAULT,

AUDITORIUM OF STRASBOURG UNIVERSITY, THEY INCLUDED SUCH NOTABLES AS GEORGES BIDAULT, FORMER FRENCH FOREIGN MINISTER, IRELAND'S EAMON DE VALERA,VAN ZEELAND OF BELGIUM, AND FRANCE'S WAR-TIME PREMIER, PAUL REYNAUD.
THE COUNCIL'S COMMITTEE OF MINISTERS SAT TOGETHER IN A BANK ON THE PRESIDING OFFICER'S RIGHT. ABOUT 600 REPORTERS AND SPECTATORS WERE PRESENT.
DA355PED

ANNECY, FRANCE, AUG.10-(AP)-CUBA TODAY WALKED OUT OF THE CONFERENCE OF 23 COUNTRIES PARTICIPATING IN THE GENERAL AGREEMENT ON TARIFFS AND TRADES. SHE CHARGED THAT THE UNITED STATES HAD ELIMINATED TRADE PREFERENCES ENJOYED BY CUBA IN THE UNITED STATES.

VARGAS GOMEZ, CUBAN DELEGATE, TOLD THE CONTRACTING PARTIES THAT HE REGRETTED TAKING THIS ACTION, BUT HE FELT IT NECESSARY TO INFORM HIS GOVERNMENT OF THE TREND OF THE MEETING. THE 23 MEMBERS OF THE AGREEMENT HAVE BEEN SITTING HERE SINCE APRIL SEEKING TO LOWER TRADE BARRIERS AND EXTEND THE AGREEMENT THROUGH NEGOTIATIONS.

THE CUBAN DELEGATE CONTENDED THAT IN THE NEGOTIATIONS HERE THE UNITED STATES HAD GRANTED CERTAIN TARIFF ADVANTAGES TO HAITI.

THE EFFECT OF WHICH WOULD BE TO REDUCE OR COMPLETELY ELIMINATE THE PREFERENCES ON THESE ITEMS ENJOYED BY CUBA.

THE CUBAN ACTION CAME AFTER THE CONTRACTING PARTIES HAD VOTED THAT "THE RIGHTS AND OBLIGATIONS BETWEEN GOVERNMENTS ARISING UNDER A BILATERIAL AGREEMENT IS NOT A MATTER WITHIN THE COMPETENCE OF THE CONTRACTING PARTIES."

THE CUBAN GOVERNMENT TOOK THE POSITION THAT PREFERENCES GRANTED THEIR PRODUCTS BY THE UNITED STATES COULD NOT BE REDUCED OR ELIMINATED WITHOUT PREVIOUS NEGOTIATION AND AGREEMENT BETWEEN THE CUBAN AND UNITED STATES GOVERNMENT.

GOMEZ TOLD THE CONTRACTING PARTIES THAT HE HAD BEEN UNABLE TO CONVINCE THE UNITED STATES OF THE JUSTICE OF CUBA'S CONTENTION.

SOODBURY WILLOUGHBY, HEAD OF THE U.S. DELEGATION, EXPRESSED REGRET AT THE CUBAN ACTION AND SAID THE UNITED STATES WAS WILLING TO CONDUCT BILATERAL DISCUSSIONS WITH CUBA IN AN EFFORT TO REACH A SOLUTION OF THEIR MUTUAL PROBLEMS.

IT WAS NOT DISCLOSED JUST WHAT TRADE PREFERENCES WERE INVOLVED IN THE DISPUTE. THE CUBAN DELEGATE INDICATED THAT CUBA ALSO HAD BEEN UNABLE TO FIND RELIEF FOR SERIOUS SITUATION FACING THE CUBAN TEXTILE INDUSTRY.

THE CUBAN DELEGATE SAID HIS GOVERNMENT WOULD HAVE TO DECIDE ITS ATTITUDE AND POLICY IN THE FUTURE. THE DECISION OF THE CONTRACTING PARTIES, HE SAID, "LEFT THE MAINTENANCE OF CUBA'S PREFERENCES TO THE DECISION OF OTHER CONTRACTING PARTIES AND NOT TO CUBA."

LS425PED

NIGHT LEAD DP'S

MUNICH, GERMANY, AUG. 10-(AP)-THREE JEWISH DISPLACED PERSONS WERE INJURED TODAY WHEN GERMAN POLICE FIRED INTO A CROWD OF 1,000 WHICH HAD GATHERED TO STAGE A MARCH ON A MUNICH NEWSPAPER.

POLICE AUTHORITIES SAID THE CLASH OCCURRED WHEN THE DP'S, WHO HAD NO PERMIT FOR A PUBLIC MEETING, WERE ORDERED TO DISPERSE. THEY SAID THE DP'S TOSSED COBBLESTONES AT THE POLICE AND THAT POLICE FOUGHT HAND-TO-HAND FIGHTS WITH SOME OF THEM.

THE DP'S SET FIRE TO A POLICE CAR AND WHEN A FIRE ENGINE ARRIVED ON THE SCENE IT WAS PELTED WITH STONES. FOUR FIRE TRUCKS WHICH ARRIVED LATER ALSO WERE STONED BEFORE POLICE DISPERSED THE CROWD.

THE DP'S WERE PROTESTING A LETTER CRITICISING GERMAN JEWS WHICH APPEARED IN SUEDDEUTSCHE ZEITUNG (SOUTH GERMAN NEWSPAPER).

TA722PED

MUNICH, GERMANY, AUG.10-(AP)-GERMAN POLICE TODAY FIRED INTO A CROWD OF 1,000 JEWISH DISPLACED PERSONS THEY SAID HAD STONED THEM AND DEFIED ORDERS TO DISPERSE.

THE POLICE SAID THREE OF THE DP'S WERE WOUNDED.

THE CROWD, WITHOUT OBTAINING A LICENSE FOR A MEETING, HAD GATHERED TO PROTEST AN ALLEGED ANTI-SEMETIC LETTER IN A MUNICH NEWSPAPER, POLICE SAID.

MUNICH, IN THE AMERICAN OCCUPATION ZONE, WAS A NAZI STRONGHOLD BEFORE THE WAR. HITLER STAGED HIS FIRST, UNSUCCESSFUL BEER HALL PUTSCH HERE IN 1922.

THE CROWD OF DP'S GATHERED IN FRONT OF THE BUILDING HOUSING THE NEWSPAPER SUEDDEUTSCHE ZEITUNG, WHICH HAD PRINTED A LETTER CRITICIZING GERMAN JEWS.

CITY OFFICIALS SAID THE D.P.'S REPLIED TO AN ORDER TO DISPERSE BY TEARING UP COBBLESTONES FROM THE STREET AND HURLING THEM AT THE POLICE. HAND-TO-HAND FIGHTING BROKE OUT AT SEVERAL POINTS.

THE D.P.'S SET FIRE TO ONE POLICE CAR. THEN THEY PELTED A HASTILY SUMMONED FIRE ENGINE WITH STONES.

FOUR MORE FIRE ENGINES ARRIVED AND ALSO WERE STONED.

THE CROWD DISPERSED AFTER THE FIRING. THE THREE WOUNDED DP'S WERE TAKEN TO HOSPITALS. HOW SERIOUSLY THEY WERE HURT COULD NOT BE LEARNED IMMEDIATELY.

MJ1024AED

FRANKFURT,GERMANY,AUG.10-(AP)-AMERICAN BACHELORS LIVING IN APARTMENTS OR HOUSES WERE WARNED TODAY THEY MAY BE MOVED INTO SINGLE ROOMS TO SAVE CRITICAL HOUSING SPACE IN GERMANY.

THE TRANSFERS OF MANY U.S. AGENCIES OUT OF BERLIN HAS CREATED SHORTAGES OF HOUSING FOR OCCUPATION PERSONNEL IN FRANKFURT AND NEARBY CITIES WHERE THE HIGH COMMISSIONER'S STAFF IS BEING CONCENTRATED. AT LEAST 300 U.S. OFFICIALS ARE BEING MOVED FROM BERLIN TO FRANKFURT.

ORDERING A RESURVEY OF HOUSING FACILITIES, THE U.S. ARMY SERVED NOTICE THAT OCCUPANTS OF BACHELOR BILLETS "WILL NOT BE AUTHORIZED MORE THAN ONE ROOM AND BATH."

ALLIED PERSONNEL ARE HOUSED IN DWELLINGS REQUISITIONED FROM THE GERMANS, WHO ALREADY ARE SHORT OF DWELLINGS BECAUSE OF WARTIME BOMBINGS.

MJ1139AED

FRANKFURT, GERMANY, AUG 10-(AP)-RUSSELL G.BIRD LOST TODAY HIS FIGHT TO ESCAPE TRIAL ON THE CLAIM THAT HE WAS ILLEGALLY SEIZED BY U.S. ARMY AGENTS IN MISHAWAKA, IND., AND FLOWN TO GERMANY WITHOUT AN ARREST WARRANT.

BIRD IS ACCUSED OF EMBEZZLING CIGARETTES WHILE MANAGER OF AN ARMY POST EXCHANGE IN GERMANY.

AFTER FOUR POSTPONEMENTS, BIRD WENT TO TRIAL WITH HIS CIVILIAN DEFENSE COUNSEL STILL MISSING. GEORGE T.DAVIS, OF SAN FRANCISCO, HAD BEEN EXPECTED YESTERDAY FROM THE UNITED STATES WHERE HE HAS BEEN SEEKING BIRD'S RELEASE ON A WRIT OF HABEAS CORPUS.

WHEN DAVIS FAILED TO APPEAR TODAY, THE MILITARY COURT REFUSED TO GRANT ANY FURTHER DELAYS.

REPRESENTED BY AN ARMY-APPOINTED COUNSEL, MAJ.RUFUS V.JONES OF CARTERSVILLE, GA., BIRD OPENED WITH A CHALLENGE OF THE COURT'S JURISDICTION TO TRY HIM.

HE CLAIMED HE WAS DENIED ANY CHANCE TO CONTACT A LAWYER OR APPEAL TO CIVIL COURTS WHEN ARMY AGENTS SEIZED HIM IN MISHAWAKA LAST MARCH AND BROUGHT HIM TO GERMANY.

"THERE IS NO LAW WHICH PERMITS THE ARMY TO WALK INTO ANY STATE AND BRING A CIVILIAN EVEN ACROSS A STATE LINE, LET ALONE INTO A FOREIGN COUNTRY, WITHOUT EXTRADITION PROCEEDINGS," JONES DECLARED. "THEREFORE THIS MAN IS ILLEGALLY BEFORE THIS COURT."

THE COURT DENIED THE CHALLENGE, AND ORDERED THE TRIAL TO PROCEED.

G138PED

THE PROPERTY INCLUDES INDUSTRIAL AND AGRICULTURAL MACHINERY, SCRAP I, TRACTORS, AUTOMOBILES,RAILROAD TRACKS, SMALL SPUR RAILROADS EVEN FURNITURE. VIENNA — XX CHIEFS FEAR.

IT WAS SEIZED BY THE RUSSIANS, THE SOURCES SAID AS "FORMER GERMAN ERNAL ASSETS" TO WHICH THEY WOULD BE ENTITLED BY THE POTSDAM EEMENT. ALL OF IT IS LOCATED WITHIN THE RUSSIAN ZONE OF OCCUPATION. E WESTERN POWERS RECENTLY RENOUNCED THEIR RIGHTS TO GERMAN PROPERTY FOUND IN THEIR ZONES.

RQ217PED

VIENNA, AUG. 10-(AP)-PFC.WILLIAM E.DRISKILL 22, OF (2728 PARNELL STREET) DALLAS, TEX., WAS INJURED SERIOUSLY LAST NIGHT WHEN HE FELL FROM A THIRD STORY WINDOW OF HIS BARRACKS IN VIENNA.

DRISKILL SUFFERED COMPOUND FRACTURES OF THE LEFT LEG AND RIGHT ANKLE.

RQ4PED

"AT THAT TIME,--WROTE SIMONE," THE PRESENT POPE INITIATED DISCUSSIONS WITH REACTIONARY LEADERSOF AMERICAN PROTESTANT CHURCHES FOR THE CREATION OF A UNITED FRONT AGAINST THE SOVIET UNION AND AGAINST PROGRESS. HE NEGOTIATED WITH JOHN FOSTER DULLES, WHO TWO YEARS AGO VOICED THE SAME IDEA AS A MEMBER OF THE WORLD COUNCIL OF PROTESTANT CHURCHES." PRNGUP-XXX OF STATE

"BUT THE VATICAN AND THE CATHOLIC HIERARCHY WERE UNABLE TO STEM THE VICTORIOUS MARCH OF SOCIALISM AT A TIME WHEN CONDITIONS WERE FAVORABLE TO THEIR PLANS," SIMONE CONTINUED. "AND NOW THE BALANCE OF POWER, THE STRUGGLE FOR PEACE UNDER THE LEADERSHIP OF THE SOVIET UNION AND THE TREMENDOUS SUCCESSES OF BUILDERS OF SOCIALISM ARE A GUARANTEE THAT THEY WILL FRUSTRATE THE TOTALITARIAN FASCIST POLICY OF THE VATICAN, WHICH WAS MOST RECENTLY EXPRESSED IN THE EX-COMMUNICATION DECREE. NOT ONLY WILL THIS BE FRUSTRATED, BUT ALSO THE PLANS OF THE VATICAN, WALL STREET, IMPERIALIST AND LABORITE ALLIES."

SIMONE ASSAILED PRESIDENT TRUMAN FOR NOT PROTESTING ALLEGED IN-JUSTICES TO PROTESTANTS IN FRANCO SPAIN.

RUDE PRAVO ALSO ACCUSED SLOVAKIAN CATHOLIC BISHOPS OF HAVING COOPERATED WITH THE NAZIS DURING THE OCCUPATION. IT SINGLED OUT BISHOP MORIC PICHA AND BISHOP JAN VOJTASSAK.

"THIS IS THE TRUE FACE OF THESE PRINCES OF THE CHURCH WHO ARE NOW WAGING A POLITICAL FIGHT AGAINST COMMUNISTS AND ALL BUILDERS OF OUR REPUBLIC," THE COMMUNIST ORGAN ASSERTED." BUT THEY WILL NEVER CONVINCE MILLIONS OF BELIEVING CATHOLICS WHO SAW THROUGH THEIR GAME AND CONDEMN THEIR ACTIVITIES."

RW756AED

NIGHT LEAD BELGIAN

BRUSSELS, BELGIUM, AUG 10-(AP)-GASTON EYSKENS, A SOCIAL CHRISTIAN, SAID TONIGHT BELGIUM'S 50-DAY POLITICAL DEADLOCK HAD BEEN BROKEN AND THAT HE WOULD HEAD A NEW GOVERNMENT OF SOCIAL CHRISTIANS AND LIBERALS.

"WE HAVE A GOVERNMENT TONIGHT, AN AGREEMENT HAS NOW BEEN REACHED," HE TOLD REPORTERS. "THE MINISTERS WILL BE SO SWORN IN TOMORROW AT NOON."

THE PREVIOUS GOVERNMENT WAS A COALITION OF SOCIAL CHRISTIANS AND SOCIALISTS HEADED BY SOCIALIST PAUL-HENRI SPAAK AS PREMIER. IN THE ELECTION OF JUNE 26 THE SOCIAL CHRISTIANS CAMPAIGNED ON A PROMISE TO CALL A REFERENDUM ON THE RETURN OF KING LEOPOLD FROM EXILE. THEY STRENGTHENED THEIR POSITION, WINNING 104 OF THE 212 SEATS IN THE CHAMBER OF DEPUTIES, BUT FAILED TO GAIN A MAJORITY.

THE SOCIALISTS REFUSED TO JOIN THE NEW GOVERNMENT, BUT THE LIBERALS AGREED WHEN THE SOCIAL CHRISTIANS CONSENTED TO SHELVE THE "ROYAL QUESTION" FOR THE TIME BEING. THE LIBERALS, A CONSERVATIVE GROUP, ALSO INCREASED THEIR STRENGTH IN THE ELECTIONS WITH PROMISES OF TAX CUTS. THEY HOLD 30 SEATS.

THE NEW CABINET WILL BE COMPOSED OF EIGHT SOCIAL CHRISTIANS, A CATHOLIC PARTY, AND SEVEN LIBERALS. PAUL VAN ZEELAND, A SOCIAL CHRISTIAN, REPLACES SPAAK AS FOREIGN MINISTER. ALBERT DEVEZE, A FORMER LIBERAL DEFENSE MINISTER, WILL RETURN TO THAT POST.

G515PED

BRUSSELS, AUG. 10-(AP)-THE LIBERAL PARTY DECIDED TODAY TO JOIN FORCES WITH THE PRO-LEOPOLD CHRISTIAN SOCIAL (CATHOLIC) PARTY. THE MOVE IS EXPECTED TO RESOLVE BELGIUM'S 50-DAY GOVERNMENT CRISIS.

THE QUESTION OF THE RETURN OF KING LEOPOLD TO HIS THRONE FROM EXILE IN SWITZERLAND WILL BE SHELVED FOR THE TIME BEING. GASTON EYSKENS, A MEMBER OF THE CHRISTIAN SOCIAL PARTY, IS SCHEDULED TO BE THE NEW PREMIER.

SOCIALISTS, HEADED BY FORMER PREMIER PAUL-HENRI SPAAK, HAD REFUSED TO TAKE PART IN THE NEW GOVERNMENT.

RQ220PED

THE PLANNING OFFICE SAID INDUSTRY AS A WHOLE WAS BEATING TARGETS OF THE COUNTRY'S THREE-YEAR PLAN, SHOWING OUTPUT 103.5 PERCENT OF ESTIMATES. THE PAPER INDUSTRY SHOWED THE GREATEST INCREASE OVER LAST YEAR, 61.6 PERCENT, AND MINING THE LOWEST, 10.5 PERCENT.

THE REPORT SAID NO INDUSTRY FAILED TO MEET ITS TARGET FOR THE FIRST SIX MONTHS OF THIS YEAR. IT SAID EMPLOYMENT WAS UP 100,000 OVER LAST YEAR AND REAL WAGES HAD INCREASED 20.2 PERCENT.

THE PLANNING OFFICE SAID THE ONLY LAG WAS IN INCREASING OUTPUT PER MAN. FOR ALL INDUSTRY, PRODUCTIVITY WAS UP ONLY 8.5 PERCENT OVER 1948, IT SAID, AGAINST AN INCREASE OF 20.7 PERCENT FOR 1948 OVER 1947. BUDAPEST 14% LAST YEAR

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STOCKHOLM, SWEDEN, AUG 10-(AP)-UNITED NATIONS SECRETARY GENERAL TRYGVE LIE SAID TODAY PRESIDENT TRUMAN SHARES HIS VIEW THAT THE PROSPECTS FOR PEACEFUL DEVELOPMENT LOOK BRIGHTER NOW THAN AT ANY TIME SINCE 1946.

LIE TOLD A NEWS CONFERENCE THAT THIS WAS ONE OF THE WORLD'S BEST AUGUSTS, EXPLAINING THAT AUGUST TRADITIONALLY HAS BEEN A RISKY MONTH IN INTERNATIONAL RELATIONS BOTH BEFORE AND AFTER THE LAST WAR.

LIE ARRIVED IN STOCKHOLM TODAY FROM OSLO.

DA153PED

WITH LONDON GREEK

ATHENS, GREECE, AUG 10-(AP)-MINISTER OF WAR PANAYOTIS KANELLOPOULOS SAID TODAY ALBANIAS CHARGES OF GREEK INVASION OF ALBANIA WERE "FANTASTIC."

"THERE'S NO SEMBLANCE OF TRUTH TO IT," HE DECLARED.

A GENERAL STAFF SPOKESMAN ALSO SAID THE CHARGES WERE UNTRUE. #

NEW YORK, AUG. 10-(AP)-A GREEK MARITIME UNION OFFICIAL IN NEW YORK CITY CLAIMS THAT A "BLACKLIST" SUPPLIED TO U.S. IMMIGRATION AUTHORITIES BY THE GREEK GOVERNMENT IS THE BASIS FOR THE ARREST HERE OF 14 GREEK SEAMEN.

THE YOUNG SEAMEN, WELL-DRESSED AND LADEN WITH MUCH LUGGAGE, WERE SEIZED YESTERDAY AS THEY WERE EMBARKING AS PASSENGERS ON THE POLISH LINER BATORY.

FEDERAL AUTHORITIES HAVE KEPT A HEAVY GUARD AROUND THE BATORY WHENEVER IT IS IN PORT EVER SINCE COMMUNIST GERHART EISLER FLED TO EUROPE AS A STOWAWAY ON THE SHIP.

THE 14 GREEK SEAMEN, DESCRIBED BY IMMIGRATION OFFICIALS AS "ALIENS SUBJECT TO DEPORTATION," WERE TAKEN TO ELLIS ISLAND.

HERCULES ARNAOUTIS, TREASURER IN NEW YORK OF THE FEDERATION OF GREEK MARITIME UNIONS, SAID THE GOVERNMENT WAS TRYING TO TERRORIZE THE SEAMEN BECAUSE THEIR NAMES WERE ON A "BLACKLIST."

HE SAID A BLACKLIST WAS DRAWN UP BY GREEK SHIPOWNERS, WHO TURNED IT OVER TO THE GREEK GOVERNMENT, WHICH IN TURN GAVE THE NAMES TO THE U.S. IMMIGRATION AND NATURALIZATION SERVICE.

TRENT DOSER, DISTRICT ENFORCEMENT OFFICER FOR THE IMMIGRATION SERVICE, SAID OF THE SEAMEN:

"UNTIL THEIR CASES ARE COMPLETELY PROCESSED, AND ALL THE FACTS ARE KNOWN, IT CANNOT BE SAID WHETHER THEY ARE ENTITLED TO MAKE A VOLUNTARY DEPARTURE."

IMMIGRATION OFFICIALS SAID THE SEAMAN HAD OVERSTAYED THE SHORE LEAVE PERMITTED ALIEN SEAMEN UNDER THE IMMIGRATION LAWS.

IT WAS REPORTED THEY ARRIVED IN THIS COUNTRY IN JUNE ABOARD THE GREEK SHIP TRITON, WHICH DOCKED IN BALTIMORE. NORMALLY, SHORE LEAVE EXPIRES AFTER 29 DAYS, IT WAS SAID.

EDWARD J.SHAUGHNESSY, DISTRICT DIRECTOR OF THE IMMIGRATION SERVICE, SAID DEPORTATION HEARINGS AGAINST SOME OF THE SAILORS WOULD GET UNDER WAY THIS WEEK AT ELLIS ISLAND. HE SAID ALL THE MEN ARE SUSPECTED OF BEING IN THE UNITED STATES ILLEGALLY.

THE DIRECTOR SAID THE CHARGES CONSTITUTED "ROUTINE SEAMEN'S CASES" AND CONSEQUENTLY COULD BE HEARD QUICKLY AT ELLIS ISLAND. HE SAID THE ONLY PROBLEM WAS FINDING ENOUGH HEARING COMMISSIONERS TO CONDUCT THE CASES.

ME1134AED

BY ALEX SINGLETON

BELGRADE,YUGOSLAVIA,AUG.10-(AP)-MARSHAL TITO'S YUGOSLAVIA FIRED A NEW SALVO AT RUSSIA AND THE SOVIET SATELLITES TODAY, WITH CHARGES RANGING FROM BETRAYAL OF THE GREEK REBEL CAUSE TO JUST PLAIN LYING.

THE ATTITUDE OF THE GOVERNMENT, AS REFLECTED BY THE TONE OF THE OFFICIAL PRESS, EMPHASIZED THE STEADILY INCREASING CHILLINESS BETWEEN YUGOSLAVIA AND HER ONE-TIME COMINFORM COMRADES. AT THE SAME TIME, IT UNDERSCORED THE GOVERNMENT'S CONFIDENCE IN ITSELF.

BELGRADE NEWSPAPERS SPLASHED THE FOREIGN OFFICE'S FORMAL CHARGE THAT RUSSIA IS HOLDING AND MISTREATING 63 YUGOSLAV YOUNGSTERS, MOST OF THEM UNDER TEEN AGE, WHO WERE SENT TO THE SOVIET UNION FOR SCHOOLING AFTER THE WAR'S END.

BORBA, THE OFFICIAL YUGOSLAV COMMUNIST NEWSPAPER, GAVE FRONT PAGE THREE-COLUMN PROMINENCE TO A LETTER FROM PARENTS OF TWO OF THE CHILDREN, COMPLAINING SUCH SOVIET ACTION WAS COMPARABLE TO THE CONQUERING TURKS.

IN A DAILY COLUMN WHICH RUNS UNDER THE HEADING "SLANDERS AND MISINFORMATION," BORBA BLAMED RUSSIA AND COMINFORM AGENTS FOR THE PLIGHT IN WHICH DISINTEGRATING GREEK REBELS FIND THEMSELVES.

MOREOVER, THE PAPER SAID PERHAPS SIGNIFICANTLY "WHEN IT WILL BE POSSIBLE TO TALK MORE OPENLY, THE ROLE OF U.S.S.R. AND COMINFORM AGENTS WILL BECOME MORE CLEAR ALONG WITH THEIR CRIMINAL PLAYING WITH THE FATE OF THE GREEK PEOPLE."

THE REPORT SAID THE COMINFORM'S ALLEGED PLAN TO END THE GREEK STRUGGLE BEGAN WITH REPLACEMENT OF MARKOS VAFIADES, REBEL CHIEF, ADDING THIS WAS DONE "UNDER THE FALSE EXCUSE THAT HE WAS ILL."

MARKOS REPORTEDLY WAS IN SYMPATHY WITH TITO'S CAMPAIGN FOR EQUAL RIGHTS AMONG COUNTRIES WITH COMMUNIST GOVERNMENTS, INSTEAD OF AUTOMATIC "YES" ALLEGIANCE TO ALL MOSCOW ORDERS. TITO HAS SINCE ORDERED CLOSING OF THE GREEK YUGOSLAV BORDER.

MJ1057AED

LONDON, AUG. 10-(AP)-LEADERS OF A YUGOSLAV GROUP CALLED "YOUNG MOSLEMS" HAVE CONFESSED A PLOT TO OVERTHROW PREMIER MARSHAL TITO AND SET UP THEIR OWN GOVERNMENT, THE NEWS AGENCY TANJUG SAID IN A BROADCAST HEARD IN LONDON TODAY.

THE BROADCAST CALLED THE MOSLEM GROUP, ON TRIAL IN SARAJEVO, AN ILLEGAL TERRORIST ORGANIZATION. IT DID NOT SAY HOW MANY WERE BEING TRIED OR WHAT THE EXACT CHARGES AGAINST THEM WERE. SENTENCES WILL BE PASSED FRIDAY.

MAHMUD JEREBICA, ONE OF THE DEFENDENTS, TANJUG SAID, ADMITTED THE ORGANIZATION DECIDED TO OVERTHROW THE SOCIAL ORDER IN YUGOSLAVIA BY MEANS OF TERROR AND DIVERSION AND WITH THE HELP OF FOREIGN INTERVENTION." HE WAS REPORTED TO HAVE TOLD THE PROSECUTOR THE "YOUNG MOSLEMS" RELIED ON ENGLISH AND AMERICANS.

TANJUG SAID ANOTHER DEFENDENT, EJUB HADZIC, CLAIMED HIS GROUP WAS OF A RELIGIOUS CHARCTER. THE NEWS AGENCY SAID THE GERMANS STARTED THE ORGANIZATION DURING THE WAR TO FIGHT AGAINST THE NATIONAL LIBERATION MOVEMENT. AFTER THE WAR, ACCORDING TO TANJUG, THE GROUP WAS ENTRUSTED WITH A PLAN TO OVERTHRW THE "FASCIST POLITICAL AND SOCIAL ORDER IN YUGOSLAVIA," BUT INSTEAD IT DECIDED TO ATTEMPT TO OVERTHROW TITO'S SOCIAL ORDER

TA713PED

CANBERRA, AUSTRALIA,AUG.10-(AP)-DEFENSE MINISTER JOHN DEDMAN SAID TODAY A MOVE TO SET UP A PACIFIC PACT COMPARABLE IN ALL RESPECTS TO THE NORTH ATLANTIC ALLIANCE WOULD BE WELCOMED BY AUSTRALIA.

HE TOLD A NEWS CONFERENCE SUCH A TREATY WOULD BE OF ADVANTAGE TO AUSTRALIA, BUT HE ADDED HE KNEW OF NO RECENT FORMAL TALKS ON PROSPECTS FOR SETTING UP A PACIFIC ALLIANCE.

BJ811AED

SAIGON, INDOCHINA, AUG. 10-(AP)-BAO DAI, CHIEF OF STATE OF FRENCH-SPONSORED VIET-NAM, DECREED TODAY THAT IT WOULD BE ILLEGAL FOR HIM TO HOLD THE POST OF PREMIER IN HIS OWN GOVERNMENT. THE DECREE WAS PUBLISHED IN THE OFFICIAL JOURNAL.

VIET-NAM, FOUNDED UNDER FRENCH PROTECTION, IS THE RIVAL OF A REPUBLIC SET UP BY THE NATIONALISTS UNDER MOSCOW-TRAINED HO CHI-MINH, WHO HAVE BEEN FIGHTING THE FRENCH COLONIAL FORCES HERE FOR MORE THAN TWO YEARS.

GUERRILLAS, BELIEVED TO BE PART OF HO'S ARMIES, DROPPED MORTAR SHELLS LAST NIGHT INTO PHULAM, THREE MILES FROM THE CENTER OF SAIGON, BAO DAI'S PROVISIONAL CAPITAL.

HA721PED

BATAVIA, JAVA, THURSDAY, AUG.11-(AP)-GEN.BUURMAN VAN FREEDEN, DUTCH COMMANDER IN CHIEF, LEFT TODAY FOR SOERAKARTA WHERE HEAVY FIGHTING HAS BEEN REPORTED BETWEEN NETHERLANDS AND INDONESIAN REPUBLICAN TROOPS.

DUTCH ARMY OFFICIALS DECLINED ALL COMMENT ON THE REPORTED BATTLE AT SOERAKARTA, KEY CITY IN CENTRAL JAVA. UNDER TERMS OF THE CEASE-FIRE AGREEMENT, WHICH WAS SCHEDULED TO GO INTO EFFECT LAS

MIDNIGHT, BOTH SIDES ARE PLEDGED NOT TO REVEAL INFORMATION ON ALLEGED VIOLATIONS BEFORE INVESTIGATION BY A TRUCE COMMISSION.

IT WAS RELIABLY LEARNED, HOWEVER, THAT AT LEAST 2,000 INDONESIAN REPUBLICAN TROOPS OPENED A COORDINATED ATTACK ON THE DUTCH-HELD CITY LAST SUNDAY. A DUTCH OFFICIAL SOURCE SAID THAT UP TO YESTERDAY AFTERNOON FIGHTING WAS STILL CONTINUING.

DUTCH OBSERVERS WERE INCLINED TO BELIEVE THE REPUBLICAN MAY HAVE STAGED AN ATTACK IN AN ATTEMPT TO SEIZE THE CITY JUST BEFORE THE CEASE-FIRE AGREEMENT WENT INTO FORCE. UNDER TERMS OF THE AGREEMENT, BOTH SIDES WILL KEEP THE POSITIONS THEY HELD AT THE CEASE-FIRE DEADLINE LAST MIDNIGHT.

THE UNITED NATIONS COMMISSION FOR INDONESIA, WHICH ARRANGED THE CEASE-FIRE ACCORD, HAD NO INFORMATION ON THE FIGHTING BECAUSE NO U.N. OBSERVER IS AT SOERAKARTA.

MD124AED

KARACHI, PAKISTAN, AUG. 10-(AP)-MOHAMED HATTA, PREMIER OF THE INDONESIAN REPUBLIC, TODAY DEMANDED THE INCLUSION OF DUTCH NEW GUINEA IN THE PROPOSED INDONESIAN UNION.

HATTA IS EN ROUTE TO THE HAGUE TO PARTICIPATE IN ROUND TABLE TALKS DESIGNED TO WORK OUT A FORMAL DUTCH-REPUBLICAN PEACE SETTLEMENT AND MAKE PLANS FOR THE ESTABLISHMENT OF AN INDEPENDENT INDONESIAN FEDERATION UNDER THE DUTCH CROWN.

HE TOLD A NEWS CONFERENCE THAT IF NO AGREEMENT IS REACHED WITHIN TWO MONTHS, THE INDONESIANS WILL CONSIDER IT USELESS TO CONTINUE NEGOTIATIONS WITH THE DUTCH.

SPEAKING OF INDONESIA'S FUTURE RELATIONS WITH THE NETHERLANDS AFTER INDEPENDENCE, HATTA SAID THE DUTCH CROWN WILL BE A "SYMBOL OF FREE ASSOCIATION." INDONESIA'S RELATIONS WITH THE DUTCH CROWN WILL BE THE SAME AS THE RELATIONSHIP OF BRITISH COMMONWEALTHS TO THE BRITISH CROWN.

AFTER THE TRANSFER OF POWER ALL FOREIGN INTERESTS IN INEDONESIA WILL BE SAFEGUARDED, HE SAID. HATTA EXPLAINED THAT INDONESIA WILL NEED FOREIGN CAPITAL AND MACHINERY FOR DEVELOPMENT OF AN ECONOMIC SYSTEM WHICH WAS DAMAGED DURING THE PERIOD OF FIGHTING WITH THE DUTCH.

FD913AED

MOST OF THE EMBASSY OFFICES IN CANTON INTEND TO CLOSE BEFORE THE REDS COME. VARIOUS CONSULATES, SUCH AS THE AMERICAN, BRITISH, FRENCH AND DUTCH WILL REMAIN HERE. CANTON - XXX EVACUATED

THERE WILL PROBABLY BE FEWER CORRESPONDENTS IN TOWN. THOSE WHO PLAN TO LEAVE ARE READY TO GO AT A MOMENT'S NOTICE.

BY THE TIME THE REDS ARE AT CANTON'S DOOR, ONLY A SKELETON GOVERNMENT WILL STILL BE HERE. PRESENT PLANS CALL FOR THE GOVERNMENT TO REMAIN AS LONG AS POSSIBLE. BUT EVERYONE FORESEES THE DAY WHEN OFFICIALS WILL MOTOR OUT TO WHITE CLOUD OR MILDY WAY AIRFIELDS AND TAKE A PLANE OUT.

MANY NON-OFFICIAL CHINESE ARE PUZZLED. THEY DO NOT KNOW WHAT TO DO.IF THEY LACK THE MEANS TO TAKE REFUGE IN THE BRITISH COLONY OF HONG KONG OR PORTUGUESE MACAO IT MEANS STAYING IN CANTON AND RISKING THE PERILS OF WAR--IF THE NATIONALISTS FIGHT FOR THE CITY--AND THE HAZARDS OF BUSINESS AFTERWARDS.

TO MANY OFFICIALS,TOO, THE CHOICE IS A HARD ONE. SOME SEE CHUNGKING AS SIMPLY ANOTHER STOPOVER ON THE ROAD TO COMPLETE NATIONALIST COLLAPSE AND WONDER WHETHER IT WOULDN'T BE BETTER TO STAY IN CANTON AND GET IT OVER WITH.

ONE OFFICIAL NON-PARTISAN SAID "I CAN'T SEE ANY FUTURE WITH THE NATIONALISTS OR THE COMMUNISTS."

NO ONE SEES ANY POSSIBILITY OE NATIONALIST GEN. PAI CHUNG-HSI, CENTRAL CHINA COMMANDER, TURNING THE TABLES ON THE VICTORIOUS REDS. THE FLICKERING HOPES FOR AMERICAN AID ALREADY ARE ALMOST EXTINGUISHED.

IT IS A SAD DAY FOR CANTON--ONE OF THE SADDEST SINCE THE FIVE CHINESE LEGENDARY GENNI RIDING THROUGH SPACE ON FIVE RAMS LANDED HERE ABOUT 300 B.C. AND FOUNDED THIS HISTORIC CITY.

AL455APS

HONG KONG, AUG.10-(AP)-OFFICIAL REPORTS FROM FORMOSA TODAY SAID NATIONALIST GUNBOATS LAST NIGHT INTERCEPTED AND DETAINED OR DESTROYED 13 VESSELS AND LIGHTERS OF FOREIGN FIRMS OFF TAKU BAR, GATEWAY TO TIENTSIN.

THE OFFICIAL CHINESE CENTRAL PRESS AGENCY REPORTED FROM KAOSHEUNG,

NATIONALIST NAVAL BASE ON FORMOSA, THAT THE ACTION WILL CLOSE THE COMMUNIST PORTS OF TIENTSIN AND TANGKU TO SHIPPING SINCE DEEP DRAFT SHIPS CAN NOT SAIL UP THE NARROW AND SHALLOW HAI RIVER.

THE REPORTS SAID ONE LIGHTER OF NEARLY 1,000 TONS WAS DESTROYED BY NATIONALIST SHELLFIRE WHEN IT TRIED TO ESCAPE UP RIVER. ANOTHER WAS REPORTED DAMAGED.

ONE SMALL STEAMER, TWO TUG BOATS AND FOUR LIGHTERS EQUIPPED WITH CRANES WERE REPORTED SEIZED WITHIN ARTILLERY RANGE OF COMMUNIST SHORE BATTERIES. THEY WILL BE SUNK OFF TAKU BAR IN THE GULF OF CHIHLI.

THE FORMOSA REPORTS SAID THE COMMUNISTS PROTECTED THE VESSLES WITH ARTILLERY COVER BUT THE NATIONALIST GUN BOATS "COMPLETED THEIR OPERATION WITHOUT SUFFERING DAMAGE."

ANOTHER NEWS DISPATCH SAID THE GUNBOAT KUOAN ON AUG.2 SEIZED A COMMUNIST VESSEL WITH 17 RED SOLDIERS AND SEVERAL BRITISH AND RUSSIAN CREWMEN ABOARD OFF THE MOUTH OF THE YANGTZE RIVER. THE PRISONERS WERE BEING QUESTIONED ON FORMOSA.

OTHER NATIONALIST GUNBOAT RAIDS INCLUDED THE SHELLING OF COMMUNIST SHORE POSITIONS ON SHANTUNG PENINSULA BETWEEN PENGLAI AND LUNGKOW. RED MILITARY INSTALLATIONS, WAREHOUSES AND VESSELS WERE REPORTED DESTROYED IN THIS RAID.

AL502APS

HE HAD AN APPOINTMENT TO GO BEFORE THE HOUSE COMMITTEE TODAY (9:30 A.M. EST) AND IT WAS UNDERSTOOD THAT HE MIGHT HAVE ANOTHER CLOSED DOOR SESSION WITH THE SENATE FOREIGN RELATIONS GROUP TOMORROW.

STUART WAS DUE HERE BY PLANE FROM THE WEST COAST AT 3:30 P.M. EASTERN STANDARD TIME.

THIS IS THE 73-YEAR-OLD DIPLOMAT'S FIRST TRIP BACK TO THE UNITED STATES IN A LONG TIME. AN EDUCATOR BY PROFESSION, HE WAS NAMED AMBASSADOR TO CHINA AT THE TIME THAT GENERAL GEORGE C.MARSHALL WAS MAKING HIS UNSUCCESSFUL EFFORT TO UNIFY THE CHINESE COMMUNISTS AND NATIONALISTS IN 1946.

BECAUSE OF HIS MORE THAN 40 YEARS RESIDENCE IN CHINA AND HIS WIDE ACQUAINTANCE WITH CHINESE LEADERS, STUART IS REGARDED BY THIS GOVERNMENT'S TOP FOREIGN POLICY MAKERS AS AN OUTSTANDING AUTHORITY ON THE COUNTRY. IN THE WHITE PAPER REPORT, BY WHICH THE STATE DEPARTMENT ANNOUNCED THAT IT WAS GIVING UP ALL HOPE THAT THE NATIONALISTS COULD SAVE CHINA FROM COMMUNISM, STUART'S DISPATCHES TO WASHINGTON PLAYED AN IMPORTANT PART.

IN RECENT MONTHS HE HAS PARTICULARLY EMPHASIZED THE GROWING WEAKNESS OF THE NATIONALIST REGIME DUE TO DIVISIONS AMONG ITS LEADERS, INCLUDING A LACK OF COOPERATION BETWEEN ACTING PRESIDENT LI TSUNG-JEN AND GENERALISSIMO CHIANG KAI-SHEK, THE FORMER PRESIDENT. STUART FORESAW AT THAT TIME A "FRAGMENTATION" OF THE NON-COMMUNIST AREA OF CHINA WITH THE DEFENSE OF EACH PROVINCE AGAINST RED ADVANCES FALLING MORE AND MORE INTO THE HANDS OF PROVINCIAL LEADERS.

THIS LATTER IS AN IMPORTANT POINT IN THE DEVELOPMENT OF FURTHER AMERICAN POLICIES OF TRYING TO SLOW DOWN, IF NOT TO HALT, FURTHER COMMUNIST ADVANCES. THERE SEEMS TO BE NO DOUBT THAT ONE LINE OF ACTION WHICH THE ADMINISTRATION IS CONSIDERING IS AID TO THOSE ANTI-COMMUNIST FORCES WHICH GIVE REAL PROMISE OF CONTINUING THEIR FIGHT.

IN ADDITION, ACHESON DECLARED IN HIS WHITE PAPER LETTER TO PRESIDENT TRUMAN THAT THE UNITED STATES SHOULD ENCOURAGE ALL DEVELOPMENTS IN CHINA WHICH WORKED TOWARD THROWING OFF THE "FOREIGN YOKE" OF COMMUNISM. STUART HAS LIVED IN RECENT MONTHS IN COMMUNIST-CONTROLLED NANKING AND PRESUMABLY WILL BE ABLE TO COUNSEL ACHESON AND THE PRESIDENT ON THE POPULAR ATTITUDE, INSOFAR AS HE HAS OBSERVED IT, TOWARD RED RULE.

AB307AED

TOKYO, AUG.10-(AP)-A SPECIAL COMMITTEE OF THE JAPANESE HOUSE OF REPRESENTATIVES TODAY TERMED RECENT COMMUNIST INSPIRED DISTURBANCES IN JAPAN "SKIRMISHES PRECEDING A FULL DRESS REVOLUTION BY FORCE."

THE COMMITTEE'S ATTACK ON THE COMMUNISTS WAS CONTAINED IN AN INTERIM REPORT ON RIOTS AT TAIRA CITY AND AT HIROSHIMA. THE REPORT WAS SUBMITTED TO KIJURO SHIDEHARA, SPEAKER. IT WARNED THE GOVERNMENT TO PREVENT THE TAPPING OF TELEPHONE LINES AND THE INTERCEPTION OF TELEGRAMS BY "SABOTEURS AND SPIES."

AL504APS NM

TOKYO, AUG 9-(AP)- RELATIVES OF MANY JAPANESE CAPTURED IN MANCHURIA IN AN OPEN LETTER TO THE CHINESE COMMUNIST GOVERNMENT TODAY DENIED A RUSSIAN REPORT THAT THE PRISONERS HAD BEEN LIBERATED IN 1945.

A RUSSIAN STATEMENT LAST YEAR IMPLIED THE SOVIETS NO LONGER HAD ANY RESPONSIBILITY FOR THE JAPANESE BECAUSE THEY HAD BEEN FREED IN MANCHURIA AT THE TIME THE RED ARMY OVERRAN THAT JAPANESE CONQUERED AREA.

THE OPEN LETTER SAID IN PART:

"WITH THE WAR'S END IN 1945 THE JAPANESE NATIONALS IN MANCHURIA WERE ALLOWED TO RETURN AS FAST AS THEY COULD OBTAIN PASSAGE WITH THE EXCEPTION OF THOSE WHO WERE TAKEN TO SOVIET TERRITORY.

"BUT IN AUGUST, 1946, THE REPATRIATION WAS ABRUPTLY SUSPENDED, ALL REMAINING JAPANESE BEING DETAINED BY THE CHINESE COMMUNIST AUTHORITIES FOR SERVICE IN MILITARY OR INDUSTRIAL ESTABLISHMENTS. ALTHOUGH NO EXACT FIGURES ARE AVAILABLE, THE NUMBER OF THESE DETAINED IS ESTIMATED TO EXCEED 100,000."

THE LETTER SAID THE JAPANESE HAD BEEN HELD IN VIRTUAL CAPTIVITY AND WERE NOT ALLOWED TO SEND HOME A SINGLE WORD.

THE LETTER WAS PUBLISHED AFTER A RALLY BY THE RELATIVES "IN THE EXPECTATION IT WILL REACH CHINESE COMMUNIST AUTHORITIES" IN SOME MANNER.

AL304APS

MOSCOW, AUG. 10-(AP)-THE LITERARY GAZETTE LEVELED A DOUBLE-BARRELED BARRAGE AT PRESIDENT TRUMAN AND GEN. OMAR BRADLEY TODAY, ASSERTING THE PRESIDENT FEARS PEACE AND DUBBING BRADLEY A WARMONGER.

THE GAZETTE APPLIED TO BRADLEY AN OLD CHINESE PROVERB WHICH SAYS, "HAVING BECOME A SON OF A DOG IT IS IMPOSSIBLE TO REMAIN A PERSON."

THE PUBLICATION ATTACKED PRESIDENT TRUMAN'S "HURRY" FOR APPROVAL OF THE MILITARY AID PROGRAM.

THE ATTACK ON THE PRESIDENT WAS MADE IN AN ARTICLE BY ALEXANDER CHAKOVSKII. ANOTHER ARTICLE BY BORIS LAVRENEV WAS AIMED AT GEN. BRADLEY.

"THE IDEAL OF WORLD DOMINATION SEIZES MANIACS WITH ITS APPARENT ATTAINABILITY," CHAKOVSKII WROTE. "FROM THIS POINT OF VIEW THEY ARE LIKE THE INVENTORS OF A PERPETUAL MOTION MACHINE. THE RUIN OF PREDECESSORS DOES NOT SERVE THEM AS A WARNING.

"THEY COUNT THEIR MONEY AND WEAPONS. BUT MANIACS DO NOT TAKE INTO ACCOUNT THEIR PROPLES AND THEIR WISHES."

THE LAVRENEV ARTICLE DECLARED GEN. EISENHOWER REMOVED BRADLEY FROM THE TOP POST IN THE INVASION OF EUROPE BECAUSE BRADLEY LOOMED SO LARGE AS TO THREATEN HIS PERSONAL POSITION AFTER THE CAPITULATION OF FRANCE. THE ARTICLE DECLARED BRADLEY WAS INFURIATED AT THE UNWILLINGNESS OF EUROPE TO GO TO WAR FOR THE SAKE OF AMERICAN INTERESTS.

HJ842PED

HALIFAX, N.S., AUG.10-(AP)-EIGHTEEN UNITED STATES WARSHIPS, INCLUDING A CRUISER AND TWO AIRCRAFT CARRIERS, WILL SAIL FROM NOVA SCOTIA PORTS TOMORROW FOLLOWING A FOUR-DAY GOODWILL VISIT TO CANADA.

SEVEN OF THE SHIPS TOOK PART IN NAVY WEEK CELEBRATIONS HERE. THEY INCLUDED THE HEAVY CRUISER NEWPORT NEWS AND CARRIERS MIDWAY AND KEARSARGE.

OTHER SHIPS CALLED AT SYDNEY, PICTOU, LIVERPOOL, ARICHAT, SHELBURNE, YARMOUTH AND LOUISBURG. TWO OTHER VESSELS SAILED TODAY FROM SAINT JOHN, N.B.

SOME 10,000 NAVAL PERSONNEL ARE ABOARD THE SHIPS. AFTER JOINING FORCES OFF THE NOVA SCOTIA COAST, THE TASK FORCE WILL RETURN TO NEW ENGLAND BASES.

HA1235AED

HALIFAX, N.S., AUG.10-(AP)-ADMIRAL W.H.P.BLANDY, COMMANDER-IN-CHIEF OF THE UNITED STATES ATLANTIC FLEET, CUT SHORT HIS VISIT TO HALIFAX TODAY AND FLEW TO WASHINGTON.

IT WAS RELIABLY LEARNED HE RETURNED FOR CONFERENCES WITH THE AMERICAN CHIEFS OF STAFF, WHO RETURNED EARLIER THIS WEEK FROM EUROPE.

HA1233AED

LAKE SUCCESS AUG. 10-(AP)-THE UNITED NATIONS LITTLE ASSEMBLY DECIDED TODAY TO RECOMMEND TO THE GENERAL ASSEMBLY THAT ITS OWN LIFE BE EXTENDED INDEFINITELY.

THIS BODY, KNOWN OFFICIALLY AS THE INTERIM COMMITTEE OF THE GENERAL ASSEMBLY, ORIGINALLY WAS SET UP IN 1947 AT THE SUGGESTION OF THE UNITED STATES FOR A ONE-YEAR PERIOD. IT WAS EXTENDED LAST FALL FOR ANOTHER YEAR.

THE COMMITTEE IS COMPOSED OF REPRESENTATIVES OF ALL THE 59 MEMBER NATIONS, BUT RUSSIA AND SOME OF HER SATELLITES HAVE BOYCOTTED IT SINCE ITS CREATION. ITS FUNCTION IS TO PROVIDE A YEAR ROUND AGENCY TO HANDLE GENERAL ASSEMBLY PROBLEMS WHEN THE ASSEMBLY IS IN RECESS.

THE VOTE ON EXTENDING THE COMMITTEE'S LIFE WAS 32 TO 0, WITH NINE COUNTRIES ABSTAINING. SOME WHO ABSTAINED SAID THEY FELT IT WAS NOT PROPER FOR THE DELEGATES TO VOTE IN FAVOR OF SUCH A RECOMMENDATION.

TA730PED

NEW YORK, AUG. 10-(AP)-TWO ARMY SERGEANTS, WINNERS OF A "BEST SOLDIER" COMPETITION AMONG FIRST DIVISION PERSONNEL IN GERMANY, ARRIVED HERE YESTERDAY FOR AN ALL-EXPENSE-PAID LEAVE.

THEY ARE SGT. FIRST CLASS JOHN W. HIMES, 33, OF OREGON, ILL., AND SGT. FELIX E. LUBISZEWSKI, 21, OF BUFFALO, N.Y.

THE TRIP, WHICH WILL INCLUDE VISITS TO THEIR HOMES, IS BEING PROVIDED BY THE DIVISION HEADQUARTERS CHAPTER OF THE FIRST DIVISION SOCIETY AND THE 18TH INFANTRY REGIMENTAL CHAPTER.

THE TWO WON THE AWARD AFTER A COMPETITION IN DRILLING, MARKSMANSHIP, AND GENERAL MILITARY CONDUCT, APPEARANCE AND PROFICIENCY.

HIMES WAS ACCOMPANIED BY HIS WIFE AND SON.

JR 10AED

NEW YORK, AUG. 10-(AP)-PAUL G.HOFFMAN, ECONOMIC COOPERATION ADMINISTRATION CHIEF, LEFT LAGUARDIA FIELD TODAY FOR A 16-DAY VISIT TO SEVEN PRINCIPAL MARSHALL PLAN MISSIONS IN EUROPE.

HOFFMAN SAID HE WANTED "TO OBTAIN AN ON-THE-GROUND FEEL OF THE SITUATION" BEFORE STUDYING ALLOCATION REQUESTS FOR AID.

TA727PED

NIGHT LEAD COMMUNISTS (360)

NEW YORK, AUG. 10-(AP)-ROBERT G. THOMPSON, COMMUNIST LEADER AND WORLD WAR II VETERAN, POURED SCORN TODAY ON THE SLOGAN "MY COUNTRY, RIGHT OR WRONG."

HE CALLED IT A "BIG BUSINESS SLOGAN" AND "ONE OF THE MOST VICIOUS AND HARMFUL SLOGANS EVER PUT FORTH."

THOMPSON, NEW YORK STATE COMMUNIST PARTY CHAIRMAN, IS ONE OF 11 COMMUNISTS ON TRIAL ON CHARGES OF CONSPIRACY TO ADVOCATE VIOLENT OVERTHROW OF THE GOVERNMENT.

HE TESTIFIED THAT HE HATED THE "RIGHT OR WRING" IDEA BECAUSE HE HAD "TO KILL TOO MANY FINE ITALIAN, GERMAN AND JAPANESE YOUNG MEN" WHO FOUGHT FOR THEIR OWN LANDS UNDER THE SAME SLOGAN.

THOMPSON FOUGHT WITH THE SPANISH REPUBLICAN ARMY IN THE CIVIL WAR THERE AND WITH THE U.S. ARMY IN THE PACIFIC IN WORLD WAR TWO.

HIS ASSERTIONS WERE PART OF A SUMMARY HE GAVE OF A SPEECH HE MADE TO A COMMUNIST PARTY BUILDING CONGRESS IN 1947.

AT ONE POINT, HE REFERRED TO HIS ARMY SERVICE AND COMMENTED, "MY COMMANDER (GEN. DOUGLAS), MACARTHUR, WAS NOT A LIBERAL MAN X X X."

HE WAS INTERRUPTED BY FEDERAL JUDGE HAROLD R. MEDINA, WHO SAID:

"YOU DON'T NEED TO TOSS THOSE DIGS IN. YOU DIDN'T TELL THAT TO THE CONVENTION, DID YOU?"

"TO THE BEST OF MY RECOLLECTION, I DID, YOUR HONOR," THE WITNESS REPLIED.

THOMPSON DECLARED HE DID NOT DESCRIBE THE UNITED STATES AS IMPERIALISTIC IN THE ADDRESS.

THOMPSON, FOURTH DEFENDANT TO TESTIFY IN THE 30-WEEK TRIAL, DENIED STATEMENTS OF BALMES HIDALGO, JR., AN FBI INFORMANT WHO APPEARED FOR THE GOVERNMENT.

HIDALGO SAID THOMPSON HAD TOLD THE CONGRESS THAT THE WORLD WAS DIVIDED INTO TWO CAMPS, ONE COMPOSED OF "THE FREE COUNTRIES OF EUROPE" AND THE OTHER MADE UP OF "IMPERIALIST" NATIONS.

THOMPSON ASSERTED THE INFORMANT'S TESTIMONY WAS FULL OF FALSIFICATIONS.

JUDGE MEDINA REPROVED HIM FOR THIS, INSTRUCTING HIM TO GIVE HIS VERSION OF THE 1947 SPEECH WITHOUT CHARACTERIZING HIDALGO'S TESTIMONY.

THE DEFENDANT SAID HE TOLD THE CONGRESS THAT THE AMERICAN PEOPLE "DO NOT WANT WAR" BUT THAT "BIG INDUSTRIAL ELEMENTS" FAVORED WAR HYSTERIA IN ORDER TO OBTAIN "ARMAMENT ORDERS AND BIG PROFITS."

HE ADDED THAT IN HIS ADDRESS HE SAID AMERICAN MONOPOLISTS WERE IMPRESSED WITH THE FACT THAT THEY HAD AT THEIR COMMAND THE GREATEST PRODUCTION MACHINERY IN THE WORLD, A TWO-OCEAN NAVY, A BIG AIR FORCE AND THE ATOMIC BOMB, AND THAT "NOW WAS THE GOLDEN OPPORTUNITY TO TAKE CONTROL, LOCK, STOCK AND BARREL, OF THE WHOLE CAPITALIST WORLD."

HJ921PED

NIGHT LEAD ARMS

BY MAX BOYD

WASHINGTON,AUG.10-(AP)-THE STRATEGY BEHIND PRESIDENT TRUMAN'S $1,450,000,000 FOREIGN ARMS PROGRAM BECAME CLEARER TODAY AS THE MILITARY HIGH COMMAND DISCLOSED THAT THE BULK OF ASSISTANCE TO EUROPE WOULD GO TO REARM ONCE POWERFUL FRANCE.

GENERAL OMAR N.BRADLEY REVEALED THAT A STRONG FRENCH ARMY IS AT THE HEART OF THE ADMINISTRATION'S PLAN TO BUILD UP FORCES IN WESTERN EUROPE. THE IDEA, HE SAID, IS IMMEDIATE ASSISTANCE TO MAKE OUR EUROPEAN ALLIES STRONG ENOUGH TO DELAY AND HAMPER ANY AGGRESSOR UNTIL

THE UNITED STATES COULD GET INTO ACTION.

BRADLEY DECLARED THE $1,160,000,000 EARMARKED FOR EUROPEAN MEMBERS OF THE NORTH ATLANTIC ALLIANCE WILL NOT GIVE EUROPE THE MILITARY STRENGTH TO STOP AN ATTACK BY RUSSIA. THE ARMY CHIEF SAID IT WILL TAKE FIVE OR TEN YEARS--"NO ONE KNOWS HOW LONG"--FOR WESTERN EUROPE TO BUOLD UP HER ECONOMIC AND MILITARY POWER TO A POINT WHERE SHE CAN DO THAT. BUT HE ADDED THAT THE AID PROPOSED NOW WILL STRENGTHEN HER TO THE POINT WHERE THERE MAY BE NO ATTACK.

BRADLEY SAID DETAILS OF THE PLAN TO CHANNEL THE BULK OF EUROPEAN ARMS AID TO FRANCE WOULD HAVE TO BE GIVEN TO CONGRESS SECRETLY.

IT IS NO SECRET, HOWEVER, THAT THE ENORMOUS ARMY WITH WHICH FRANCE WENT INTO WORLD WAR TWO LOST MOST OF ITS EQUIPMENT DURING THAT CONFLICT. THE FRENCH AIR FORCE MET SIMILAR DISASTER, AND MUCH OF THE FRENCH FLEET WAS SCUTTLED TO KEEP IT OUT OF GERMAN HANDS. FRENCH FORCES THAT FOUGHT THEIR WAY BACK INTO EUROPE WITH U.S.AND BRITISH FORCES WERE ARMED MOSTLY WITH AMERICAN GUNS, TANKS AND PLANES.

A RECENT ASSOCIATED PRESS SURVEY OF EUROPEAN MEMBERS OF THE ATLANTIC ALLIANCE SHOWED THAT FRANCE NOW HAS THE LARGEST FORCE OF MILITARY MANPOWER ON THE CONTINENT OUTSIDE OF RUSSIA. THERE ARE 469,000 MEN IN THE FRENCH ARMY, 68,000 IN THE AIR FORCE, AND 53,000 IN THE NAVY. BRITAIN HAS FEWER MEN IN ITS GROUND FORCES BUT NEARLY FOUR TIMES AS MANY AIRMEN AND MORE THAN FOUR TIMES AS MANY SAILORS.

RIFLES, ARTILLERY, TANKS, FIGHTER PLANES, SHORT-RANGE BOMBERS AND POSSIBLY LIGHT NAVAL CRAFT ARE CONSIDERED LIKELY TO GO TO FRANCE IN VIEW OF THE RULE THAT BRADLEY ASSUMES THAT COUNTRY WILL TAKE IN CASE WEST EUROPE IS ATTACKED.

IN EXPLAINING THE FOREIGN ARMS PROGRAM TO A HOUSE COMMITTEE RECENTLY, HE SAID IT WAS ASSUMED THAT IN EVENT OF SUCH AN ATTACK "THE HARD CORE" OF EXISTING GROUND DEFENSES WOULD COME FROM EUROPE, "AIDED BY OTHER NATIONS AS THEY CAN MOBILIZE." ENGLAND, FRANCE AND THE CLOSER COUNTRIES WOULD HAVE THE BULK OF THE SHORT-RANGE ATTACK BOMBARDMENT AND AIR DEFENSE, BRADLEY ADDED. THE U.S.WOULD HAVE THE JOB OF STRATEGIC BOMBING, INCLUDING DELIVERY OF THE ATOM BOMB, OF HELPING ENGLAND, FRANCE AND THE OTHER WEST EUROPE NAVAL POWERS TO KEEP THE SEA LANES OPEN, AND OF BRINGING UP ITS OWN GROUND AND TACTICAL AIR FORCES.

MR.TRUMAN'S PROGRAM PROVIDES $1,160,000,000 TO BUY ARMS FOR WESTERN EUROPE AND STIMULATE ITS OWN ARMS PRODUCTION. IN ADDITION, IT WOULD SEND ABROAD SURPLUS ARMS THAT ORIGINALLY COST $450,000,000.

GENERAL BRADLEY SPOKE TODAY FOR THE CHIEFS OF STAFF OF THE U.S. ARMY, NAVY AND AIR FORCE--HIMSELF, ADMIRAL LOUIS E.DENFELD, AND GENERAL HOYT S.VANDENBERG. THEY RETURNED ONLY YESTERDAY FROM A FLYING TRIP TO EUROPE, DURING WHICH THEY INSPECTED AMERICAN FORCES AND DISCUSSED THE MILITARY STAFF TO BE SET UP UNDER THE NORTH ATLANTIC ALLIANCE.

BRADLEY URGED THAT CONGRESS APPROVE THE FULL PROGRAM PROPOSED BY MR.TRUMAN.

HE FLATLY REJECTED THE IDEA ADVANCED BY REPUBLICANS AND SOME DEMOCRATS THAT A SMALLER "STOP-GAP" PROGRAM BE AUTHORIZED UNTIL A DEFENSE COUNCIL AND DEFENSE COMMITTEE CAN BE SET UP BY THE NORTH ATLANTIC ALLIES AND AN OVERALL DEFENSE PLAN ADOPTED.

"WHATEVER STRATEGIC CONCEPT IS AGREED UPON, THIS EQUIPMENT WILL ALL FIT IN," BRADLEY SAID IN RESPONSE TO QUESTIONS BY SENATOR TYDINGS (D-MD).

THE MILITARY WENT ALONG PART WAY, HOWEVER, WITH THE IDEA SUGGESTED YESTERDAY BY SENATOR VANDENBERG (R-MICH) THAT CONGRESS VOTE ONLY $580,000,000 OF CASH FOR EUROPEAN ARMS AID AT THIS SESSION AND AUTHORIZE THE GOVERNMENT TO ENTER INTO CONTRACTS COVERING THE OTHER HALF OF THIS BIG ITEM. UNDER THE VANDENBERG SUGGESTION, THE LAW-MAKERS WOULD BE OBLIGATED TO APPROPRIATE MONEY LATER--BUT NOT AT THIS SESSION--TO PAY THESE CONTRACTS.

SECRETARY OF DEFENSE JOHNSON TOLD THE SENATE COMMITTEES THAT THE NATIONAL MILITARY ESTABLISHMENT IS WILLING TO ACCEPT 60 PER CENT OF THE EUROPEAN ARMS AID IN CASH AND 40 PER CENT IN CONTRACT AUTHORITY, INSTEAD OF THE 50-50 SPLIT THAT VANDENBERG DISCUSSED. HE SAID ALSO THAT THE MILITARY IS WILLING TO HAVE THE COST OF THE $1,450,000,000 PROGRAM SPREAD OVER TWO OR EVEN THREE YEARS.

REPORTERS ASKED VANDENBERG AFTERWARD WHETHER HE WOULD AGREE WITH THE 60-40 DIVISION JOHNSON MENTIONED. THE MICHIGAN REPUBLICAN REPLIED THAT HIS OWN SUGGESTION WAS "MERELY EXPLORATORY" AND THAT IT WAS NOT IN THE FORM OF A CONCRETE PROPOSITION.

AN IDEA THAT SOME SENATORS HAVE ADVANCED, OF INCLUDING ARMS AID FOR CHINESE NATIONALISTS IN THE PENDING PROGRAM, SUFFERED A JOLT DURING BRADLEY'S TESTIMONY BEFORE THE SENATE COMMITTEES ON FOREIGN RELATIONS AND ARMED SERVICES.

"THIS IS AN EFFECTIVE WAY TO GIVE AID TO EUROPE," THE ARMY CHIEF SAID, "BUT THERE IS NO IMMEDIATE EFFECTIVE WAY TO GIVE AID TO ASIA."

NINE REPUBLICAN SENATORS AND ONE DEMOCRAT--SENATOR BYRD OF VIRGINIA--SENT A LETTER TO SECRETARY JOHNSON URGING HIM TO RECALL GENERAL DOUGLAS MACARTHUR FROM JAPAN TO TESTIFY REGARDING FOREIGN ARMS AID.

THE SENATORS SAID THAT THE $1,450,000,000 PROGRAM IS GLOBAL IN CHARACTER, AND THAT THE CHIEFS OF STAFF PROBABLY WILL NOT HAVE TIME TO GO TO THE FAR PACIFIC. THEREFORE, THEY ADDED, THEY WOULD LIKE THE VIEWS OF GENERAL MACARTHUR AND VICE ADMIRAL OSCAR C. BADGER, NAVAL COMMANDER IN THAT AREA.

THOSE WHO SIGNED THE LETTER INCLUDED, IN ADDITION TO BYRD, REPUBLICAN SENATORS KNOWLAND OF CALIFORNIA, BRIDGES OF NEW HAMPSHIRE, SMITH OF NEW JERSEY, HICKENLOOPER OF IOWA, MORSE OF OREGON, WILEY OF WISCONSIN, SALTONSTALL OF MASSACHUSETTS, BALDWIN OF CONNECTICUT AND GURNEY OF SOUTH DAKOTA.

JOHNSON SAID YESTERDAY THAT HE WILL NOT ORDER MACARTHUR HOME WITHOUT DISCUSSING THE MATTER WITH PRESIDENT TRUMAN.

PF809PED

WASHINGTON, AUG 10-(AP)-GENERAL OMAR N. BRADLEY MADE CLEAR TODAY THAT THE FRENCH ARMY WILL BE THE BACKBONE OF THE NORTH ATLANTIC DEFENSES.

THE ARMY CHIEF OF STAFF TOLD A JOINT MEETING OF THE SENATE FOREIGN RELATIONS AND ARMED SERVICES COMMITTEES THAT THE BULK OF AMERICAN MILITARY AID PROPOSED FOR EUROPE WILL GO TO THE FRENCH.

BRADLEY URGED QUICK APPROVAL OF PRESIDENT TRUMAN'S $1,450,000,000 (B) ARMS PROGRAM. BUT AT THE SAME TIME HE WROTE OFF ANY PROSPECT OF AN EFFECTIVE MILITARY PROGRAM FOR CHINA.

"THIS (THE ARMS PROGRAM) IS AN EFFECTIVE WAY TO GIVE AID TO EUROPE," BRADLEY SAID, "BUT THERE IS NO IMMEDIATE EFFECTIVE WAY TO GIVE AID TO ASIA."

BARDLEY, SPEAKING FOR THE THREE JOINT CHIEFS OF STAFF, TESTIFIED AFTER SECRETARY OF DEFENSE JOHNSON TOLD THE COMMITTEES HE IS WILLING TO ACCEPT 60 PER CENT IN CASH AND 40 PER CENT IN CONTRACT AUTHRITY TO LAUNCH THE ARMS PROGRAM.

SENATOR VANDENBERG (R-MICH) YESTERDAY PROPOSED A 50-50 SPLIT, WITH THE CONTRACT AUTHORIZATION TO BE PAID OUT OF NEXT YEAR'S BUDGET.

JOHNSON SAID IT IS AGREEABLE TO THE MILITARY DEPARTMENT TO SPREAD THE INITIAL COST OF THE ARMS PROGRAM OVER TWO OR EVEN THREE YEARS.

ANOTHER CONGRESSIONAL PROPOSAL--TO DELAY THE MAJOR PART OF THE REARMING PROGRAM UNTIL THE PROPOSED ATLANTIC PACT SECURITY COUNCIL DRAFTS AN OVERALL DEFENSE PLAN MET A REBUFF FROM BRADLEY.

"THE PROGRAM SHOULD NOT BE DELAYED," BRADLEY SAID IN ANSWER TO A QUESTION BY CHAIRMAN CONNALLY (D-TEX) OF THE FOREIGN RELATIONS COMMITTEE.

"WHATEVER STRATEGIC CONCEPT IS AGREED UPON, THIS EQUIPMENT WILL ALL FIT IN," HE SAID.

BARDLEY DID NOT EXPAND ON HIS REFERENCE TO THE PLAN TO GIVE THE BULK OF THE MILITARY AID TO FRANCE. HE SAID DETAILS WOULD HAVE TO BE GIVEN IN SECRET.

THE ARMY CHIEF OF STAFF AND HIS NAVY AND AIR FORCE COUNTERPARTS, ADM. LOUIS DENFELD AND GEN. HOYT VANDENBERG, WERE CALLED INTO A CLOSED DOOR SESSION WITH THE COMMITTEES THIS AFTERNOON.

IN PUTTING FORTH HIS FINANCING PROPOSAL YESTERDAY, VANDENBERG SAID THE SPLIT WOULD MAKE IT EASIER TO GET THE PROGRAM THROUGH CONGRESS THIS SESSION.

UNDER QUESTIONING BY SENATOR KNOWLAND (R-CALIF), JOHNSON SAID THE THREE ARMED SERVICES HAVE BETWEEN $750,000,000(M) AND $1,000,000,000 (B) IN SURPLUS EQUIPMENT FROM WHICH $450,000,000(M) WORTH CAN BE DRAWN FOR THE EUROPEAN NATIONS.

KNOWLAND ASKED WHY, IF THERE IS SO MUCH SURPLUS AVAILABLE NOW, THE ARMY TOLD THE HOUSE JUNE 21 THAT THERE WAS NO SURPLUS FOR MILITARY AID TO CHINA.

"DOLLARS OF SURPLUS DON'T MEAN ITEMS OF SURPLUS THAT WILL FIT THE NEED," JOHNSON REPLIED.

KNOWLAND SAID HE WANTS THE LIST OF ITEMS SOUGHT BY CHINA TO SEE WHETHER ANY OF THEM ARE NOW LISTED AS AVAILABLE TO EUROPEAN COUNTRIES. JOHNSON SAID THE COMMITTEE WILL GET THE LIST IN CLOSED SESSION.

KNOWLAND THEN ASKED IF AUSTRALIA AND NEW ZEALAND ARE SATISFIED WITH THE CONDITION OF PACIFIC DEFENSES. WON'T THEY BE COMING IN AND ASKING FOR SOME ARMS AID? HE INQUIRED.

JOHNSON SAID HE COULD TALK ABOUT PACIFIC DEFENSES ONLY IN A CLOSED COMMITTEE SESSION.

BUT JOHNSON SAID HIS STAFF HAS ADVISED HIM THAT 60 PER CENT OF THE $1,160,000,000 FOR WESTERN EUROPE MUST BE IN CASH. THE REMAINDER CAN BE IN AUTHORITY TO MAKE CONTRACTS WHICH WILL BE PAID FOR IN CASH LATER, HE SAID.

SENATOR SALTONSTALL (R-MASS) ASKED JOHNSON IF THIS AUTHORITY WOULD MEAN A FIRM CONTRACT TO BE PAID FOR IN FISCAL 1951-52. JOHNSON REPLIED IT WOULD BE.

SALTONSTALL ASKED IF THE RE-ARMING OF EUROPE WILL MEAN ANY REDUCTION IN THE U.S.DEFENSE PROGRAM.

JOHNSON SAID NO, IT WOULD NOT. HE SAID HE WOULD NOT AGREE TO ANY PLAN WHICH WOULD REDUCE "THE AMPLE SECURITY OF THE UNITED STATES."

THIS MILITARY PROGRAM, HE SAID, IS JUST A BEGINNING TO HELP WESTERN EUROPE AND OTHER NATIONS "BEGIN TO HELP THEMSELVES." SOME DAY, HE ADDED, THESE NATIONS MAY BE STRONG ENOUGH TO BOLSTER THE SECURITY OF THIS COUNTRY, BUT THAT TIME IS YET TO COME.

CONGRESS IS WRANGLING OVER THE AMOUNT OF MILITARY AID THAT SHOULD BE GIVEN TO THE NORTH ATLANTIC PACT NATIONS, PLUS GREECE, TURKEY, IRAN, THE PHILIPPINES AND KOREA.

IN ADDITION TO THE SENATE HEARING, SECRETARY OF STATE ACHESON IS SCHEDULED FOR A CLOSED-DOOR MEETING OF THE HOUSE FOREIGN AFFAIRS COMMITTEE.

AFTER JOHNSON HAD COMPLETED HIS TESTIMONY, GEN.OMAR BARDLEY, ARMY CHIEF OF STAFF, TOOK OVER. HE SAID THAT IF THE AMERICAN PEOPLE WANT TO USE THE ADVANTAGE GAINED IN THE "COLD WAR," THEY MUST MOVE QUICKLY AT ESTABLISHING A LONG RANGE PLAN OF DEFENSE.

BRADLEY AND THE MILITARY HEADS OF THE NAVY AND AIR FORCE, ADMIRAL LOUIS DENFELD AND GEN.HOYT S.VANDENBERG, HAVE JUST RETURNED FROM A 16-DAY TRIP TO EUROPE WHERE THEY CONFERRED WITH MILITARY CHIEFS OF ATLANTIC PACT NATIONS. THEY CONFINED THEIR DISCUSSIONS TO PROBLEMS OF ORGANIZATION.

BRADLEY SAID THE FIVE NATIONS--BRITAIN, THE NETHERLANDS, LUXEMBOURG, FRANCE AND BELGIJM--WHICH SIGNED THE WESTERN UNION PACT "ARE THE NUCLEUS OF RESISTANCE ON WHICH ANY NORTH ATLANTIC DEFENSE PLANS MUST BE BASED."

"YOUR JOINT CHIEFS OF STAFF HAVE EXAMINED THE DEFENSE CONCEPT OF THE WESTERN UNION AND HAVE FOUND THAT IT IS IN ACCORDANCE WITH OUR STRATEGIC THINKING," HE SAID.

BRADLEY SAID NO LONGER CAN THE U.S.GO IT ALONE ON ITS MILITARY PLANNING.

"EXHAUSTION OF OUR MORAL AND MATERIAL RESOURCES WOULD BE THE RESULT," HE SAID. "FOR THAT REASON, THE JOINT CHIEFS OF STAFF URGE THE ENACTMENT OF THIS LEGISLATION."

BRADLEY VIGOROUSLY OPPOSED ANY REDUCTION IN THE PROPOPOSED AMOUNT. HE SAID EVERY ITEM IN THE BILL HAD BEEN CAREFULLY CONSIDERED, AND HAD BEEN FOUND ESSENTIAL.

THE TIDE OF COMMUNISM IS BEING STEMMED IN EUROPE, HE DECLARED, AND ADDED:

"WE ARE NOT IMPELLED BY CRISIS, OR DESPERATION, OR FEAR OF IMPENDING WAR."

BRADLEY SAID THAT IF THERE WERE SUCH A CRISIS HE WOULD RECOMMEND-"AND I AM SURE YOU WOULD INSIST UPON"-A GREATER EFFORT THAN IS CALLED FOR IN THIS PROGRAM.

MUCH OF THE DISCUSSION HAS DEALT WITH A PLAN THAT VANDENBERG, THE REPUBLICANS' TOP MAN IN FOREIGN AFFAIRS, THINKS MAY MAKE THE FOREIGN ARMS PROGRAM MORE ACCEPTABLE TO CONGRESS.

VANDENBERG PROPOSED THAT CONGRESS PROVIDE CASH FOR ONLY HALF THE $1,160,000,000 (B) PROGRAM FOR RE-ARMING ATLANTIC PACT NATIONS. THE OTHER HALF WOULD BE IN AUTHORITY TO MAKE CONTRACTS FOR ARMS, TO BE APPROPRIATED FOR LATER.

IN EFFECT, THIS WOULD MEAN SPREADING THE COST OVER A TWO-YEAR PERIOD WITHOUT ANY ACTUAL CUT IN THE AMOUNT OF ARMS FOR EUROPE.

SECRETARY OF DEFENSE LOUIS JOHNSON INDICATED HE COULD GO ALONG WITH THIS PLAN, ALTHOUGH NOT ENTHUSIASTIC ABOUT IT, PROVIDED THERE IS NO REDUCTION IN THE TOTAL AMOUNT OF ARMS FOR EUROPE. HE SAID IT WOULD BE IMPOSSIBLE ANYWAY TO DELIVER ALL THE ARMS IN ONE YEAR.

TWO DEMOCRATIC LEADERS SAID PRIVATELY THE ADMINISTRATION PROBABLY WOULD ACCEPT THE VANDENBERG PROPOSAL. THEY SAID IT WOULD GIVE PRESIDENT TRUMAN THE PROGRAM HE WANTS EVEN IF THE COSTS ARE SPREAD OVER TWO YEARS.

BUT ONE OF THEM ADDED THE VANDENBERG PLAN WAS LIKE THE OLD SHELL GAME--"NOW YOU SEE IT AND NOW YOU DON'T." HE SAID WHETHER THE AUTHORITY IS GIVEN IN CASH OR CONTRACT AUTHORITY THE GOVERNMENT--THAT IS, THE TAXPAYERS--WILL HAVE TO PAY FOR IT SOONER OR LATER.

ANOTHER SENATOR CRACKED THAT THE PLAN REMINDED HIM OF A HUSBAND WHO WOULDN'T GIVE HIS WIFE $20 CASH FOR A HAT--BUT AGREED SHE COULD CHARGE IT.

VANDENBERG ARGUED IT IS IMPORTANT THAT NO ADDITIONAL HEAVY BURDENS BE PUT ON THE GOVERNMENT'S SPENDING AT THIS TIME. HE CONTENDED THE PLAN WOULD GEAR THE FUTURE PROGRAM MORE CLOSELY TO THE PLANS MADE BY THE NORTH ATLANTIC DEFENSE COUNCIL WHICH IS TO BE SET UP.

ANOTHER PROPOSAL BY REP.VORYS (R-OHIO) WOULD CUT THE ARMS PROGRAM TO A STOP-GAP $600,000,000 (M) FOR SIX MONTHS.

VORYS FAVORS A PROGRAM THAT WOULD RUN UNTIL NEXT MARCH 31 WITH CONGRESS EXTENDING THE PROGRAM IF NECESSARY NEXT YEAR.

HE SUGGESTED $300,000,000 (M) IN CASH AND ANOTHER $300,000,000 (M)

IN NEW AND SURPLUS ARMS AND EQUIPMENT.
ACHESON HAS SAID HE WOULD NOT FAVOR ANY STOP-GAP PROGRAM.
ONE OF THE MAIN OBJECTIVES OF THE MILITARY CHIEFS IN THEIR TRIP TO EUROPE WAS TO DISCUSS WITH ATLANTIC PACT MILITARY CHIEFS POSSIBLE FORMS OF ORGANIZATION UNDER THE NEW SECURITY TREATY.
WORKING GROUPS OF REPRESENTATIVES OF THE PACT NATIONS MAY CONVENE NEXT MONTH IN WASHINGTON TO BEGIN IMPLEMENTING THEIR PLANNED DEFENSE COUNCIL.
--DASH--
(EDITORS: A LEAD ARMS MAY BE AVAILABLE BY 11 A.M. EST)
AB239AED

NEWS REEL CAMERAMEN AND STILL PHOTOGRAPHERS RECORDED THE SCENE AS MR.TRUMAN SIGNED THE BILL.
THE PRESIDENT PATIENTLY FOLLOWED THE DIRECTIONS OF THE CAMERAMEN AS HE WENT THROUGH THE SIGNING CEREMONY REPEATEDLY FOR THE BENEFIT OF THE "ONE MORE CLUB"--PHOTOGRAPHERS WHO INVARIABLY CRY, "JUST ONE MORE, MR. PRESIDENT."

WHITE HOUSE OFFICIALS EXPLAINED THAT UNDER THE PREVIOUS LAW THE PRESIDENT COULD ADD TO THE SECURITY COUNCIL HEADS OF ANY DEPARTMENT AND OF CERTAIN AGENCIES WHEN HE NEEDED THEM.
UNDER THE LAW SIGNED TODAY, HOWEVER, THE COUNCIL MEMBERSHIP IS FIXED, AND ANY ADDITIONS THE PRESIDENT WANTS TO MAKE WILL HAVE TO BE CONFIRMED BY THE SENATE.
THE BILL ADDS THE VICE PRESIDENT TO THE COUNCIL AS A MEMBER. WHITE HOUSE OFFICIALS SAID, HOWEVER, MR.TRUMAN FEELS THAT HE SHOULD HAVE THE POWER TO INVITE THE VICE PRESIDENT TO MEMBERSHIP AND NOT HAVE THE LEGISLATIVE BRANCH DICTATE HIS APPOINTMENTS.
THE LAW RESTRICTS ADDITIONAL MEMBERS OF THE COUNCIL, WHOM THE PRESIDENT MAY ADD WITH SENATE APPROVAL, TO THE SECRETARIES AND UNDER-SECRETARIES OF THE DEPARTMENTS AND OF THE ARMED SERVICES, PLUS THE CHAIRMEN OF THE MUNITIONS BOARD AND THE NATIONAL SECURITIES RESOURCES BOARD. THE PRESIDENT FEELS THAT THIS WOULD PREVENT HIM FROM ADDING A RETIRED MILITARY FIGURE, A MEMBER OF THE ATOMIC ENERGY COMMISSION OR SOME OTHER DESIREABLE APPOINTEE.

THIS SECOND MAJOR STEP IN UNIFICATION OF THE ARMY, NAVY AND AIR FORCES MARKS A VICTORY FOR MR.TRUMAN. LAST MARCH HE APPEALED TO CONGRESS FOR LEGISLATION "TO ACHIEVE THE MOST EFFICIENT AND ECONOMICAL NATIONAL DEFENSE PROGRAM."
THAT LEGISLATION, COVERING A SERIES OF WHAT HE CALLED "URGENTLY NEEDED CHANGES" IN THE 1947 ACT THAT PUT THE THREE FORCES UNDER A SINGLE CABINET OFFICIAL FOR THE FIRST TIME, WAS WHAT WAS BEFORE THE PRESIDENT TODAY FOR HIS SIGNATURE.
IT CONTAINS MOST OF THE PRESIDENT'S ORIGINAL RECOMMENDATIONS, IN SPITE OF SOME ROUGH TREATMENT IN ITS INITIAL HANDLING IN THE HOUSE.
THE SENATE ACCEPTED MOST OF THE PRESIDENT'S PLAN BUT THE HOUSE PASSED AN ABBREVIATED BILL LIMITED TO FISCAL AND BUDGET REFORMS.
USING HIS REVIVED POWERS TO REORGANIZE GOVERNMENT DEPARTMENTS AND AGENCIES, THE PRESIDENT SENT UP A PLAN DEALING WITH MOST OF THE PROPOSED DEFENSE CHANGES JULY 18.
THIS SPEEDED UP SENATE AND HOUSE AGREEMENT ON LEGISLATION WHICH, AMONG OTHER THINGS, WOULD:
(1) RAISE THE PRESENT DEFENSE ESTABLISHMENT TO FULL CABINET STATUS AS AN EXECUTIVE DEPARTMENT RANKING SECOND ONLY TO THE STATE DEPARTMENT. THIS WILL GIVE SECRETARY OF DEFENSE LOUIS JOHNSON MORE POWER TO FORCE GREATER TEAM PLAY BETWEEN THE THREE SERVICES.
(2) REDUCE THE ARMY, NAVY AND AIR FORCE FROM EXECUTIVE STATUS TO MILITARY DEPARTMENTS. ACTUAL MERGER OF THE THREE SERVICES AND THEIR SUBORDINATE UNITS -- INCLUDING NAVAL AVIATION AND THE MARINE CORPS-- HOWEVER, IS PROHIBITED.
(3) SET UP A PERMANENT CHAIRMAN OF THE JOINT CHIEFS OF STAFF. THE NEW CHAIRMAN WOULD HAVE NO VOTE OR COMMAND AUTHORITY BUT WOULD BE RANKING MILITARY OFFICER OF THE NATION. HIS PRESTIGE WOULD BE ENORMOUS. THE CHIEFS OF STAFF, TOP COMMANDING OFFICERS OF THE ARMY, NAVY AND AIR FORCES, WOULD CONTINUE AS CHIEF MILITARY ADVISERS TO THE PRESIDENT AND THE SECRETARY OF DEFENSE. GENERAL DWIGHT EISENHOWER HAS BEEN ACTING TEMPORARILY AS HEAD OF THE JOINT CHIEFS. GEN. OMAR BRADLEY, NOW ARMY CHIEF OF STAFF, IS EXPECTED TO BE NAMED BY THE PRESIDENT TO TAKE OVER THIS TOP JOB ON A REGULAR BASIS.
(4) KEEP AT THE PRESENT TITLE SECRETARIES OF THE ARMY, NAVY AND AIR FORCE BUT TRIM THEIR PAY TO $14,000 OR $1,000 LESS THAN THEY NOW RECEIVE.
(5) RENAME THE OFFICE OF UNDER SECRETARY OF DEFENSE--NOW HELD BY STEPHEN EARLY--"DEPUTY SECRETARY" WITH RANK JUST BELOW THE SECRETARY BUT AHEAD OF THE ARMY, NAVY AND AIR FORCE SECRETARIES AND $500 A YEAR MORE PAY.
(6) MAKE THE VICE PRESIDENT A MEMBER OF THE NATIONAL SECURITY COUNCIL, TOP DEFENSE ADVISORY GROUP WHICH IS HEADED BY THE PRESIDENT. SECRETARIES OF THE ARMY, NAVY AND AIR FORCE WOULD BE DROPPED FROM THIS GROUP UNLESS THE PRESIDENT ASKED THAT THEY BE KEPT ON AND THE SENATE CONFIRMED THEM FOR THIS ADDED DUTY.
(7) AUTHORIZE THREE ASSISTANT SECRETARIES OF DEFENSE.
(8) INSTALL A BUSINESS OR FINANCIAL MANAGER, KNOWN AS A COMPTROLLER, FOR THE DEFENSE DEPARTMENT WITH SIMILAR OFFICIALS IN EACH OF THE MILITARY DEPARTMENTS. SPONSORS OF THE LEGISLATION SAY THEY CAN SAVE A BILLION DOLLARS OR MORE ANNUALLY BY ELIMINATING DUPLICATIONS, OVERLAPPING AND WASTE.
PRESIDENT TRUMAN HAS ASSURED CONGRESS THAT THE NEW POWERS THE MEASURE GIVES SECRETARY OF DEFENSE JOHNSON "DOES NOT MEAN THE CREATION OF ONE-MAN RULE OR DICTATORSHIP."
--DASH--
(EDITORS: A NEW LEAD UNIFICATION MAY BE AVAILABLE BY 9 A.M. EST)
AB642AED

WITH UNIFICATION
WASHINGTON, AUG.10-(AP)-FRANK L.ELMERDORF, VICE-PRESIDENT OF THE MANAGEMENT FIRM OF HELLER AND ASSOCIATES, CLEVELAND, OHIO, WILL DIRECT THE PERSONNEL FOR THE ARMED SERVICES MANAGEMENT ADVISORY GROUP.
IN ANNOUNCING THIS TODAY, SECRETARY OF DEFENSE JOHNSON SAID THAT THE FIRM, IN ADDITION TO ITS HEAD, ROBERT HELLER, INCLUDES FRED E. RAACH (CQ), A COST ACCOUNTING SPECIALIST, AND FREDERICK O.ROBBINS, AN ORGANIZATION SPECIALIST.
JOHNSON POINTED OUT THAT HELLER AND HIS ASSOCIATES WILL HAVE NO DIRECT AUTHORITY BUT WILL BE ACTIVE IN ASSISTING THE ARMED SERVICES IN WORKING OUT PROGRAMS THAT ARE RECOMMENDED BY THE MANAGEMENT ADVISORY COMMITTEE.
ES1023AED NM

WASHINGTON,AUG 10-(AP)-PRESIDENT TRUMAN MADE THE FOLLOWING STATEMENT TODAY AS HE SIGNED THE ARMED FORCES UNIFICATION BILL: (ABOUT 400

"I HAVE TODAY SIGNED H.R. 5632, THE NATIONAL SECURITY ACT AMENDMENTS OF 1949.

"THIS LEGISLATION REPRESENTS A MAJOR STEP TOWARD MORE RESPONSIBLE AND EFFICIENT ADMINISTRATION OF THE MILITARY AFFAIRS OF THE NATION. IT CONVERTS THE NATIONAL MILITARY ESTABLISHMENT INTO A NEW EXECUTIVE DEPARTMENT OF DEFENSE, WITHIN WHICH THE FORMER EXECUTIVE DEPARTMENTS OF THE ARMY, NAVY AND AIR FORCE ARE INCLUDED AS MILITARY DEPARTMENTS. IT GIVES THE SECRETARY OF DEFENSE, UNDER THE DIRECTION OF THE PRESIDENT, DIRECTION, AUTHORITY AND CONTROL OVER THE DEPARTMENT OF DEFENSE, APPROPRIATE TO HIS RESPONSIBILITY AS HEAD OF THAT DEPARTMENT. IT PROVIDES FOR A DEPUTY SECRETARY AND THREE ASSISTANT SECRETARIES OF DEFENSE, AND FOR A CHAIRMAN OF THE JOINT CHIEFS OF STAFF, TO ASSIST THE SECRETARY IN CARRYING OUT HIS RESPONSIBILITIES. IT PROVIDES FOR BETTER FINANCIAL MANAGEMENT OF THE DEPARTMENT BY REQUIRING A 'PERFORMANCE-TYPE' BUDGET, ALLOWING GREATER FLEXIBILITY IN THE CONTROL AND USE OF FUNDS, AND ESTABLISHING A COMPTROLLER IN THE DEPARTMENT OF DEFENSE AND IN EACH OF THE MILITARY DEPARTMENTS.

"THESE PROVISIONS AFFORD SOUND BASIS FOR FURTHER PROGRESS TOWARD THE UNIFICATION OF OUR ARMED FORCES AND THE UNIFIED MANAGEMENT OF OUR MILITARY AFFAIRS. I AM VERY PLEASED THAT THE LEGISLATION EMBODIES MOST OF THE CHANGES IN THE NATIONAL SECURITY ACT WHICH I HAVE RECOMMENDED TO THE CONGRESS, AND MOST OF THOSE RECOMMENDED BY THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH.

"IT IS UNFORTUNATE THAT IN THIS GENERALLY PROGRESSIVE LEGISLATION AT LEAST ONE PROVISION REPRESENTS A BACKWARD STEP. NEW AND CUMBERSOME RESTRICTIONS ARE PLACED ON THE MEMBERSHIP OF THE NATIONAL SECURITY COUNCIL--WHEREAS THE DESIRABLE COURSE WOULD BE TO FOLLOW THE RECOMMENDATION OF THE COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH AND REMOVE THE STATUTORY RESTRICTIONS ON THE COUNCIL'S MEMBERSHIP.

"THIS LEGISLATION AS A WHOLE REPRESENTS A GREAT ADVANCE. ACTION WILL BE TAKEN UNDER IT, BOTH IMMEDIATELY AND IN THE LONG RUN, TO ACHIEVE INCREASED EFFICIENCY AND ECONOMY AND GREATER COORDINATION OF OUR MILITARY FORCES. I BELIEVE THAT THIS ACT WILL PERMIT US TO MAKE REAL PROGRESS TOWARD BUILDING A BALANCED AND EFFECTIVE NATIONAL DEFENSE." (END TEXT)

GG1011AED

BY WILLIAM F.ARBOGAST

WASHINGTON, AUG.10-(AP)-THE $5,797,724,000 FOREIGN RECOVERY APPROPRIATION BILL WENT TO A SENATE-HOUSE CONFERENCE TODAY FOR A COMPROMISE ON DETAILS.

WITH IT WENT A HOUSE DEMAND FOR REMOVAL OF $344,000 VOTED BY THE SENATE TO FINANCE THE SENATE-HOUSE "WATCHDOG COMMITTEE" SET UP BY CONGRESS TO SUPERVISE OPERATION OF THE MARSHALL PLAN FOR EUROPEAN RECOVERY.

WHILE THERE ARE OTHER AREAS OF DISAGREEMENT BETWEEN THE SENATE AND THE HOUSE ON DETAILS OF THE BILL WHICH HAS BEEN ON CAPITOL HILL FOR MORE THAN TWO MONTHS, ONLY ON THE WATCHDOG COMMITTEE DID THE HOUSE SHOW SIGNS OF ADAMANCY.

BY A VOTE OF 210 TO 164 YESTERDAY IT INSTRUCTED ITS MEMBERS OF THE CONFERENCE COMMITTEE NOT TO GIVE IN ON THE WATCHDOG ISSUE WHEN THE GROUP WORKS OUT A COMPROMISE ON THE ENTIRE BILL.

THE HOUSE PASSED THE BILL LAST MAY WITHOUT ANY FUNDS FOR THE COMMITTEE. THE SENATE ADDED $344,000 WHEN IT PASSED IT MONDAY. THE "WATCHDOG" GROUP'S FRIENDS INSISTED THAT SUCH A VAST PROGRAM NEEDS CONTINUING CONGRESSIONAL SURVEILLANCE, BUT OPPONENTS SAID THERE NO LONGER IS A NEED FOR THE COMMITTEE BECAUSE OF THE EFFICIENCY RECORD OF THE ENTIRE PROGRAM.

REP.FRANKLIN D.ROOSEVELT JR., (D-NY) GOT INTO A SPIRITED EXCHANGE IN WHICH REPRESENTATIVES MARCANTONIO (ALP-NY) AND RICH (R-PA) CRITICIZED THE UNDERTAKING AS EXTRAVAGANT AND IMPERIALISTIC.

IN A HEATED REPLY, THE SON OF THE FORMER PRESIDENT CALLED THE RECOVERY PROGRAM HUMANE AND SAID THE ONLY IMPERIALISM IN THE WORLD TODAY COMES FROM "THE EAST."

HE WAS SURPRISED, HE SAID, TO FIND RICH, A PENNSYLVANIA INDUSTRIALIST, AND MARCANTONIO "BOTH SPOUTING THE SAME LINE."

THE SENATE AND THE HOUSE ARE NOT FAR APART FINANCIALLY ON THE BILL.

THE HOUSE GAVE ECA $3,568,470,000 FOR 10 1/2 MONTHS; THE SENATE RECOMMENDED $3,628,380,000 IN CASH AND $150,000,000 IN LOAN AUTHORITY FOR 12 MONTHS.

FOR SPECIAL AID TO GREECE AND TURKEY THE HOUSE VOTED $50,000,000, THE SENATE $45,000,000, AND FOR ARMY OCCUPATION COSTS IN GERMANY, AUSTRIA, JAPAN AND THE RYUKYUS ISLANDS THE HOUSE ALLOTTED $925,000,000 AND THE SENATE $900,000,000.

AB327AED

NIGHT LEAD B-36

BY MORGAN REYNOLDS

WASHINGTON, AUG.10-(AP)-RUSSIA WAS CREDITED WITH AN ASSIST TODAY IN THIS COUNTRY'S PRODUCTION OF THE B-36 LONG-RANGE BOMBER.

MAJ.GEN.FREDERICK H.SMITH, AIR FORCE REQUIREMENTS CHIEF, SAID THE SOVIETS HELPED INFLUENCE THE U.S.DECISION TO CONTINUE THE CONTROVERSIAL SUPER-BOMBER PROGRAM WHEN THEY CLAMPED THEIR BLOCKADE ON BERLIN LAST SUMMER.

SMITH GAVE THIS TESTIMONY TO THE HOUSE ARMED SERVICES COMMITTEE WHICH IS INVESTIGATING THE B-36'S HISTORY TO SEE WHETHER ANY POLITICAL OR BUSINESS INFLUENCE WAS INVOLVED IN THE 100-PLANE CONTRACT WITH CONSOLIDATED VULTEE AIRCRAFT CO.

THE AIR FORCE OFFICER WAS RECALLED TO THE STAND TO CONTINUE HIS OPENING DAY ACCOUNT OF THE UPS AND DOWNS THE B-36 PROGRAM UNDERWENT BEFORE IT BECAME THE PRIZED PACKAGE IN THE AIR FORCE'S ARSENAL.

EVEN AS LATE AS APRIL, 1948, SMITH SAID, THERE WAS "CONSIDERABLE DIFFERENCE OF OPINION" AMONG THE AIR STAFF ON THE VALUE OF THE MAMMOTH BOMBER WHICH CAN LUG BLOCKBUSTERS OR ATOM BOMBS 10,000 MILES.

HE REPORTED THAT GEN.GEORGE C.KENNEY, THEN CHIEF OF THE STRATEGIC AIR COMMAND, FAVORED USING THE B-36'S AS AERIAL TANK CARS TO REFUEL MEDIUM BOMBERS FOR LONG-RANGE MISSIONS RATHER THAN PUTTING THEM ON ACTUAL BOMBING ASSIGNMENTS.

SMITH SAID THAT IN JUNE SECRETARY OF AIR SYMINGTON WHO HAD JUST RETURNED FROM AN INSPECTION OF THE CONSOLIDATED VULTEE PLANT AT FORT WORTH, TEXAS, CALLED A MEETING OF THE AIR FORCE COMMANDERS AND TECHNICIANS TO GO OVER THE ENTIRE B-36 PROJECT.

JUST AS THE CONFERENCE GOT UNDERWAY THE RUSSIANS PUT THE SQUEEZE ON THE GERMAN CAPITAL, AND THE WESTERN POWERS BEGAN THE AIRLIFT OPERATIONS TO COUNTER THE SOVIET PRESSURE MOVE.

"AFTER REVIEW," SMITH SAID, "THE DECISION WAS CLEARLY IN FAVOR OF CARRYING OUT THE FULL B-36 CONTRACT."

THOSE AT THE MEETING DECIDED, HE ADDED, THAT IT WOULD NOT BE WISE TO DROP THE PROGRAM AND LOSE THE INDUSTRIAL POTENTIAL OF THE GOVERNMENT-OWNED FORT WORTH PLANT "JUST WHEN NEW PRODUCTION MIRACLES MIGHT BE DEMANDED--AS THEY WERE AFTER PEARL HARBOR."

SMITH THEN RELATED SUBSEQUENT EFFORTS TO KEEP THE FORT WORTH PLANT BUSY, INCLUDING A PROPOSAL BY FLOYD ODLUM TO MERGE ITS OPERATIONS WITH NORTHROP AIRCRAFT, INC., MAKERS OF THE B-49 "FLYING WING" JET BOMBER.

ODLUM IS HEAD OF THE ATLAS CORP. WHICH CONTROLS CONSOLIDATED VULTEE. HIS NAME FIGURED IN STATEMENTS BY REP.VAN ZANDT (R-PA) WHICH LED TO THE B-36 INVESTIGATION.

VAN ZANDT TOLD THE HOUSE HE HAD HEARD "DISTURBING REPORTS" ABOUT TOP DEFENSE OFFICIALS AND AIRCRAFT COMPANIES. AMONG THESE RUMORS HE SAID WAS ONE THAT AIR SECRETARY SYMINGTON PLANNED TO RESIGN SOON TO HEAD A BIG MERGER OF PLANE MAKERS REPORTEDLY BEING ARRANGED BY ODLUM. SYMINGTON HOTLY DENIED THE REPORT.

VAN ZANDT ALSO SAID THAT ODLUM HAD HELPED SECRETARY OF DEFENSE JOHNSON RAISE FUNDS FOR THE DEMOCRATIC CAMPAIGN LAST FALL AND THAT JOHNSON HAD BEEN AN OFFICIAL OF CONSOLIDATED BEFORE TAKING THE DEFENSE POST IN MARCH.

GEN.SMITH GAVE THIS ACCOUNT OF ODLUM'S EFFORT TO BRING ABOUT A MERGER WITH NORTHROP:

AT THE JUNE CONFERENCE OF AIR FORCE COMMANDERS, GEN.JOSEPH T.MCNARNEY, THEN CHIEF OF THE AIR MATERIAL COMMAND, SUGGESTED THAT CONSOLIDATED AND NORTHROP OFFICIALS GET TOGETHER TO SEE WHAT THEY COULD WORK OUT TO SPEED UP PRODUCTION OF THE "FLYING WING."

SMITH SAID THE AIR FORCE WANTED THE JET CRAFT FOR RECONNAISANCE AND FOR USE AS A COMPANION BOMBER TO THE B-50, A SPEEDIER VERSION OF THE B-29 SUPERFORTRESS. HE ADDED THAT NORTHROP'S PLANT AT HAWTHORNE, CALIF., WAS NOT CONSIDERED LARGE ENOUGH TO HANDLE THE DESIRED PRODUCTION.

IN JULY, HE SAID, ODLUM CONFERRED WITH NORTHROP OFFICIALS IN LOS ANGELES AND PROPOSED A MERGER TO BUILD THE B-49. THIS SUGGESTION WAS TURNED DOWN FOR THE TIME BEING, SMITH REPORTED, AND A TEMPORARY ARRANGEMENT WAS MADE WHEREBY CONSOLIDATED WOULD HANDLE PART OF THE B-49 WORK ON A SUBCONTRACT.

LATER, HOWEVER, SMITH SAID THE AIR FORCE REVISED ITS PLANS FOR BUYING THE B-49 AND THE ENTIRE PROGRAM WAS CUT DOWN TO CONCENTRATE MORE ON THE B-36.

THIS DECISION TO STEP UP USE OF THE B-36'S, HE SAID, WAS MADE LAST DECEMBER BY A FOUR-MAN BOARD OF SENIOR AIR FORCE OFFICERS WITH THE AIM OF ACHIEVING THE "ABILITY TO LAUNCH A STRATEGIC OFFENSIVE."

DESPITE THE FACT THAT GEN.KENNEY HAD OPPOSED THE B-36 WHEN HE WAS CHIEF OF THE STRATEGIC AIR COMMAND, SMITH SAID THAT GEN.CURTIS LE MAY, WHO NOW HEADS THAT GROUP, ASKED FOR TWO GROUPS OF B-36'S TO SUPPLANT TWO MEDIUM BOMBER GROUPS. ALSO, HE SAID LE MAY ASKED FOR ONE GROUP OF B-36'S FOR RECONNAISANCE SERVICE TO REPLACE THE FLYING WING TYPE.

SMITH FURTHER REPORTED THAT A NEW $269,761,000 CONTRACT WAS SIGNED WITH CONSOLIDATED IN APRIL OF THIS YEAR FOR 36 OF THE B-36S WHICH HAVE BEEN MODERNIZED WITH SPECIAL JETS TO GIVE THEM ADDED SPEED IF NEEDED OVER A TARGET AREA.

THIS PRESUMABLY IS IN ADDITION TO THE NEARLY HALF BILLION DOLLARS ALREADY INVESTED IN THE SUPER-BOMBER PROGRAM.

SMITH INDICATED THAT THE AIR FORCE DECISION TO PUT MAJOR STRESS ON THE B-36 AS ITS CHIEF OFFENSIVE WEAPON STEMMED FROM PRESIDENT TRUMAN'S ORDER LAST YEAR FOR A SHARP CUTBACK IN TOTAL PLANES AND PERSONNEL.

HE SAID THE DEVELOPMENT OF THE B-36 FROM 1941 TO MID-1948 WAS "INFLUENCED VERY LITTLE BY THE OVERALL AIRCRAFT PROCUREMENT PROGRAM OF WHICH THE B-36 WAS BUT A SMALL PART."

BUT HE DECLARED "THIS SITUATION WAS CHANGED COMPLETELY" AFTER MR. TRUMAN TOLD THE AIR FORCE IT WAS "NOT TO EXCEED A PERSONNEL STRENGTH OF 411,000 AS OF SEPTEMBER 30, 1948, AND AN AIRCRAFT INVENTORY OF 9,800."

ES455PED

WASHINGTON--1ST ADD FIRST LEAD B-36 (TOP A140) X X X SMITH ADDED, ~~ELIMINATING LAST PGH STARTING POEN.CARLE AND ENDING "FLYING WING."~~

SMITH BROUGHT THE NAME OF FLOYD ODLUM, HEAD OF ATLAS CORP., INTO THE HEARING IN CONNECTION WITH THE AIR FORCE'S INTEREST IN THE "FLYING WING" DEVELOPED BY NORTHROP AIRCRAFT, INC.

ATLAS CONTROLS CONSOLIDATED, MAKER OF THE B-36.

THE AIR FORCE WAS INTERESTED IN THE WING, CALLED THE B-49, AS A RECONNAISSANCE PLANE AND BOMBER COMPANION TO THE B-50, SMITH SAID. THE AIR FORCE DECIDED IN JUNE, 1948, TO BEGIN BUYING SOME B-49S.

THE NORTHROP PLANT AT HAWTHORNE,CALIF., WAS NOT BIG ENOUGH TO HANDLE THE PRODUCTION, SO AT THE SUGGESTION OF GEN.JOSEPH T.MCNARNEY, CHIEF OF THE AIR MATERIEL COMMAND, NORTHROP AND CONSOLIDATED OFFICIALS MET TO WORK OUT THE PROBLEM. THE AIR FORCE WAS INTERESTED IN KEEPING THE FORT WORTH PLANT BUSY, SMITH EXPLAINED.

AT A CONFERENCE IN JULY IN LOS ANGELES, SMITH SAID, ODLUM SUGGESTED A MERGER OF CONSOLIDATED AND NORTHROP TO PRODUCE THE B-49. THE PROPOSAL WAS TURNED DOWN FOR THE TIMTLBEING BY NORTHROP, AND A TEMPORARY ARRANGEMENT WAS MADE FOR SUBCONTRACTING PRODUCTION WO

POSAL WAS TURNED DOWN FOR THE TIME BEING BY NORTHROP, AND A TEMPORARY ARRANGEMENT WAS MADE FOR SUBCONTRACTING PRODUCTION WORK ON THE B-49 TO CONSOLIDATED.

THE AIR FORCE, THEREFORE, WORKED OUT A PLAN FOR SOME B-49 PRODUCTION AT HAWTHORNE AND THE REST AT FORT WORTH. LATER, HOWEVER, ORIGINAL PLANS FOR BUYING B-49S WERE REVISED, AND THE ENTIRE PROGRAM WAS CUT DOWN, HE SAID, AS EMPHASIS SHIFTED TO THE B-36 AS BOTH A BOMBER AND RECONNAISSANCE PLANE ON THE BASIS OF PERFORMANCE RECORDS MADE IN LATE 1948.

THE B-36 BEGAN TO GAIN IN FAVOR, GEN.SMITH SAID, WHEN AN EXPERIMENTAL PLANE WAS FLOWN AT OVER 40,000 FEET IN DECEMBER 1947. IN OCTOBER 1948 OTHER MODELS WENT AS HIGH AS 46,100 FEET AND ONE SPENT AN ENTIRE 14-HOUR FLIGHT CRUISING AT ABOUT 303 MILES PER HOUR ABOVE 40,000.

CONSOLIDATED PROPOSED IN LATE 1948 THAT JET-ASSIST "PODS," TO GIVE THE PLANE GREATER CAPACITY FOR SUDDEN BURSTS OF SPEED OVER A TARGET OR WHEN ATTACKED, BE BUILT INTO THE B-36S THEN IN PRODUCTION. THIS WAS AUTHORIZED FOR ONE PLANE IN JANUARY THIS YEAR TO SEE HOW THE IDEA WORKS OUT, SMITH SAID.

IN DECEMBER, SMITH SAID, A FOUR-MAN BOARD OF SENIOR AIR FORCE OFFICERS CALLED THE SIGNAL FOR A STEPPED UP USE OF B-36 BOMBERS.

SMITH SAID LT.GEN.CURTIS LE MAY, CHIEF OF THE STRATEGIC AIR COMMAND, ASKED FOR TWO GROUPS OF B-36'S TO SUPPLANT TWO MEDIUM BOMB GROUPS AND ONE GROUP OF RB-36'S FOR STRATEGIC RECONNAISSANCE SERVICE, REPLACING THE RB-49 TYPE.

HE CITED OTHER CHANGES IN BUYING PLANS WHICH MADE AVAILABLE $269,761,000 (M) FOR THE PURCHASE OF B-36S.

THE REVAMPED PROGRAM, HE ADDED, MET APPROVAL IN TOP OFFICES AND A CONTRACT FOR 39 B-36S WAS SIGNED ON APRIL 11.

HE ALSO TOLD THE COMMITTEE THE AIR FORCE WEIGHED THE MORALE PROBLEM OF THE LABOR FORCE AT CONSOLIDATED IN REACHING A DECISION.

"HAVING BEEN INFORMED OF AIR FORCE INTENTIONS REGARDING THE B-36," HE SAID, "THE CONTRACTOR WAS ABLE TO PLAN TENTATIVELY FOR A NEW PRODUCTION BACKLOG. THIS MEANT THAT DISMISSALS COULD BE AVOIDED WITH A CONSEQUENT IMPROVEMENT IN PLANT MORALE; AND THAT RELATIONSHIPS WITH SUBCONTRACTORS COULD BE STABILIZED."

SMITH SAID THE DEVELOPMENT OF THE B-36 FROM 1941 UNTIL MID-1948 "WAS INFLUENCED VERY LITTLE BY THE OVERALL AIRCRAFT PROCUREMENT PROGRAM OF WHICH THE B-36 WAS BUT A SMALL PART."

"THIS SITUATION," HE ADDED, "WAS CHANGED COMPLETELY" AFTER PRESIDENT TRUMAN ADVISED THAT THE AIR FORCES "WAS NOT TO EXCEED A PERSONNEL STRENGTH OF 411,000 AS OF SEPTEMBER 30, 1948, AND AN AIRCRAFT INVENTORY OF 9800."

GEN.CARL A.SPAATZ, A PIONEER OF THE AIR FORCE WAS SCHEDULED TO BE THE NEXT WITNESS. BUT THE COMMITTEE RAN OUT OF TIME, AND HE WILL TAKE THE STAND TOMORROW. #

MAJ.GEN.F.H.SMITH GAVE THE COMMITTEE A DETAILED HISTORY OF THE PROCUREMENT OF THE SHIP THAT WAS BUILT TO CARRY 10,000 POUNDS OF BOMBS 10,000 MILES. WASHN-SPAATZ-AAX ONLY.

HE SAID THE AIR FORCE'S ENTHUSIASM FOR THE B-36 ROSE AND FELL WITH THE PROGRESS OF THE WAR.

BUT HE SAID "THE REQUIREMENT FOR A LONG-RANGE BOMBER, CAPABLE OF STRIKING FROM BASES ON THIS CONTINENT, HAD NOT CHANGED AS A RESULT OF THE WAR."

"THE ADVENT OF ATOMIC WARFARE PROVIDED ANOTHER REASON FOR PROCURING AN INTERCONTINENTAL BOMBER," HE ADDED.

SMITH SAID A COMPARISON IN 1945 OF EFFICIENCY AND OPERATING COSTS AMONG THE B-36, THE B-29 AND THE NORTHRUP B-35 "FLYING WING" LED THE AIR STAFF TO RECOMMEND CONTINUATION OF A CONTRACT FOR 100 B-36'S.

IN DECEMBER, 1946, HE CONTINUED, GEN. GEORGE KENNEY, THEN COMMANDING GENERAL OF THE STRATEGIC AIR COMMAND, RECOMMENDED TO GENERAL SPAATZ THAT THE B-36 PROGRAM BE RE-EXAMINED AGAIN WITH A VIEW TOWARD CUTTING THE ORDER.

"HE (KENNEY) FELT THAT THE B-36 WAS INFERIOR TO THE IMPROVED VERSION OF THE B-29 (THE B-50) IN ALL EXCEPT BOMB CAPACITY AND RANGE," SAID SMITH, "AND THAT THE RANGE ITSELF WAS INSUFFICIENT TO RECOMMEND ADOPTION OF THE B-36 AS THE STANDARD HEAVY BOMBER OF THE AIR FORCE."

ANOTHER VIEW WAS TAKEN, HOWEVER, SMITH TOLD THE GROUP, BY LT.GEN. N.F.TWINING, COMMANDING GENERAL OF THE ALASKAN COMMAND WHO WAS THEN HEAD OF THE AIR MATERIAL COMMAND.

SMITH SAID TWINING, WHO WILL TESTIFY LATER HIMSELF, DIDN'T THINK THE CRAFT SHOULD BE JUDGED ALONE ON THE EXPERIMENTAL MODEL, WHICH HAD JUST BEGUN TESTS.

TWINING WAS REPRESENTED AS ARGUING THAT "IT WOULD BE UNWISE TO ABANDON A PROJECT JUST WHEN IT IS NEARING COMPLETION MERELY BECAUSE A BETTER AIRPLANE COULD BE BUILT BY STARTING FROM SCRATCH."

SMITH SAID TWINING STRONGLY URGED COMPLETION OF THE 100 B-36'S, ADDING:

"THE DIFFERENCE IN VIEWPOINTS BETWEEN GENERALS KENNEY AND TWINING IS FOUND IN INDUSTRY AS WELL AS IN THE ARMED FORCES."

SPAATZ, HE SAID, SIDED WITH TWINING. THE ORDER REMAINED IN FORCE.

--DASH--

(EDITORS: A LEAD B-36 MAY BE AVAILABLE BY 11 A.M. EST).

AB458AED

NIGHT LEAD FIVE PERCENTERS

BY STERLING F. GREEN

WASHINGTON,AUG.10-(AP)-SENATE INVESTIGATORS WERE TOLD TODAY THAT JAMES V.HUNT WAS PAID $86,000 FOR HELPING A HOTEL FIRM REPURCHASE THE LIDO BEACH HOTEL FOR HALF WHAT IT HAD COST THE GOVERNMENT.

HUNT RECEIVED A $5,000 CHECK FROM THE HOTEL FIRM WHILE HE STILL WAS EMPLOYED BY THE WAR ASSETS ADMINISTRATION AS A $50-A-DAY CONSULTANT, TESTIFIED FRANCIS D.FLANAGAN, STAFF INVESTIGATOR.

HUNT KEPT THE CHECK THREE MONTHS, THEN RETIRNED IT, QUIT HIS GOVERNMENT JOB, GOT A NEW $5,000 CHECK AND WAS PAID THE REST IN FEES FOR SERVICES TO THE SEIDEN HOTEL COMPANY, FLANAGAN WENT ON.

WITH HUNT'S HELP, THE LONG ISLAND HOSTELRY WHICH COST THE NAVY $1,300,000 WHEN IT WAS TAKEN OVER FOR WAR USE WENT BACK TO THE SEIDEN COMPANY AS SURPLUS FOR $635,000, THE WITNESS SAID. HE WAS QUOTING, HE ADDED FROM RECORDS OF HUNT AND THE WAA.

THE SPECIAL SUBCOMMITTEE LOOKING INTO PERSONS WHO ALLEGEDLY SOLD BUSINESSMEN THEIR "INFLUENCE" IN THE GOVERNMENT HEARD ALSO THAT:

1. MAJ.GEN.HARRY H.VAUGHAN, PRESIDENT TRUMAN'S ARMY AIDE, CALLED ON HOUSING EXPEDITER TIGHE WOODS ASKING HIM TO "PLEASE HURRY" THE GRANTING OF A CONSTRUCTION PERMIT TO TANFORAN RACETRACK IN CALIFORNIA. THE PERMIT WAS GRANTED THE NEXT DAY, ACCORDING TO TESTIMONY.

2. ALBERT LEWITT, FORMER SECRETARY TO EX-SENATOR HAWKES (R-NJ), FIGURED IN TESTIMONY ABOUT THE HOTEL DEAL. HE WAS PAID $5,000 BY HUNT AS A "CONSULTANT AND ADVISER," LEWITT SAID, BUT SELDOM GAVE ADVICE. HE DENIED THAT THE MONEY IN REALITY WAS A FEE FOR STEERING HUNT ONTO THE PROFITABLE LIDO BEACH TRANSACTION.

3. LEWITT, A REGISTERED LOBBYIST IN 1947, SENT LETTERS TO HIS PAYING CLIENTS DESCRIBING FICTITIOUS INTERVIEWS HE WAS SUPPOSED TO HAVE HAD WITH TOP-RANKING LEADERS OF CONGRESS. HE CALMLY ADMITTED THE TALKS NEVER TOOK PLACE, BUT SAID THIS WAS "OF NO CONCERN" TO HIS CLIENTS.

ANGRILY, COMMITTEE COUNSEL WILLIAM ROGERS BARKED AT HIM THAT THE COMMITTEE IS CONCERNED OVER "PERSONS FALSELY SELLING INFLUENCE" WHO MISLEAD CLIENTS AND REFLECT ON PERSONS IN PUBLIC LIFE.

ROGERS SAID LEWITT WROTE LETTERS TO THE NAVY IN BEHALF OF THE SEIDEN HOTEL FAMILY WHICH GAVE THE IMPRESSION THAT SENATOR HAWKES WAS INTERESTED IN THE CASE. IN REALITY, HE SAID, IT WAS LEWITT ALONE.

THE "FIVE PERCENT" SPOTLIGHT RETURNED BRIEFLY TO THE WHITE HOUSE. HOUSING EXPEDITER WOODS RELATED YESTERDAY HOW GENERAL VAUGHAN CALLED HIM TO THE WHITE HOUSE IN BEHALF OF "SOME OF MY FRIENDS," THE OPERATORS OF THE TANFORAN TRACK NEAR SAN FRANCISCO.

WOODS WAS RECALLED TO THE WITNESS CHAIR TODAY. HE SAID VAUGHAN CAME TO HIS OFFICE JAN. 12, BRINGING WITH HIM EUGENE MORI, CAMDEN, N.J., PRESIDENT OF THE TANFORAN COMPANY.

THE RACETRACK WAS THEN STYMIED BY THE EXPEDITER'S REFUSAL TO GRANT A PERMIT, UNDER THE REGULATION WHICH FORBADE THE USE OF SCARCE HOUSING MATERIALS IN AMUSEMENT PLACES. THE TRACK ALSO WAS UNDER COURT INJUNCTION, ON THE GROUNDS THAT IT HAD VIOLATED AN EARLIER STOP-CONSTRUCTION ORDER.

VAUGHAN ASKED HIM TO "PLEASE HURRY" A CLEARANCE, WOODS TESTIFIED, BECAUSE THERE WAS "SOMETHING" BEFORE THE CALIFORNIA RACING COMMISSION WHICH WOULD CAUSE TANFORAN TO LOSE ITS FRANCHISE UNLESS IT COULD DO THE REBUILDING JOB.

WOODS GRANTED THE GO-AHEAD THE NEXT DAY. HE ALSO ASKED THE JUSTICE DEPARTMENT TO MODIFY THE COURT ORDER. HE GAVE THE CLEARANCE, HE TESTIFIED, ON GROUNDS OF "HARDSHIP."

THE TERM "HARDSHIP" APPARENTLY RUBBED SEN.MCCARTHY (R-WIS) THE WRONG WAY. HE ASSERTED THAT THE LAW, WHICH HE HAD A HAND IN WRITING, IMPOSED ON WOODS A DUTY NOT TO APPROVE RECREATIONAL CONSTRUCTION WHICH WOULD INTERFERE WITH HOME BUILDING.

WOODS REPLIED THAT THE "ALL-INCLUSIVE TERM HARDSHIP" WAS THE BIG LOOPHOLE IN THE LAW. IF, AS AT TANFORAN, LOCAL HEALTH AUTHORITIES CONDEMNED THE STANDS, THAT WAS "HARDSHIP" UNDER THE LAW, HE SAID.

HE WENT ON: IF HORSE RACES HAD BEEN HELD THERE "AND THE STANDS HAD COLLAPSED AND FIVE OR SIX HUNDRED PEOPLE HAD BEEN KILLED, THEN WE WOULD HAVE BEEN BLAMED."

COMMITTEE COUNSEL ROGERS INJECTED: "WHY COULDN'T THEY JUST STOP RACING THERE?"

"THAT I DON'T KNOW," SAID WOODS, "BUT APPARENTLY IN A LOT OF PLACES RACING IS IMPORTANT."

"HOUSING IS IMPORTANT, TOO," SNAPPED MCCARTHY.

TO THIS WOODS MADE ANSWER: THERE WAS NOTHING IN THE LAW TO INSURE THAT THE SCARCE MATERIALS WENT INTO HOUSING. COMMERCIAL BUILDING WAS PERMITTED TOO, AND "ANYBODY KNOWS THAT PEOPLE BUILDING COMMERCIAL STRUCTURES CAN OUTBID RESIDENTIAL BUILDERS."

THE WHITE HOUSE MEANTIME HAD "NO COMMENT" ON THE REPORTED ACTIVITIES OF THE ROBUST GENERAL VAUGHAN. MR.TRUMAN HAS STATED THAT VAUGHAN HAS HIS PERMISSION TO TESTIFY, AND PRESS SECRETARY CHARLES ROSS TOLD REPORTERS TODAY THIS "STILL APPLIES."

A FLURRY TOOK PLACE IN THE SENATE LOBBY TODAY WHEN JOHN MARAGON, A FREQUENT CALLER ON VAUGHAN AT THE WHITE HOUSE AND A MINOR FIGURE IN THE PROBE, WAS USHERED OUT ON DEMAND OF SENATOR MURRAY (D-MONT).

MARAGON MET MURRAY IN THE LOBBY AND ADVANCED WITH HAND EXTENDED.

"I DON'T WANT TO SHAKE YOUR HAND," SAID MURRAY LOUDLY. "I HAVEN'T HAD ANY DEALINGS WITH YOU. WANT ARE YOU DOING HERE?"

THEN, TURNING TO A DOORKEEPER, HE ORDERED: "THROW HIM OUT."

MARAGON WAS ESCORTED FROM THE LOBBY WHERE, BY SENATE RULE, ONLY NEWSMEN, SENATORS AND EMPLOYES ARE PERMITTED.

LATER MARAGON SAID HE WAS ONLY TRYING TO HAND MURRAY A FORM TO OBTAIN BIOGRAPHICAL FACTS FOR A BOOK PLANNED BY MARAGON'S EMPLOYERS, A CHICAGO PUBLISHING COMPANY.

YESTERDAY IT WAS TESTIFIED THAT MARAGON ACCOMPANIED MORI, THE TANFORAN PRESIDENT, TO ONE CONFERENCE WITH THE HOUSING EXPEDITER.

WITH WOODS EXCUSED, THE COMMITTEE HEADED BY SEN.HOEY (D-NC) DELVED INTO THE LIDO BEACH HOTEL DEAL FOR A POSSIBLE NEW LEAD ON "FIVE PERCENTERS"--INDIVIDUALS WHO CHARGE A FEE FOR HELPING FIRMS GET FEDERAL CONTRACTS.

HOEY CALLED THE STAFF INVESTIGATOR, FLANAGAN, TO THE CHAIR. FLANAGAN RELATED THAT LEWITT, THEN EMPLOYED BY SEN.HAWKES, INTRODUCED HUNT TO THE SEIDEN FAMILY WHO WERE TRYING TO GET THE HOTEL BACK FROM THE NAVY.

THAT WAS IN 1946, WHEN HUNT WAS ON THE WAR ASSETS ADMINISTRATION ROLLS AS A CONSULTANT ON SURPLUS PROPERTY. ON LEWITT'S RECOMMENDATION, THE SEIDENS PAID HUNT $5,000 AS A RETAINER IN APRIL.

"HUNT KEPT THE CHECK WITHOUT CASHING IT," FLANAGAN TESTIFIED, "AND RETURNED IT TO THE SEIDENS THREE MONTHS LATER, JUNE 25."

JUST FIVE DAYS LATER, HUNT LEFT WAA AND FORMED THE J.V.HUNT CO., IN WHICH HE IS DESCRIBED AS A "MANAGEMENT COUNSELOR." THE SEIDENS SENT A NEW CHECK FOR $5,000.

IN AUGUST HUNT WORKED OUT A FEE ARRANGEMENT UNDER WHICH HE WOULD GET $50,000, PLUS 25 PERCENT OF THE DIFFERENCE BETWEEN $1,300,000 (THE SUM PAID BY THE NAVY) AND WHATEVER PRICE THE SEIDENS HAD TO PAY TO GET THE HOTEL BACK.

HUNT OPENED NEGOTIATIONS WITH THE NAVY. FOR A TIME THE UNITED NATIONS LEASED THE BUILDING, BUT IN THE FALL OF 1947 IT WAS DECLARED SURPLUS AND AVAILABLE FOR SALE BY WAA.

UNDER THE SLIDING SCALE ARRANGEMENT, HUNT'S TOTAL FEE WAS $86,000. HE HAS RECEIVED $71,000 SO FAR, FLANAGAN REPORTED, AND HOLDS NOTES FOR ANOTHER $15,000 STILL PAYABLE.

THE SEIDEN FAMILY ALSO PAID $11,000 FOR HUNT'S SERVICES IN GETTING CONSTRUCTION CLEARANCE FOR ANOTHER HOTEL IN PALM BEACH, FLANAGAN SAID.

FURTHER, ON HUNT'S RECOMMENDATION, THE SEIDENS HIRED AS A LAWYER EDWARD HAYES OF CHICAGO, FORMER NATIONAL COMMANDER OF THE AMERICAN LEGION. HAYES' FEE IN THE LIDO BEACH NEGOTIATION WAS $32,000, SAID FLANAGAN. HE ADDED THAT HAYES WAS "RATHER CLOSE TO MR.HUNT."

THEN THE QUESTIONING SHIFTED TO LEWITT. HE FLATLY DENIED TAKING $5,000 FOR HELPING HIS "CLOSE FRIENDS," THE SEIDENS, GET BACK THEIR HOTEL.

BUT HE ACKNOWLEDGED THAT HUNT HIRED HIM ON DECEMBER 1, 1947--SIX MONTHS AFTER LEWITT LEFT SEN.HAWKES' OFFICE AND SET UP A PUBLIC RELATIONS FIRM HERE--FOR $500 A MONTH FOR TEN MONTHS.

COUNSEL ROGERS ASKED IF THIS ARRANGEMENT, AS DISCLOSED BY HUNT'S PAPERS, DID NOT "PRETTY CLEARLY INDICATE" THAT THE PAYMENT WAS CONNECTED WITH THE LIDO CASE. "ISN'T IT CLEAR YOU EXPECTED A FEE?" HE PRESSED.

LEWITT SAID THAT WAS NOT "RELEVANT" AND, BESIDES, HE HAD "MADE NO REQUEST FOR A FEE."

ROGERS RETORTED THAT IT WAS RELEVANT IF PERSONS IN GOVERNMENT HAD ARRANGEMENTS FOR REFERRING CASES TO PEOPLE FOR FEES. IT LOOKED TO HIM, HE ADDED, AS IF LEWITT HAD A PRIOR ARRANGEMENT TO GET 10 PERCENT OF HUNT'S $50,000 FLAT FEE.

THE WITNESS AGAIN PROTESTED HE HAD "NO INTENTION" OF GETTING A FEE, THERE HAS BEEN NO ARRANGEMENTS, AND HE DIDN'T KNOW WHAT WAS IN HUNT'S MIND.

"I NEVER GOT ANY FEE," HE DECLARED.

DESPITE THE $500 MONTHLY PAYMENT, IT WAS DEVELOPED, HUNT NEVER CALLED ON HIM FOR "SPECIFIC ADVICE" DURING THE ENTIRE TEN MONTHS. LEWITT INSISTED THIS "HAD NO BEARING" ON THE MATTER--HE WAS AVAILABLE IF HE HAD BEEN NEEDED.

LEWITT READILY STATED HE HAD WRITTEN THE NAVY AND TAKEN OTHER STEPS IN BEHALF OF THE SEIDEN FAMILY--FRANK SEIDEN AND HIS SONS, MILTON AND LEON--WHILE WORKING FOR HAWKES. THERE WAS NOTHING WRONG ABOUT THIS, HE SAID; THEY WERE CONSTITUENTS OF HAWKES AS WELL AS PERSONAL FRIENDS OF HIMSELF.

ROGERS TOOK OVER THE WITNESS AND BEGAN PROBING INTO HIS LOBBYING ACTIVITIES. LEWITT WAS REGISTERED UNDER THE LOBBYING LAW IN 1947 BUT ASKED TO BE TAKEN OFF THE LIST JAN.21, 1948.

THE COMMITTEE COUNSEL THEN PRODUCED LETTERS WHICH HE SAID SHOWED LEWITT DID "CONSIDERABLE LOBBYING" FOR LEATHER GOODS MANUFACTURERS

AFTER BEING STRICKEN FROM THE LIST.
LEWITT SAID HE DIDN'T LOBBY--HE MERELY ADVISED THE LEATHER GOODS ASSOCIATION ON HOW TO SEEK REPEAL OF THE EXCISE TAX ON LEATHER PRODUCTS. ROGERS PROMPTLY READ A LETTER FROM LEWITT DATED LAST SEPT.29 IN WHICH LEWITT DESCRIBED HIS TALKS WITH THE CHAIRMAN OF HOUSE AND SENATE COMMITTEES AND WITH TREASURY OFFICIALS.
"DID YOU HAVE SUCH TALKS?" THE COUNSEL ASKED.
LEWITT SAID HE DID NOT, BUT HE HAD TALKED TO OTHER BUSINESS REPRESENTATIVES HERE WHO HAD TALKED WITH CONGRESSMEN ABOUT THE EXCISE TAX.
"WHEN YOU WROTE THAT, YOU MISLED YOUR CLIENT?"
LEWIS DENIED IT, ADDING:
"WHETHER OR NOT I PERSONALLY SAW THESE CONGRESS MEMBERS WAS OF NO CONCERN TO MY CLIENT. THE ONLY CONCERN WAS THAT THE SOURCE AND THE INFORMATION BOTH WERE CORRECT."
HE SAID HE HAD TALKED WITH PAUL PORTER, FORMER OPA HEAD NOW PRACTICING LAW HERE; FORMER REP.RAMSPECK OF GEORGIA, PAUL HOPKINS OF THE HOTEL ASSOCIATION, AND OTHER BUSINESS REPRESENTATIVES. HE PASSED ALONG THEIR INFORMATION, HE EXPLAINED.
ROGERS READ ANOTHER LETTER IN WHICH LEWITT QUOTED REP. MARTIN (R-MASS) AS TELLING HIM THERE WAS NO CHANCE FOR REPEAL. LEWITT ADMITTED HE HADN'T TALKED TO MARTIN, EITHER; HE HAD HOPED TO, AND HE KNEW HOW MARTIN FELT ANYWAY.
THE COUNSEL WENT ON REELING OFF LEWITT'S LETTERS AND SPEECHES DESCRIBING PERSONAL INTERVIEWS WITH MEMBERS OF CONGRESS. NONE OF THEM HAD TAKEN PLACE, LEWITT ADMITTED.
"DON'T YOU THINK THAT IS A REPREHENSIBLE PRACTICE FOR A MAN OF YOUR POSITION?" ROGERS ASKED.
LEWITT PARRIED BY ASKING WHETHER IT IS "IRREGULAR" FOR A BUSINESS EXECUTIVE TO SIGN A LETTER DRAFTED FOR HIM BY ONE OF HIS SUBORDINATES. THEN HE READ A PREPARED STATEMENT. IT REPEATED HIS VIEW THAT THE PRACTICE WAS OF "NO CONCERN" TO THE CLIENT AND WENT ON:
"THE REASON I STATED IN MY LETTERS I HAD SEEN THE LEGISLATORS IS BASED ON THE SAME METHOD OF OPERATION FOLLOWED BY TOP BUSINESS EXECUTIVES AND BY LEGISLATORS.
"IT IS NOT UNUSUAL TO HAVE LETTERS WRITTEN FOR THE SIGNATURE OF THE TOP EXECUTIVE OR LEGISLATOR, STATING CERTAIN INFORMATION WAS SECURED, EVEN THOUGH THE INFORMATION TRANSMITTED WAS INFORMATION SECURED BY AN ASSISTANT OF THE BUSINESSMAN OR LEGISLATOR.
"AGAIN LET ME EMPHASIZE THAT IT IS USUALLY IMMATERIAL TO THE RECIPIENT OF THE LETTER WHO ACTUALLY SECURED THE INFORMATION, AS LONG AS THE INFORMATION IS CORRECT."
LT-PF657PED

(120) MARAGON
WASHINGTON, AUG 10-(AP)-JOHN MARAGON, ONE OF THE FIGURES IN THE SENATE'S INVESTIGATION OF FIVE PERCENTERS, WAS USHERED OUT OF THE SENATE LOBBY TODAY ON DEMAND OF SENATOR MURRAY (D-MONT).
MARAGON, DAPPER MAN-ABOUT-WASHINGTON WHO ONCE HELD A WHITE HOUSE PASS, APPROACHED MURRAY AND OFFERED TO SHAKE HANDS.
"I DON'T WANT TO SHAKE YOUR HAND," MURRAY SAID IN A LOUD VOICE. "I HAVEN'T HAD ANY DEALINGS WITH YOU. WHAT ARE YOU DOING HERE?"
TURNING TO DOORKEEPERS NEARBY, MURRAY SAID:
"THROW HIM OUT."
HAROLD NORCROSS, A DOORKEEPER, TOOK MARAGON BY THE ARM AND ESCORTED HIM TO THE DOORWAY.
UNDER THE SENATE'S RULES, ONLY NEWSMEN, SENATORS AND THEIR EMPLOYEES ARE PERMITTED IN THE LOBBIES.
PF111PED

WASHN — MARAGON, JR. 6TH.

IT WAS THE GRATEFUL AND STILL UNIDENTIFIED--BUT NOW DECEASED--SENATOR WHO LATER GOT MARAGON APPOINTED A G-MAN IN THE DAYS BEFORE J.EDGAR HOOVER TOOK CHARGE OF THE FBI, MARAGON RELATED. THE JOB PAID $7 A DAY PLUS EXPENSES.
"WHAT'S YOUR JOB NOW, JOHN," REPORTERS ASKED HIM.
HE SAID HE IS A "PUBLISHERS' REPRESENTATIVE." THE COMPANY, A CHICAGO CONCERN, IS SOON TO PUT OUT A "WHO'S WHO OF THE REPUBLICAN AND DEMOCRATIC PARTIES," MARAGON SAID.
HE DENIED REPORTS THAT HE ONCE HAD A SPECIAL WHITE HOUSE PASS. HE CALLED IT A ROUTINE IDENTIFICATION CARD PASSED OUT TO TRANSPORTATION MEN--DURING HIS DAYS WITH THE B & O RAILROAD--WHO MIGHT BE CALLED TO THE PRESIDENT'S OFFICE. THE PASS WAS TURNED IN, MARAGON ASSERTED, WHEN HE LEFT THAT JOB.
THERE ALSO WAS HIS REPORT ON THE EARLY STAGES OF HIS BUSINESS ACTIVITIES WHEN HE SERVED AS A NEWS BUTCHER ABOARD UNION PACIFIC RAILROAD DAY COACHES IN IOWA AND NEBRASKA. AND OF A WARTIME FLIER INTO THE BANANA BUSINESS.
IT WAS TO OPERATE THE BANANA BUSINESS THAT HE AND TWO FRIENDS OPENED A BANK ACCOUNT IN SAN ANTONIO,TEX., HE CONTINUED. THE SENATE COMMITTEE INVESTIGATING "FIVE PERCENTER" ACTIVITIES LAST WEEK LOOKED INTO THIS FACET OF MARAGON'S AFFAIRS.
AB/GG723AED

WITH FIVE PERCENTERS (380)
SAN FRANCISCO, AUG. 10-(AP)-TANFORAN, CALIFORNIA'S OLDEST MAJOR RACING TRACK NOW FIGURING IN THE WASHINGTON "FIVE PERCENTER" INVESTIGATION, HAS CAUSED FOUR MEN TO GO TO JAIL.
THE HISTORICAL RACING OVAL, FIRST BUILT IN THE 1880'S, GOT ONE OF ITS OWNERS AND OTHERS INTO TROUBLE DURING ITS RECONSTRUCTION AFTER WORLD WAR II.
THE GOVERNMENT TOOK OVER THE TRACK IN SUBURBAN SAN BRUNO EARLY IN THE WAR TO HOUSE WEST COAST JAPANESE HEADED FOR RELOCATION CENTERS. LATER THE NAVY USED IT FOR A STAGING CENTER.
IN DECEMBER, 1945, THE PLANT WAS PURCHASED BY GUY W.STANDIFER OF SAN FRANCISCO, AND JACK RAINER, NEW YORK ENGINEER, FROM JOHN W.MARCHBANK.
A SENATE SUBCOMMITTEE TODAY IS LOOKING INTO ALLEGED USE OF INFLUENCE ON FEDERAL OFFICIALS DURING THE POSTWAR RECONSTRUCTION PERIOD.
STANDIFER, PRESIDENT OF TANFORAN CO. LTD., THE COMPANY, ANOTHER OFFICIAL AND TWO BUILDING CONTRACTORS PAID FINES TOTALING $113,500 FOR ILLEGALLY USING CRITICAL BUILDING MATERIALS. THE MEN ALSO SERVED JAIL TERMS.
STANDIFER, AFTER THE JAIL SENTENCE, SOLD HIS INTEREST IN OCTOBER, 1947, TO WILLIAM HELIS, OF NEW ORLEANS AND EUGENE MORI, CAMDEN, N.J., ANNOUNCEMENTS HERE AT THE TIME SAID.
MAJOR GEN.HARRY H.VAUGHAN, THE PRESIDENT'S ARMY AIDE, WITNESSES AT THE SENATE HEARING TESTIFIED YESTERDAY, INTERCEDED IN BEHALF OF THE TRACK OWNERSHIP IN 1948 TO GET A BUILDING CLEARANCE.
STANDIFER, W.J.LEVIN, THEN SECRETARY-TREASURER OF THE TRACK, AND EARL W.HEPLE, GENERAL CONTRACTOR, EACH WERE FINED $7,500 AND SENTENCED TO 90 DAYS IN JAIL FOR VIOLATING A CIVILIAN PRODUCTION

ADMINISTRATION ORDER. EACH EVENTUALLY SERVED 60 DAYS. THE TRACK WAS FINED $90,000. HEPLE'S PROJECT SUPERINTENDENT, A.W.BARNEWITZ, WAS FINED $1,000 AND SERVED THREE WEEKS OF A MONTH SENTENCE. THE TERMS WERE SERVED IN THE SAN FRANCISCO COUNTY JAIL.

THEY WERE INDICTED BY A FEDERAL GRAND JURY ON 13 COUNTS AND PLEADED NOLO CONTENDERE (NO CONTEST) TO THE CHARGES.

CRIMINAL CONTEMPT CHARGES AGAINST THESE FOUR MEN AND FOUR OTHERS, INCLUDING A TRACK OFFICIAL AND THREE SUBCONTRACTORS, WERE LATER DISMISSED. THE CONTEMPT CHARGES STEMMED FROM AN ALLEGED VIOLATION OF A FEDERAL COURT ORDER TO HALT BUILDING AT THE TRACK.

~~THE THEN TRACK OWNERS CONTENDED~~ THAT THE GOVERNMENT HAD AGREED TO RETURN THE PLANT AFTER THE WAR IN ITS ORIGINAL CONDITION. INSTEAD THE NAVY DEPARTMENT GAVE IT BACK WITHOUT REMODELING BUT PAID THE OWNERS $724,699.

IN 1946 THE TRACK FILED SUIT IN FEDERAL COURT AGAINST THE CPA AND THE NATIONAL HOUSING ADMINISTRATION IN AN EFFORT TO BLOCK THE FEDERAL AGENCIES FROM INTERFERING WITH THE CONSTRUCTION WORK. THE TRACK LOST THE SUIT.

RACING WAS HELD AT TANFORAN FROM THE TIME OF ITS CONSTRUCTION UNTIL THE STATE LEGISLATURE IN 1912 BANNED HORSE RACE BETTING. THE TRACK HELD BETLESS RACING ON 1922-23 AND IN 1931-32 KEPT HORSE RACING ALIVE IN THE STATE WITH OPTION BETTING.

NOW TANFORAN IS ONE OF THREE TRACKS IN THE SAN FRANCISCO BAY AREA WITH REGULAR RACING SEASONS.

RA&GM559ACS

WASHINGTON, AUG 10-(AP)-THE UNITED STATES HAS DISPOSED OF APPROXIMATELY $1,000,000,000 (B) IN SURPLUS MILITARY EQUIPMENT TO 39 FOREIGN NATIONS FOR LESS THAN $100,000,000 (M) SINCE V-J DAY, A STATE DEPARTMENT REPORT SHOWED TODAY.

THE REPORT WAS PREPARED FOR REP. LODGE (R-CONN) BY ASSISTANT SECRETARY OF STATE ERNEST A. GROSS AND WAS PUBLISHED IN TODAY'S CONGRESSIONAL RECORD.

THE SALES, THE DEPARTMENT REPORTED, CONSISTED MAINLY OF LIMITED QUANTITIES OF AIRCRAFT, AIRCRAFT PARTS, WEAPONS, VESSELS, AMMUNITION, ARMORED VEHICLES AND SPARE PARTS.

SOME OF THE AMMUNITION WAS SOLD FOR SCRAP OR SALVAGE PURPOSES.

EQUIPMENT THAT COST THE UNITED STATES $141,357,000 WAS SOLD OR TRANSFERRED TO ITALY FOR $22,125,000. FRANCE RECEIVED $116,720,000 WORTH OF EQUIPMENT FOR $10,527,000. CHINA PAID $6,740,000 FOR $102,-072,000 WORTH OF MATERIAL.

IN ADDITION, THE REPORT STATED, GREECE, TURKEY AND CHINA RECEIVED LARGE SUPPLIES OF EQUIPMENT UNDER SPECIAL ACTS OF CONGRESS.

PF2PED

WASHINGTON,AUG.10-(AP)-A HUNGARIAN LEGATION OFFICIAL SAID TONIGHT THAT DR.ANDREW SIK, HUNGARIAN MINISTER, WILL LEAVE FOR BUDAPEST AT THE END OF THIS WEEK AND WILL NOT RETURN.

THIS OFFICIAL SAID THE HUNGARIAN GOVERNMENT WOULD APPOINT A NEW MINISTER TO SUCCEED SIK.

THE LEGATION SPOKESMAN FAILED TO MAKE CLEAR WHETHER SIK IS BEING RECALLED OR RETURNING TO HUNGARY TO RESIGN HIS POST VOLUNTARILY.

MD1138PEDNM

WASHINGTON,AUG.10-(AP)-DEMOCRATIC AND REPUBLICAN LEADERS AGREED TODAY TO TRY TO BLAST A HOUSE-APPROVED DISPLACED PERSONS BILL OUT OF THE SENATE JUDICIARY COMMITTEE.

SENATOR LUCAS OF ILLINOIS, THE DEMOCRATIC LEADER, SAID HE AND FIVE OTHER DEMOCRATS WILL SIGN A PETITION TO TAKE THE BILL AWAY FROM THE COMMITTEE.

HE SAID SENATOR TAFT OF OHIO, CHAIRMAN OF THE GOP POLICY COMMITTEE, INDICATED HE AND FIVE OTHER REPUBLICANS WOULD SIGN THE PETITION ALSO. LUCAS PROMISED IT WILL BE BROUGHT UP FOR ACTION BEFORE CONGRESS ADJOURNS.

LUCAS SAID THE UNUSUAL ACTION WILL BE TAKEN BECAUSE CHAIRMAN MCCARRAN (D-NEV) HAS REFUSED TO PLEDGE ANY EARLY MOVE BY THE JUDICIARY COMMITTEE ON THE DP BILL.

LUCAS SAID HE SOUGHT COOPERATION OF THE REPUBLICANS "BECAUSE I CONSIDER THIS A BIPARTISAN MEASURE."

TAFT TOLD REPORTERS HE AND SOME OTHER REPUBLICANS ARE WILLING TO SEEK ACTION ON THE BILL, ALTHOUGH HE SAID SOME OF HIS PARTY MEMBERS OPPOSE THE MEASURE.

AS APPROVED BY THE HOUSE, THE MEASURE WOULD BOOST FROM ABOUT $200,000 TO ABOUT 400,000 THE NUMBER OF HOMELESS EUROPEANS WHO COULD BE ADMITTED TO THIS COUNTRY. IT ALSO WOULD MODIFY SOME OF THE PROVISIONS OF THE DISPLACED PERSONS ACT PASSED BY THE REPUBLICAN 80TH CONGRESS, WHICH PRESIDENT TRUMAN CALLED "ANTI-CATHOLIC AND ANTI-SEMITIC."

MD6PED

WASHINGTON,AUG.10-(AP)-LONG-DELAYED TALKS LOOKING TO THE RETURN OF 31 SMALL NAVAL VESSELS SENT TO RUSSIA UNDER LEND-LEASE DURING THE WAR STARTED TODAY.

TWO SOVIET NAVAL EXPERTS BEGAN NEGOTIATIONS WITH THE STATE DEPARTMENT IN THE FIRST CONCRETE MOVE RUSSIA HAS MADE IN REPLY TO REPEATED AMERICAN DEMANDS THAT THE 28 FRIGATES AND THREE ICEBREAKERS BE RETURNED.

THE UNITED STATES HAS INSISTED UPON RETURN OF THESE VESSELS APART FROM A SETTLEMENT OF RUSSIA'S OVERDUE LEND-LEASE ACCOUNT OF APPROXIMATELY $11,000,000,000 (B)--PRESUMABLY BECAUSE OF THEIR WAR POTENTIAL.

THE TWO RUSSIAN NEGOTIATORS ARE REAR ADMIRAL N.A.PITERSKI AND CAPT. SECOND CLASS M.I.VANYUKIN. THEY CONFERRED WITH A U.S. DELEGATION HEADED BY ROBERT HOOKER, RUSSIAN AFFAIRS EXPERT.

RUSSIA SOME TIME AGO PROMISED TO RETURN THE CRAFT, BUT DELAYED NAMING A MISSION WHICH WOULD WORK OUT THE DETAILS.

MD1045PED

DENVER, AUG.10-(AP)-RUSSIA'S RECONSTRUCTION PROGRAM IS PATCHING UP WAR DAMAGE MUCH FASTER THAN MOST PEOPLE EXPECTED, DR.ABRAM BERGSON SAID TODAY.

BERGSON, ASSOCIATE PROFESSOR OF ECONOMICS AT COLUMBIA UNIVERSITY, VISITED RUSSIA IN 1945 WITH THE REPARATIONS COMMISSION, SERVING AS A CONSULTATNT TO THE STATE DEPARTMENT.

HE SAID IN AN INTERVIEW THAT:

BERGSON, ASSOCIATE PROFESSOR OF ECONOMICS AT COLUMBIA UNIVERSITY, VISITED RUSSIA IN 1945 WITH THE REPARATIONS COMMISSION, SERVING AS A CONSULTANT TO THE STATE DEPARTMENT.

HE SAID IN AN INTERVIEW THAT:

ALTHOUGH THE GERMAN ARMY DESTROYED NEARLY TWO-FIFTHS OF RUSSIAN PRODUCTIVE CAPACITY, A LARGE PORTION OF INDUSTRY WAS MOVED TO SIBERIA AND THE URAL MOUNTAINS. THAT PRODUCTION SHIFT GAVE THE SOVIET

UNION A RUNNING START IN POSTWAR RECONSTRUCTION.

RUSSIA'S FOURTH FIVE-YEAR-PLAN, TO BE COMPLETED IN 1950, CALLS FOR OPERATIONS WELL ABOVE THOSE OF 1940 IN THE ECONOMIC SPHERE. "AND THE FACTS INDICATE THEY MAY COME CLOSE TO COMPLETING THE PLAN."

DR.BERGSON STATED THAT NEVERTHELESS RUSSIA'S PRODUCTIVE POWER LAGS FAR BEHIND THAT OF THE UNITED STATES AND THIS COUNTRY SHOULD TRY TO MAKE UP ITS DIFFERENCES WITH THE RUSSIANS BEFORE THEY BECOME MORE POWERFUL INDUSTRIALLY.

BERGSON IS HERE TO ATTEND A CURRENT CONFERENCE SPONSORED BY THE UNIVERSITY OF DENVER, A MEETING CALLED FOR THE PURPOSE OF STUDYING THE SOVIET UNION AND THE FACTORS WHICH MAKE IT TICK.

KK1219PCS

(ADVANCE FOR USE AT 6 P.M. EASTERN STANDARD TIME WEDNESDAY, AUG. 10).

(ADVANCE)..PALO ALTO, CALIF., AUG. 10-(AP)-HERBERT HOOVER DECLARED TODAY THAT "THROUGH GOVERNMENT SPENDING AND TAXES OUR NATION IS BLISSFULLY DRIVING DOWN THE BACK ROAD" TO COLLECTIVISM AND IS "ON THE LAST MILE."

THE ONLY LIVING FORMER PRESIDENT SAID ON HIS 75TH BIRTHDAY THAT WHILE "WE HAVE NOT HAD A GREAT SOCIALIZATION OF PROPERTY" THE RESULT WAS BEING ACHIEVED BY GOVERNMENT SPENDING OF THE PEOPLES' SAVINGS.

HOOVER SPOKE AT STANFORD UNIVERSITY AT CEREMONIES HONORING HIM ON HIS BIRTHDAY. HE ONLY RECENTLY FINISHED TWO YEARS OF WORK AS HEAD OF A COMMISSION WHICH PROPOSED ECONOMY IN GOVERNMENT. IN HIS ADDRESS HE LASHED OUT AT NEW FEDERAL AND STATE PROPOSALS FOR SPENDING TAXES.

AUG 12 1949

"ALONG THIS ROAD OF SPENDING," HOOVER SAID, "THE GOVERNMENT EITHER TAKES OVER, WHICH IS SOCIALISM, OR DICTATES INSTITUTIONAL AND ECONOMIC LIFE, WHICH IS FASCISM.

"THE AMERICAN MIND IS TROUBLED BY THE GROWTH OF COLLECTIVISM THROUGHOUT THE WORLD.

"WE HAVE A FEW HUNDRED THOUSAND COMMUNISTS AND THEIR FELLOW TRAVELERS IN THIS COUNTRY. THEY CANNOT DESTROY THE REPUBLIC. THEY ARE A NUISANCE AND REQUIRE ATTENTION. WE ALSO HAVE THE DOCTRINAIRE SOCIALISTS WHO PEACEFULLY DREAM OF THEIR UTOPIA.

"BUT THERE IS A CONSIDERABLE GROUP OF FUZZY"MINDED PEOPLE WHO ARE ENGINEERING A COMPROMISE WITH ALL THESE EUROPEAN INFECTIONS. THEY FAIL TO REALIZE THAT OUR AMERICAN SYSTEM HAS GROWN AWAY FROM THE SYSTEMS OF EUROPE FOR 250 YEARS. THEY HAVE THE FOOLISH NOTION THAT A COLLECTIVIST ECONOMY CAN AT THE SAME TIME PRESERVE PERSONAL LIBERTY AND CONSTITUTIONAL GOVERNMENT."

BUT, HOOVER SAID, THE "AUSTERITY" IN ENGLAND SHOULD BE "A SUFFICIENT SPECTACLE" OF WHAT HAPPENS WHEN NATIONS TRY IT.

HOOVER SAID THE THINKING OF THE AMERICAN PEOPLE WAS DRUGGED BY SUCH SLOGANS AS "WELTFARE SATE". HE CALLED THIS TERM "A DISGUISE FOR THE TOTALITARIAN STATE BY THE ROUTE OF SPENDING."

HOOVER PRESENTED SOME FIGURES. THE AVERAGE WORKING CITIZEN HE SAID NOW MUST WORK 61 DAYS A YEAR TO PAY TAXES SUPPORTING THE GOVERNMENT, LOCAL, STATE AND FEDERAL.

HE DIVIDED THE DAYS THIS WAY: 11 TO PAY OBLIGATIONS FROM FORMER WARS; 24 FOR NATIONAL DEFENSE AND THE COLD WAR; 12 DAYS FOR OTHER FEDERAL EXPENDITURES AND 14 DAYS FOR STATE AND LOCAL GOVERNMENT.

HOOVER SAID THAT "SLO LONG AS WE MUST SUPPORT THE NECESSARY NATIONAL DEFENSE AND COLD WAR AT A COST OF 24 DAYS WORK PER YEAR TO MR.AVERAGE W. CITIZEN, THERE ARE MANY COMFORTING THINGS THAT SHOULD BE DEFERRED IF WE DO NOT WISH TO GO DOWN THIS ROAD TO RUIN OF OUR NATIONAL FAMILY LIFE."

THROUGHOUT HIS ADDRESS, HOOVER PUNCTUATED HIS POINTS WITH THE SENTENCE: "THINK IT OVER." HE PLACED ONE OF THESE AT THIS POINT.

HOOVER DID NOT MENTION WHAT THINGS HE THOUGHT SHOULD BE DEFERRED.

BUT HE SAID THAT THERE NOW WAS BEING SERIOUSLY PROPOSED ADDITIONAL GOVERNMENT SPENDING WHICH WOULD "TAKE ANOTHER 20 DAYS WORK FROM MR. AND MRS. AVERAGE W. CITIZEN."

HOOVER REMARKED ONLY IN PASSING THAT FOR THE PAST TWO YEARS HE HAS BEEN WORKING ON PROPOSALS FOR ECONOMIES IN GOVERNMENT. THE HOOVER COMMISSION INSISTED THAT $4,000,000,000 (B) A YEAR COULD BE SAVED.

HOOVER ENTITLED HIS ADDRESS "THINK OF THE NEXT GENERATION." HE SOUNDED THIS THEMESEARLY IN HIS SPEECH BY SAYING:

"THE REAL TEST OF OUR THINKING IS NOT SO MUCH THE NEXT ELECTION ELECTION AS IT IS THE NEXT GENERATION."

HOOVER EMPHASIZED THAT THE UNITED STATES MUST MAINTAIN A "DYNAMIC, PROGRESSIVE PEOPLE."

AUG 12 1949

"BUT DYNAMIC PROGRESS IS NOT MADE WITH DYNAMITE," HE CONTINUED. "AND THAT DYNAMITE TODAY IS THE GEOMETRICAL INCREASE OF SPENDING BY OUR GOVERNMENTS--FEDERAL STATE AND LOCAL."

HOOVER ESTIMATED THAT, EXCLUSIVE OF FEDERAL DEBT SERVICE, THE COST OF ALL GOVERNMENT TO THE AVERAGE FAMILY HAD INCREASED FROM $200 TO $1,300 A YEAR IN THE PAST 20 YEARS.

WITH DEBT SERVICE AND NEW EXPENDITURES NOW BEING PROPOSED, HE SAID "THE AVERAGE FAMILY MAY BE PAYING $2,900 YEARLY TAXES."

HOOVER CITED THE GROWING LENGTH OF THE GOVERNMENT PAYROLL, PENSION LISTS, AND THE LIKE.

"TODAY," HE CONTINUED, "ABOUT ONE PERSON OUT OF EVERY EVEN IN THE POPULATION IS A REGULAR RECIPIENT OF GOVERNMENT MONIES. IF THOSE OF AGE ARE ALL MARRIED, THEY COMPRISE ABOUT ONE-HALF THE VOTERS OF THE LAST PRESIDENTIAL ELECTION.

"THINK IT OVER."

HOOVER SAID IT WAS NECESSARY THAT THE PROBLEM OF PUBLIC SPENDING BE REDUCED "TO THE POSSIBLE SAVINGS OF THE PEOPLE AFTER A DESIRABLE STANDARD OF LIVING."

"IF WE ADOPT THE FEDERAL GOVERNMENT'S ESTIMATE OF SUCH A DESIRABLE STANDARD, THEN THE ACTUAL, AND THE SERIOUSLY PROPOSED NATIONAL AND LOCAL GOVERNMENTAL SPENDING WILL ABSORB BETWEEN 75 PERCENT TO 85 PERCENT OF ALL THE SAVINGS OF THE PEOPLE."

AND IT IS FROM SAVINGS THAT "WE SUSTAIN AND STIMULATE PROGRESS IN OUR PRODUCTIVE SYSTEM," HOOVER ADDED.

UNDER SUCH A PROGRAM OF SPENDING, HE DECLARED, THE GOVERNMENT BECOMES THE CHIEF SOURCE OF CREDIT. SMALL BUSINESS IS STARVED, AND "VENTURE CAPITAL TO DEVELOP NEW IDEAS TENDS TO BECOME CONFINED TO THE LARGE CORPORATIONS."

"ANOTHER END RESULT," HOOVER SAID, "IS TO EXPOSE ALL OUR INDEPENDENT COLLEGES AND OTHER PRIVATELY-SUPPORTED INSTITUTIONS TO THE RISK OF BECOMING DEPENDENT UPON THE STATE. THEN THROUGH POLITICS WE WILL UNDERMINE THEIR INDEPENDENCE..."

HOOVER SCOFFED AT THE IDEA THAT "WE CAN AVOID THESE DISASTERS BY MORE GOVERNMENT BORROWING."

"THAT," HE SAID, "IS A DEVICE TO LOAD OUR EXTRAVAGENCE AND WASTE ON TO TPE NEXT GENERATION. BUT INCREASING GOVERNMENT DEBTS CAN CARRY IMMEDIATE PUNISHMENT, FOR THAT IS THE ROAD TO INFLATION. THERE IS FAR MORE COURAGE IN REDUCING OUR DEBTS THAN IN INCREASING THEX. AND THAT IS A DUTY TO OUR CHILDREN."

HOOVER INSISTED THERE WAS NO ROOM FOR INCREASED SPENDING AND TAXES EXCEPT TO CUT THE LIVING STANDARDS OF THE AMERICAN PEOPLE.

"IT IS EASY TO SAY INCREASE CORPORATION TAXES," HE SAID. "THAT IS AN ILLUSION. THE BULK OF CORPORATION TAXES IS PASSED ON TO THE CONSUMER--THAT IS, TO EVERY FAMILY.

"IT IS EASY TO SAY INCREASE TAXES ON THE HIGHER PERSONAL INCOME BRACKETS. BUT IF ALL INCOMES OVER $5,000 A YEAR WERE CONFISCATED, IT WOULD COVER LESS THAN 10 PERCENT OF THESE ACTUAL AND PROPOSED SPENDINGS."

THE FORMER QRESIDENT PLACED MUCH OF THE BLAME FOR HEAVY GOVERNMENT SPENDING ON THE PEOPLE THEMSELVES AS REPRESENTED BY "THE MULTITUDE OF GREAT PRESSURE GROUPS."

"MANY OF THESE GROUPS," HE SAID, "MAINTAIN PAID LOBBIES IN WASHINGTON OR IN THE STATE CAPITOLS TO PRESS THEIR CLAIMS UPON ADMINISTRATION OR THE LEGISLATURES.

"OUR REPRESENTATIVES MUST RUN FOR ELECTION. THEY CAN BE DEFEATED BY THESE PRESSURE GROUPS. OUR OFFICIALS ARE FORCED TO THINK IN TERMS OF PRESSURE GROUPS, NOT IN TERMS OF NEED OF THE WHOLE PEOPLE."

HOOVER URGED THINKING AND DEBATE ON THE GOVERNMENT PROBLEMS IN THE SCHOOLS AND "IN EVERY CORNER GROCERY."

"WE DARE NOT SEE THE BIRTHRIGHT OF POSTERITY TO INDIVIDUAL INDEPENDENCE, INITIATIVE AND FREEDOM OF CHOICE BARTERED FOR A MESS OF A COLLECTIVIST SYSTEM," HOOVER CONCLUDED.

"MY WORD TO YOU, MY FELLOW CITIZENS, ON THIS SEVENTY-FIFTH BIRTHDAY IS THIS: THE FOUNDING FATHERS DEDICATED THE STRUCTURE OF OUR GOVERNMENT 'TO SECURE THE BLESSINGS OF LIBERTY TO OURSELVES AND OUR POSTERITY.' WE OF THIS GENERATION INHERITED THIS PRECIOUS BLESSING. YET KNLDMFTHRIFTS WE

POSTERITY.' WE OF THIS GENERATION INHERITED THIS PRECIOUS BLESSING. YET AS SPENDTHRIFTS WE ARE ON OUR WAY TO ROB POSTERITY OF ITS INHERITANCE.

"THE AMERICAN PEOPLE HAVE SOLVED MANY GREAT CRISES IN NATIONAL LIFE. THE QUALITIES OF SELF-RESTRAINT, BF INTEGRITY, OF CONSCIENCE AND COURAGE STILL LIVE IN OUR PEOPLE. IT IS NOT TOO LATE TO SUMMON THESE QUALITIES."

(END ADVANCE FOR USE AT 6 P.M. E.S.T., WEDNESDAY AUG. 10. MOVED AUG 7.)

FT459PPS NM

PALO ALTO, CALIF., IN HERBERT HOOVER ABSTRACT, MOVED SUNDAY, AUG. 7 FOR USE AT 6 P. M., EASTERN STANDARD TIME, WEDNESDAY, AUG. 10, (A134 ET SEQ) MR. HOOVER ASKS THESE CHANGES:

TWENTY-SECOND GRAPH, STARTING "WITH DEBT SERVICE," CORRECT TO READ " X X X PAYING $1,900 YEARLY TAXES." (INSTEAD OF $2,900.)

THIRTY-FIFTH GRAPH, STARTING "IT IS EASY," CORRECT TO READ "X X X INCOMES OVER $8,000 A YEAR WERE X X X" (INSTEAD OF $5,000)

THE A. P.

FJ447PCS

(240) HOOVER

WASHINGTON,AUG 10-(AP)-SENATOR THYE (R-MINN) SAID TODAY THAT HERBERT HOOVER'S RECORD OF "DEVOTED AND DISTINGUISHED SERVICE IN THE CAUSE OF HUMANITY STANDS TODAY UNCHALLENGED AND UNPARALLELED."

IN A LETTER TO THE FORMER PRESIDENT ON HIS 75TH BIRTHDAY! THE MINNESOTA SENATOR SAID HOOVER REPRESENTS "THIS GREAT NATION OF OURS AT ITS VERY BEST."

FOLLOWING IS THE TEXT OF THYE'S LETTER:

DEAR MR.HOOVER:

NO WORDS OF MINE CAN ADD TO THE GREAT DEMONSTRATION OF AFFECTION AND ESTEEM WHICH OUR COUNTRY AND ALL THE WORLD ACCORD YOU ON YOUR 75TH BIRTHDAY ANNIVERSARY, BUT I WISH TO HAVE THE PRIVILEGE OF SHARING IN IT BY EXPRESSING MY OWN DEEP PERSONAL RESPECT AND ADMIRATION FOR YOU.

YOURS IS AN EXPERIENCE WHICH COMES TO BUT FEW--THE PRIVILEGE OF KNOWING THAT YOUR PLACE IS SECURE IN THE HEARTS OF YOUR FELLOW AMERICANS AND THAT THE RECORD OF YOUR DEVOTED AND DISTINGUISHED SERVICE IN THE CAUSE OF HUMANITY STANDS TODAY UNCHALLENGED AND UNPARALLELED.

YOUR CAREER IS AN INSPIRATION, NOT ALONE BECAUSE OF YOUR GREAT ACHIEVEMENTS AND YOUR STEADFAST ADHERENCE TO HIGHEST PRINCIPLES BUT BECAUSE YOUR SERENE AND HUMAN SPIRIT HAS BECOME A SYMBOL OF STRENGTH IN A WORLD TORN BY FORCES OF CONFLICT AND INSECURITY.

TO ME, ONE MUCH YOUNGER IN PUBLIC SERVICE, YOU REPRESENT THIS GREAT NATION OF OURS AT ITS VERY BEST.

SINCERELY YOURS,/S EDWARD J.THYE

FR126PED&EGG

(WITH HOOVER)

WEST BRANCH, IA., AUG.10-(AP)-THE FOLKS WHO LIVE IN THIS TOWN WHERE HERBERT HOOVER WAS BORN TURNED OUT FOR AN INFORMAL PICNIC TONIGHT IN HONOR OF THE FORMER PRESIDENT'S 75TH BIRTHDAY.

ABOUT 75 TO 100 PERSONS ATTENDED THE INFORMAL PICNIC, DESPITE A RAIN THIS AFTERNOON WHICH LEFT THE PICNIC TABLES DAMP.

THE PICKNICKERS LISTED BY RADIO TO HOOVER'S ADDRESS FROM STANFORD UNIVERSITY IN CALIFORNIA. DR. BYRON S. HOLLINSHEAD, PRESIDENT OF COE COLLEGE, CEDAR RAPIDS, IA., SPOKE BRIEFLY, LAUDING FORMER PRESIDENT HOOVER.

RW953PCS

EAST MOLINE, ILL., AUG.10-(AP)-A FRENCHMAN WHO DIED FOR AMERICA WILL BE GIVEN AN AMERICAN SOLDIER'S BURIAL TOMORROW. AT THE GRAVESIDE WILL BE HIS WIDOW, AND WITH HER WILL BE HER SECOND HUSBAND, THE DEAD SOLDIER'S BROTHER.

THE STORY OF HARRY CHAPANIAN, THE SOLDIER, MARY SAMPSON CHAPANIAN, AND BEDROS CHAPANIAN, OF ST. JEAN DU GARE, IN SOUTHERN FRANCE, BEGAN IN 1934,

THAT YEAR HARRY CAME TO AMERICA. HE BECAME A CITIZEN, AND IN OCT. 1944 MARRIED MARY.

THEIR LIFE AS MAN AND WIFE WAS SHORT, FOR HARRY WENT OVERSEAS WITH THE U.S. ARMY FOUR MONTHS LATER. ON MAY 2, 1945, HE WAS KILLED WHILE ON PATROL IN GERMANY. WITH HIS BUDDIES, HE WAS BURIED AT METZ, FRANCE.

MARY WENT TO FRANCE TO SEE HIS GRAVE AND VISIT WITH HIS RELATIVES. ONE OF THEM WAS BEDROS. THEY FELL IN LOVE AND WERE MARRIED IN

30.24- 4969

MARSEILLES ON JULY 21, 1948. MARY THEN CAME BACK ALONE TO THE U.S.A.
THE BODY OF HER FIRST HUSBAND WAS RETURNED TO HIS ADOPTED LAND. BEDROS GOT A THREE MONTHS VISITORS' VISA, TIMED SO HE WOULD BE HERE FOR TOMORROW'S BURIAL AT THE NATIONAL CEMETERY ON ARSENAL ISLAND.
BEDROS ARRIVED LAST WEEK, AND LIKES IT HERE. IN FRANCE HE IS A FARMER. IF HE WERE ALLOWED TO STAY HERE, BOTH OF THEM SAY, HE WOULD TRY TO GET A FACTORY JOB.
AS FOR WHAT THEY WOULD DO IF BEDROS IS DENIED PERMISSION TO REMAIN AFTER HIS THREE MONTHS ARE OVER -- THEY'RE JUST NOT THINKING OF THAT, MARY SAID.
KK454ACD

NIGHT LEAD TOKYO ROSE
SAN FRANCISCO, AUG. 10-(AP)-THE GOVERNMENT BROUGHT ITS 40TH WITNESS TO THE STAND TODAY IN THE TOKYO ROSE TREASON TRIAL.
LIKE MANY BEFORE HIM, SHINJIRO IGARASCHI TOLD OF TUNING IN THE PROPAGANDA BROADCASTS WHICH MRS. IVA TOGURI D'AQUINO IS ACCUSED OF MAKING TO DEMORALIZE ALLIED TROOPS IN THE PACIFIC.
IGARASCHI TESTIFIED HE HEARD TOKYO ROSE SAY IN A NOVEMBER OR DECEMBER 1944 BROADCAST: "THE AMERICANS CLAIM YOUR SHIPS ARE NOT SUNK. THE FACT IS, YOUR SHIPS WERE SUNK AND YOU HAVE NO SHIPS."
EARLY IN 1945, HE SA

EARLY IN 1945, HE SAID LOS ANGELES BORN DEFENDANT SHORTWAVES THIS STATEMENT TO AMERICAN FIGHTING MEN:
"BACK IN THE UNITED STATES YOUR SWEETHEARTS AND FOLKS ARE WAITING FOR YOU, SO WHY NOT STOP FIGHTING, GO BACK TO THE STATES AND ENJOY LIFE?"
THE PROSECUTION HOPES TO COMPLETE ITS CASE THIS WEEK.
ARTHUR FIEDLER, CONDUCTOR OF THE BOSTON POPS SYMPHONY ORCHESTRA, WAS A SPECTATOR AT THE TRIAL.
ON THE STAND, HISHASHI MORIYAMA WAS ASKED ABOUT THE THEME MUSIC FOR THE "ZERO HOUR." THAT WAS THE DEFENDANT'S PROPAGANDA PROGRAM. MORIYAMA WAS ON THE "ZERO HOUR" STAFF.
THE THEME MUSIC, HE SAID, WAS "STRIKE UP THE BAND." UNDER QUESTIONING, HE SAID IT WAS THE RECORDING OF THE BOSTON POPS ORCHESTRA.
"DO YOU REMEMBER WHO THE CONDUCTOR WAS?" HE WAS ASKED.
"NO, I DON'T RECALL," HE SAID.
FIELDER, THE MAN WHO CONDUCTED IT, LATER TOLD NEWSMEN WITH A MOCK SIGH: "SUCH IS FAME!" HE IS IN SAN FRANCISCO TO CONDUCT THE STANDARD SYMPHONY ORCHESTRA.
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30.24- 4971

Britain Asks Bulgars To Recall Attache

London, Aug. 11 (A. P.).—Great Britain has asked Bulgaria to recall the press attache, Boris Temkov of Bulgaria's London legation, the Foreign Office announced today.

The announcement said this retaliated for a Bulgarian declaration July 29 that J. D. Blakeway, First Secretary of Britain's Sofia legation, was persona non grata (unwelcome) and must leave the country. A British spokesman said Bulgaria gave no reason for the declaration.

Yugoslavia Seizes Yards, Ends Russian Ship Deal

By The Associated Press.

LONDON, Aug. 11 — Yugoslavia has taken over shipyards formerly controlled by a joint Soviet-Yugoslav company, a Tanjug broadcast tonight disclosed.

The official Yugoslav news agency broadcast a speech by Communications Minister Bozidar Maslaric to shipworkers at Novi Sad, in northeastern Yugoslavia. He said that Yugoslavia and Russia, now at odds, had been partners in the joint company, Juspad, operating the Novi Sad shipyards. But on Aug. 1, he added, he took over management of the company. AP

YUGOSLAVIA CALLED AN 'ENEMY' BY RUSSIA

LONDON, Friday, Aug. 12 (AP)—Russia termed Yugoslavia today an "enemy of the Soviet Union" and charged that Premier Marshal Tito's Government was bound to the "camp of foreign capitalists."

A note to Yugoslavia was broadcast by the Moscow radio in English. The note was the fourth in a series of sharp exchangees with Marshal Tito's regime over the Big Four rejection of Yugoslav territorial claims on Austria.

The note said that the Soviet Government had been led to this conclusion:

"That the Yugoslav Government is violating its allied obligations toward the Soviet Union, that it is behaving not as an ally but as an enemy of the Soviet Union, that strong ties of some kind bind the Yugoslav Government or the main members of this Government and the camp of foreign capitalists, that the Yugoslav Government is merging itself to an even greater extent with imperialist circles against the Soviet Union and entering into blocs with them, that the Soviet Union can no longer regard the Yugoslav Government as an ally of the Soviet Union, that the Soviet Government can no longer uphold the claims of the Yugoslav Government—especially those which the Yugoslav Government itself has given up, although it conceals this from the Yugoslav people—and if the Yugoslav Government prefers a united front with imperialist circles to a united front with the Soviet Union, then let those circles support her claims."

Yugoslavia and Russia have been at increasingly sharp odds since June, 1948, when the Tito Government was thrown out of the Soviet-led Communist Information Bureau and charged with "nationalist" deviations from Moscow-brand Marxism.

Hoffman In Eire On ERP Study Tour

Shannon, Ireland, Aug. 11 (AP)—Paul G. Hoffman, European Recovery Program administrator, arrived today on the first leg of a sixteen-day tour of Europe's Marshall Plan countries.

Hoffman left immediately for Dublin to discuss Ireland's activities under the recovery program before proceeding to London.

Spaak Named President Of Assembly

Strasbourg, Aug. 11 (AP)—Paul-Henri Spaak, Belgian Socialist leader, was unanimously elected today as the first president of the European Consultative Assembly.

The chunky little Belgian resigned yesterday as Belgium's Acting Premier and Foreign Minister so he could take over the top job in the newly created Council of Europe.

Nominated By Churchill

Winston Churchill, Britain's wartime Prime Minister, nominated Spaak for the assembly presidency. The 101 delegates from a dozen countries quickly indorsed the selection without opposition.

Delegates in private negotiations yesterday gave their support to Spaak, one of Europe's outstanding political figures and first president of the United Nations General Assembly. Actual voting was delayed until today to give Spaak time to deal with a Government shakeup in Brussels in which he resigned his premiership.

Recently Acting Premier

Spaak had been serving as Acting Premier since Belgian elections more than six weeks ago in which his Socialist party lost ground. He was succeeded as Belgian Premier by Gaston Eyskens, a Christian Socialist.

By quitting his Belgian Government post, Spaak became eligible for the Council of Europe Assembly presidency. Assembly rules barred him as a delegate while he served on the council's ministerial committee.

Council's Deliberative Body

The assembly is the deliberative body of the Council of Europe which opened its first sessions this week. The guiding body of the Council is the Ministerial Committee, composed of the foreign ministers of the twelve member nations—Britain, France, Belgium, Holland, Luxembourg, Italy, Denmark, Norway, Sweden, Ireland, Greece and Turkey.

Spaak himself was not present in the hall when he was elected. He had not yet returned from Brussels. France's Edouard Herriot continued to serve as acting chairman until Spaak's arrival, expected later today.

Van Zeeland Succeeds Spaak

The new Belgian Government notified the assembly that Paul Van Zeeland was being appointed Belgian Foreign Minister and would succeed Spaak on the Ministerial Committee.

Four vice presidents were elected. They are:

Britain's Lord Layton, chairman of the boards of directors of corporations owning the *News Chronicle* and the *Star;* Francois de Menthon, of France; Stefano Jacini, of Italy, and Ole Bjoern Kraft, of Denmark.

Two others who were nominated —former Prime Minister Eamon de Valera of Ireland, and William Whiteley, chief Labor Government whip in Britain's House of Commons—trailed in the balloting. Churchill opposed Whiteley's nomination, contending that members of governments or cabinets should not hold official positions in the Assembly. AP

Eject Garry Davis Partisans

Strasbourg Police End Sit-Down by 2 in Bombed-Out Building

STRASBOURG, France, Aug. 11 (AP).—Police ejected two members of Garry Davis's World Government Movement from a bombed-out building in Strasbourg's Cathedral Square today.

The two were Miss Ruth Allanbrook, of Wakefield, Mass., and an Alsatian member, M. Koune. They had started a combination sit-down and hunger strike to protest the lack of interest by the Council of Europe in their own program.

Police said they were endangering public safety by attracting a crowd within a ruined structure which might collapse.

New Belgium Cabinet To Be Sworn

Brussels, Aug. 11 (AP)—A new Belgian Cabinet is to be sworn in today, breaking a 50-day deadlock.

The announcement that agreement on a new coalition Government had been reached was made by Gaston Eyskens, a Social Christian, who said he would head a Cabinet made of Social Christians and Liberals.

The previous Cabinet, a coalition of Social Christians and Socialists, was headed by Socialist Paul-Henri Spaak.

Position Strengthened

The Social Christians, who favor the return to the throne of King Leopold, failed to win a majority in the June 26 elections, although they strengthened their position by winning 104 of the 212 seats in the Chamber of Deputies.

The Liberals decided to join a new Government when the Social Christians agreed to drop the question of the king's return from exile for the time being. The Liberals, a conservative group, also gained in the elections, winning 30 seats.

Charges France Veils U. S. Aid

Ohio Congresswoman Says Regime Should Tell People Facts of American Help.

Paris, Aug. 11 (A. P.).—Representative Frances P. Bolton (R.-Ohio) charged today that the French Government is not doing all it should to tell its people about American aid. She spoke at a luncheon of the American Club of Paris.

"Is it not the responsibility of the French Government, inasmuch as it controls the cinema and newspapers, to explain almost daily to the French people the reason and the working of the Marshall plan?" she asked reporters after her talk.

A French newsman explained that his country's movies and newspapers were not run by the Government.

She said in her speech that conditions were better in France than in England. "But to read some papers here," she continued, "you would think we Americans are the scum of the earth."

Mrs. Bolton is a member of the Foreign Affairs Committee of the House of Representatives. Asked what she thought the French Government ought to do, Mrs. Bolton replied:

"It should tell the people more, not the complications but the facts—the fact that the petrol for one day is French and for the two other days it comes from the United States. It should explain that if a farmer has to pay three times what he paid before the war for a tractor it is his own Government he is paying—that the tractor is a gift from us to his Government.

"There is a lot of discontent among the little people who are the strength of France."

Asked about the military aid program, Mrs. Bolton said: "We feel strongly that the European countries should understand that we are going to undertake a military aid program, but the speed depends on the plans for co-operation submitted." AP

Priest Forgiven By Paris Prelate

Paris, Aug. 11 (AP)—The acting Catholic archbishop of Paris has reversed his decision to punish the Rev. Jean Boulier for pro-Communist political activities, the semi-official French press agency said today.

Msgr. Roger Beaussart, acting head of the church in Paris since the death of Emmanuel Cardinal Suhard, announced June 22 Father Boulier would not be permitted to say mass after September 14. The priest was then in Czechoslovakia.

This morning, the day after Father Boulier's return, the two clerics had a long talk. Afterward, Father Boulier said:

"As soon as I got here, I asked Monsignor Beaussart for an audience, during which I was able to assure him of my loyalty to the obligations of my priesthood."

France Gets Berlin Phone Service

Berlin, Aug. 11 (AP)—Telephone service between France and the American, British and French sectors of Berlin will resume August 22 for the first time since the war, the United States Military Government announced today.

ANTI-JEWISH MOVE REBUKED

U.S. Governor In Bavaria Assails Letter-Writer

Munich, Germany, Aug. 11 (AP)—Murray D. Van Wagoner, American Military Governor of Bavaria, said tonight anti-Jewish forces in Germany "have begunto crawl again in the gutters."

His statement was in reply to an anti-Jewish letter published by the *Sueddeutsche ueitung* (South German newspaper).

The letter touched off a clash between Jewish displaced persons and German police yesterday in which three Jews and thirteen policemen were injured. The clash came after police had ordered 1,000 DP's planning to march on the newspaper to disperse. The police said the Jews had no permit for a public meeting.

"Go To America"

The letter published in the newspaper said in part:

"Why don't you (the Jews) go to America? But there they (Americans) also have no use for you. They have enough of these bloodsuckers. I am working for the Americans, and many have said already that they have forgiven us (Germans) everything except that we have not gassed all of them (the Jews) because now the Jews go to America."

In his statement Van Wagoner said:

"Although the attack on the Jewish people, made under the cowardly cloak of a fictitious name, does not merit an answer, the Military Government feels that you and the small, and I am sure equally cowardly group that charges your war views, should not be left unchallenged.

Called Unsigned Stigma

"Your venemous letter unjustly places a stigma upon the many right-thinking Germans who are now trying to atone for the blackest period in your history, which culminated with the gas chambers to which you refer so glibly.

"There is no doubt in my mind that you and your kind will try to undermine the constructive forces once again, either for personal gains or because of a depraved mentality that, carion-like, can find nourishment only in destruction.

"Only constant vigilance and practiced racial and religious tolerances on the part of right-thinking Germans can keep your crawling confined to the gutter where it belongs.

"Your letter should serve as an object lesson to the rest of your countrymen. For by it you have slandered not only the Jews but the German nation."

Earlier today Berlin Jews called a rally to protest action by police here toward the Jewish gathering yesterday and to urge "harshest action" against the publisher of the *Sueddeutsche Zeitung*.

AMG REBUKES GERMANS FOR NATIONALISM

Frankfurt, Germany, Aug. 11 (AP). The American Military Government tonight criticized western Germany's current federal election campaign for its "pronounced nationalism."

An AMG spokesman said in a German-language broadcast that "not a single party has a good word for the positive work of the Western Allies."

This was the first official American statement to the Germans on anti-Allied attacks by German candidates in the election, which will take place Sunday.

"One is forced to make comparisons with the past and to look with some anxiety to the future, which is being entrusted to such a forgetful, nationalistic people," he said.

He said German politicians were unanimous on only one point:

"A pronounced nationalism which sees all right on one side and all injustice and bad will on the other side."

Attacks Pressed

The spokesman warned that "opinion abroad has not overlooked the awakened nationalism nor the sudden forgetfulness of German politicians concerning the assistance the western Allies have rendered."

As he spoke, candidates for the new parliament carried on their blistering attacks on the Allies.

One of the first major disorders of the campaign occurred in Brunswick, when a group of men armed with lead pipe broke up a rally of the German Rightist party. Members of the extreme right-wing group battled the intruders before 50 policemen arrived.

Eyewitnesses said the armed group sang the "Internationale" (old Communist international song) as they stormed into the meeting. Six persons were injured.

Meanwhile, Allied observers say an unusually light vote in the election would reflect a growing distrust of German political leaders by large segments of the voters.

Both American and British observers place much of the blame on the type of campaign conducted by the politicians.

Youths Called Distrustful

One British observer said: "The Germans simply don't have any faith in their parties, they have been offered no constructive programs—only attacks against the allies. Youths, especially, are distrustful. Few of them will vote."

An American observer said: "Many voters have been looking anxiously for a party to offer them a concrete domestic program. They are disappointed in the parties they voted for the last time (in state elections). But they are offered no better place to turn. So they will simply stay away from the polls."

Recent editorials in several politically independent German newspapers have supported these theories.

Munich's *Sueddeutsche Zeitung*, deploring a lack of strong personalities among candidates, said the voters "can hardly distinguish between the candidates or even between the parties."

Gen. Friedrich Knolle, Ex-S.S. Leader, Caught

Bremen, Germany, Aug. 11 (AP)—Former S.S. (Elite Corps) Gen. Friedrich Knolle was arrested last night, German police announced today.

The former crony of S.S. Chief Heinrich Himmler had been living in Bremen as a laborer under the name of Fritz Goetten.

Police headquarters said he was charged with crimes against humanity. The trial is expected to take place before a German court in the British zone.

Missing Reich P.X. Cash Found

Bremerhaven, Germany, Aug. 11 (AP)—The German pay roll of 80,000 Deutsche marks (about $24,000) was missing today when the safe was opened at the main American Army post exchange. The United States provost marshal later reported all but about 6,000 marks ($2,000) had been found in the attic.

Lindbergh Sees German Camp

HOF, Germany, Aug. 11 (AP).—Charles A. Lindbergh visited a refugee camp near Hof today, the camp manager reported. He arrived without advance notice, talked with several members of the camp, then drove away. Elsewhere it was learned that Mr. Lindbergh is making a private survey of European reconstruction.

2 U. S. Soldiers Arrested In Slaying of Austrian

VIENNA, Aug. 11 (AP). — Two American soldiers have been arrested and charged with the murder of an Austrian civilian, the provost marshal's office said today.

They are Pvt. First Class Angress Brown, of Du Quoin, Ill., and Private Jerry L. Wright, of Cleveland, Ohio.

They are charged with killing Paul Ritzenberger in Wels, Austria, Aug. 1. The provost marshal said Ritzenberger was knocked off his bicycle and kicked to death. Wels is in the American-occupied zone.

Authorities said Brown was traced through the sale of a watch belonging to Ritzenberger. When arrested, he named Wright as his accomplice and accused him of the actual killing.

War Rules To Cover Civilians

Geneva, Switzerland, Aug. 11 (AP). Four Geneva conventions on the rules of war received final approval by a 60-nation conference today.

The conference adopted almost unanimously three revised agreements regulating the treatment of wounded soldiers and sailors and of prisoners of war and a new proposal on the treatment of civilians in occupied territory.

All four were based on drafts adopted by the Stockholm Red Cross conference last year. The Geneva conference was convened by the Swiss Government to work over the Stockholm drafts.

First Time In History

Under the convention on the treatment of civilians, the population of an occupied country in a future war will be protected by recognized international law for the first time in history. Although approved without opposition today, the conventions will be legally binding only on those countries which sign and ratify them later. A formal signing ceremony is scheduled in Geneva next September.

Many delegations, including those of the United States, the United Kingdom, Israel and the Communist bloc gave formal notice today of reservations they would make before signing.

Despite many differences over drafts, Communists and non-Communist delegations joined in approving the conventions and not one delegation cast a negative vote.

U.S. Makes Reservations

Only Israel and Burma recorded absentions.

The United States and the United Kingdom, though voting in favor of the four conventions, made express reservations on an article of the civilian convention which limits the right of an occupying power to impose the death penalty. Under this article, death sentences may be pronounced in an occupied country only if in accordance with the law of that country before the occupation began.

The conference earlier rejected a British and American proposal to permit death sentences for grave crimes against the occupation power even if the death penalty did not previously exist in the country concerned.

The Soviet Union and most of its satellites gave notice of reservations on several parts of the conventions, particularly an article of the prisoner-of-war convention dealing with war crimes.

Retain Benefits

Article 85 of the civilian convention says: "Prisoners-of-war prosecuted under the laws of the detaining power for acts committed prior to capture shall retain, even if convicted, the benefits of the present convention."

The Communist bloc made repeated but unsuccessful efforts throughout the conference to deprive "war criminals" of the benefits of the convention.

The delegate of the Holy See, Msgr. Paulo Bertoli, told the delegates after approval of the four conventions that he "deeeply regretted" the omission of a preamble containing a declaration of religious principles. The conference dropped the preamble when it appeared likely that a religious reference might lead the Soviet bloc to boycott the conventions.

The principal provisions of the new civilian convention will outlaw many of the occupation methods used by the Germans during two world wars. The taking of hostages, reprisals, torture and mass deportations are all expressly forbidden, and the occupation power is made directly responsible for feeding the civilian population.

To Set Up Neutral Zones

Article 15 of the convention provides for the setting up of neutralized security zones near the fighting areas to shelter wounded combatants and non combatants and any civilians taking no part in the fighting. Such zones are to be set up under special agreements between the countries at war.

The military conventions for the first time recognize prisoner-of-war status for partisans and grant military medical personnel taken prisoner full freedom to care for their captured compatriots.

The conference earlier this week unanimously approved a Mexican resolution declaring that "its work has been guided solely by humanitarian aims" and expressing the hope "that it may never become necessary to apply these conventions."

AUG 12 1949

30.24- 4973

U.N. Group Starts Employment Study

AUG 12 1949

Geneva, Switzerland, Aug. 11 (AP)—The United Nations Economic and Social Council today voted to appoint experts to study ways of achieving full employment in the world.

This action was taken after the Council had rejected a resolution of the Communist-dominated World Federation of Trade Unions charging the capitalist countries with exploiting workers and reducing the unemployment to an "inhumanly low standard of living."

The expert group was proposed in a resolution by the United States, the United Kingdom and France. The resolution said "while the recent decline in production and employment in some countries may turn out to be of a temporary character, it is desirable that all countries be prepared to deal with the problem of unemployment as the necessity for such action arises."

The economic and employment commission will examine the experts' report and submit recommendations to the next session of the Council.

Irish Death Rate High, Dutch Low in Europe

GENEVA, Aug. 11 (AP).—The World Health Organization, a United Nations agency, said today the Netherlands had the lowest death rate and Ireland the highest in Western Europe in 1947, the last year for which final figures are available.

In the Netherlands 8.1 persons in every 1,000 died in 1947. In Ireland, 14.9 persons in every 1,000 died. At the beginning of this century Ireland's death rate was 17.2 a 1,000, exactly the same as that of the Netherlands. AP

STOCKHOLM, Aug. 11 (AP).—U. N. Secretary General Trygve Lie forecast today a period of continued relaxation of the world's tension.

"It is my impression," he said in a speech at a mass meeting in the Skansen open air museum, "that responsible statesmen all over the world are firmly resolved to prevent a new war, and that they will go a very long way to preserve the peace. I think that the relaxation of the international tension, observed during the last few months, will continue."

Some of the main reasons for this shift in the world outlook, Mr. Lie said, stem from the growing realization that there would be "no victors but only losers" in a third world war, and from what he called the strengthened influence of the United Nations.

"Often the U. N. alone has been standing between the provisional peace we are living in and the threat of a third world war," he said.

Discussing the efficiency of the United Nations in spite of such handicaps as the absence of the main peace treaties after World War II, the Secretary General observed:

"Too many people have been under the delusion that the U. N. was helpless without the military forces which the organization has not yet obtained.

"Actually, the stipulations of the Charter on the use of means of enforcement do not go very far. The role of the U. N. as world police chief has been overrated. The most important political task of this organization is as an organ of mediation on a world scope. The opportunities for mediation activities are virtually unlimited."

Mr. Lie listed these eight examples of U. N. accomplishments without the use of force "only four years after Hiroshima":

The withdrawal of all Soviet troops from Iran, and of British and French troops from Syria and Lebanon.

The handling of the Indonesian conflict—"three times this conflict flared up . . . each time the U. N. mediation commission managed to stop the war operations, and it is my personal hope that lasting peace will be achieved in Indonesia within the nearest future."

The Kashmir conflict between India and Pakistan, brought under control thanks to the U. N.

The Sudan dispute between Egypt and Britain; it was dealt with by the Security Council, and since then there have been "no ill-considered actions."

The Corfu dispute involving Albania and Great Britain, decided by the Hague court.

Palestine — "In twenty-six months the U. N. managed to find a solution of a problem which has harassed mankind for 2,000 years."

The lifting of the Berlin blockade — "The mediation efforts through the U. N. clearly played a decisive part in obtaining the result."

Dealing at some length with Palestine, Mr. Lie said the work on a final peace is proceeding and "appears to have good chances to succeed."

Lie Predicts Further Easing Of World Tension Because of U.N.

AUG 12 1949

Greeks Storm Vitsi Triangle Guerrillas

U.S. (NAPLES)

AUG 12 1949

Athens, Aug. 11 (AP)—The Greek Army stepped up its campaign against Communist-led guerrillas today by storming the rebel stronghold in the Vitsi triangle near the Albanian and Yugoslav borders.

Informed sources said Greek troops seized four strategic heights in the heavily fortified area where 7,000 guerrillas are believed entrenched.

The Vitsi triangle is about 60 miles north of the Grammos Mountain area where a major Greek Army offensive was launched last week.

Captured Areas Listed

Commandos who started moving last night were reported to have seized fortified heights of Baro and Lessits, overlooking the main road from Kastoria to Phlorina. Heights at Glavata and Polenata, which are east of Baro, also were reported captured.

Infantrymen were being rushed to the heights to meet an anticipated guerrilla counterattack.

The initial successes were regarded by military observers as highly significant because the Vitsi triangle is bristling with fortified positions defended by machine guns, mortars, minefields and an estimated 100 artillery pieces.

Army sources said the guerrillas still would be able to escape into neighboring Communist Albania, but the opinion here was that the guerrillas would try to make a stand.

Denies Albania Invaded

The Ministry of War has labeled "fantastic" a charge by the official radio of Albania that Greek Government forces have invaded Albanian soil.

The opening of the Vitsi front gave the Greek Army two major theaters of operations in their new six-day-old offensive. The Grammos Mountain front now may be relegated to a secondary place in importance.

Informed sources said the total guerrillas strength in Greece has been cut to 17,000, of which 13,000 are in the Gammos and Vitsi areas.

Greek planes hammered at the guerrillas with rocket bombs and machine-gun fire. The national army also is using tanks. AP

SOVIET HITS U. S. WRITERS

Scores Correspondents in Poland as 'Jackals of the Pen'

MOSCOW, Aug. 11 (AP)—The Soviet weekly New Times today attacked a group of American correspondents who are or have been based in Poland as "jackals of the pen." The list included Larry Allen of The Associated Press; Robert Conway, New York Daily News; Derek Selby of Britain's Kemsley Publications, and Sydney Gruson and Edward A. Morrow of THE NEW YORK TIMES.

New Times said those writers deliberately sent out false news on Poland and engaged in planned provocations there.

The weekly also attacked Prof. Gerold T. Robinson of Columbia University for a recent article in a foreign affairs publication. It said "anti-Soviet slander is his professional occupation as the director of the Russian (more exactly it should be said anti-Russian) Institute at Columbia University."

Russians Staging 'American' Plays

Moscow, Aug. 11 (AP)—The Vakhtangava Theater has scheduled for autumn production a play called "Missouri Waltz." The Transport Theater recently announced it would present a new play called "The Mad Haberdasher."

Canton's Defenders Retreating In South China, Paper Says

AUG 12 1949

S. AMOUSA

Canton, China, Aug. 11 (AP)—A southwestward withdrawal of the Nationalists' South China defense headquarters was reported today by *Ta Kung Pao*, Canton's leading paper.

While an army spokesman declined comment, this report lent credence to a general conviction that Gen. Pai Chung-hsi would pull back into his native Kwangsi Province rather than due south to defend the approaches of this provisional capital against the Communists.

The paper said Pai had moved his headquarters to Kyang, 50 miles southwest of Hengyang, which is 265 miles north of Canton. It said his rear echelon was established another 75 miles southwest at Chuanhsien, which is inside Kwangsi.

Denies Regime Quits Canton

The army's Canton spokesman denied Canton was being abandoned by the Government, but this could well be possible in the event of Pai's retreat into Kwangsi.

[It was reported Wednesday that gloom reigned among Nationalist officials and that best estimates were Canton would remain the capital another three to six weeks. Archives were reported being packed for transfer to Chungking, in the west, the provisional capital during the Japanese war.]

Gen. Teng Wen-yi, the army spokesman, said that on the front nearest to Canton, the Reds still were more than 250 miles from Canton. However, the Kiangsi provincial government has abandoned Kanhsien, 215 miles north of Canton.

The spokesman also said the Reds were repulsed at Shaoyang, 60 miles west of Hengyang.

Red Casualties Reported

Some 700 miles to the northwest, in the separate campaign against the Moslem province of Kansu, the spokesman said the Reds now were 95 miles from Lanchown provincial capital. He said the Communists had suffered 22,000 casualties there but did not tell over what period.

He also asserted anti-Communist uprising behind the Red lines in the Central China provinces of Honan, Hupeh and Anhwei now involved up to 240,000 men armed with 100,000 rifles. He said the Nationalists regarded these uprisings as important because they could disrupt Red communications.

[Dispatches from the Communist side recently have acknowledged considerable guerrilla activity in that area but have made clear that the Reds thus far regard it as more of an annoyance than a serious threat.]

240,000 Revolt In 3 Red-Held China Areas

S. AMOUSA

AUG 12 1949

Canton, Aug. 11 (AP)—A Nationalist Army spokesman said today an uprising involving around 240,000 men had developed in the Red-controlled provinces of Honan, Hupeh and Anhwei.

Gen. Teng Wen-yi, the spokesman, said Communist misrule in the recently conquered provinces caused the revolt. Other reasons for the uprisings were ruthless conscription of men and excessive requisitioning of food, he said.

Teng said the revolters possessed about 100,000 rifles. In one Hupeh mountain alone the rebels control fifteen districts, the General said.

Disrupting Transport

They are aiding the Nationalist

cause by disrupting Red transport and communication lines, Teng said.

Teng scoffed at estimates that the Reds would take Canton in between three to six weeks.

[Today's Chinese edition of the Hong Kong *Standard*, published by Tiger Balm King Aw Boon-haw, was banned from Canton for publishing an Associated Press story quoting this estimate.]

"The Communists could be here in less than three weeks if they take airplanes," Teng said.

He said floods, epidemics and Nationalist resistance had slowed down the Communist advance in Central China. Teng said in each Red company of 200 men as a result of illness only about 80 able-bodied were left.

Overall Picture

The spokesman gave this picture of the overall war situation:

Kansu Province — The Reds thrusting along the Sian-Lanchow highway, took Tunghwei, 95 miles from Lanchow. In the general fighting in Kansu the Communists have suffered 22,000 casualties, as compared with 7,000 Government troops killed or disabled.

[Chinese casualty figures are often exaggerated.]

Shensi Province—Nationalists at Ankang, in the southeastern corner of the province, forced the attacking Reds to retreat southeastward. The commander of the 55th Red Division was killed in action.

Fukiep Province—No fighting in the last week, apart from mopping up of scattered Red guerrillas in the southern and western parts of the province. The Reds were building highways and making other preparations to attack coastal Foochow, provincial capital. The Nationalists are building strong defense lines on Foochow's outer perimeter.

In Kiangsi Area

Kiangsi Province—The Communists are still more than 37 miles from Kanhsien. Red attacks south of Suichwan have been repulsed. The Communists have suffered 2,500 casualties in this sector.

Hunan Province — Red forces northeast of Shaoyang, 65 miles west of Hengyang, have been thrown back. These forces consisted of a few local Communists and a few troops formerly with turncoat Nationalist Gen. Chen Ming-jen. More than two thirds of Chen's troops have rejoined Nationalist forces after receiving air-dropped appeals.

[Chen originally commanded three armies totaling 90,000 men.]

Headquarters Shifted

The Government spokesman's war picture was released after *Ta Kung Pao*, Canton's leading newspaper, said the central commander, Gen. Pai Chung-hsi, had shifted his operational headquarters from Hengyang 50 miles southwest to Kiyang. The move led observers to believe he would not defend the provisional capital of Canton.

The newspaper said he had shifted his rear eschelon to Chuanhsien on the Hunan-Kwangsi railroad inside Kwangsi province. It said Hengyang now is an advance field command post.

An army spokesman declined to comment.

White Paper Adds Up To Stupidities: Pravda

Moscow, Aug. 11 (AP)—*Pravda* said today the United States State Department's white paper on China adds up to this: "We (the State Department) committed stupidity after stupidity and we'll commit more stupidities in the future."

The commentary was written by the Communist party newspaper's top-ranking foreign-affairs analyst, David Zaslacsky.

"They say," wrote Zaslavsky, quoting a Russian proverb, "If one whips a rabbit long enough, he can learn to light matches. In distinction from the rabbit, it appears that one can whip an American diplomat for a long time and he learns precisely nothing."

"Stark Ignominy"

He went on: "For 1,054 pages the State Department subjects itself to flogging, publishing these documents of the American policy defeat in China.

"To these 1,054 pages of stark ignominy (Secretary of State) Acheson has added seventeen pages in his own style."

Zaslavsky said the State Department supporte da Chinese regime it openly characterizes as corrupt.

"Mercilessly Beat Chiang"

"How can one define this policy in relationship to statesmanship?" he asked.

Acheson mercilessly beat Generalissimo Chiang Kai-shek in the white paper, the writer said, adding: "In what way is Chiang worse than those who think like him in America?"

The commentator said United States aid to China did some good —because much of it fell into Communist hands.

Manila Orders Evacuation Of 2 China Cities

Manila, Aug. 11 (AP)—The Philippine Foreign Office tonight ordered the immediate evacuation by ship of all Filipino nationals and dependents of its consular staffs in Canton and the port of Amoy.

The Philippine liaison office in Canton and the consulate in Amoy however, will remain in operation pending a decision by the Government on whether to suspend the two offices in Nationalist China.

That decision is expected within the next 24 hours.

Acheson And Bevin China Policy Talks Hinted

Washington, Aug. 11 (AP)—Secretary of State Acheson and Foreign Minister Bevin will probably seek to co-ordinate American-British policies on China and the Far East in their conferences here early next month.

It was also learned today that Ambassador John Leighton Stuart, who returned yesterday from China, may not go back to his post and may not be replaced. Thus, the United States would cease for the time being to have an ambassador in China.

Well-informed speculation on both these developments grows out of the publication of the Truman Administration's White Paper which:

1. Marked the end of the policy of active support for the Chinese Nationalist Government.

2. Cleared the way for the development of new policies to deal with a situation in which the Communists are over-running most if not all of China and may threaten other Far Eastern countries.

Policy Of Co-Ordination

Diplomatic informants recall that Acheson has laid down as a principle of future American policy that this Government should coordinate its moves with those of other Western powers.

Consultations among the western capitals and western diplomats in China have actually been under way for several months. It is considered probable that in so far as British-American relations with China are concerned these will reach a climax during Bevin's visit here.

The expectation that Stuart will prove to be this country's last ambassador to China for some time grows out of the attitude taken by the United States toward both the Nationalists and the Communists.

A Dying Regime

On the one hand, the White Paper presented the Nationalists as a dying regime no longer meriting American support and incapable of withstanding the pressure of the Red armies.

On the other hand, the Communists themselves do not yet have a government and even if one is formed, as seems probable this fall, the State Department presently takes the view that the United States should be very slow in making any move to recognize it.

Stuart's position in the country in recent months had been unusual. He was accredited to the Nationalist Government but had, on State Department orders, declined to follow that Government when it fled to Canton. He has maintained his official residence in the Communist-held city of Nanking.

ation in the Far East were in the hands of the Department of the Army.

The general made his position clear after Senator William P. Knowland (R., Calif.) had introduced a resolution in Washington to have MacArthur return and state his views on the foreign arms aid bill.

UP TO MacARTHUR

President Truman said in Washington yesterday that he would sign an order for MacArthur to return any time the occupation commander in Japan wanted to return.

The President had been asked if he would approve the return of MacArthur from Japan to report to Congress on the Far Eastern situation and to testify on the arms-aid-to-Europe bill.

The President said he had said many times that MacArthur was free to return any time he wished to. It would take an order of the Commander-in-Chief, the President said, and MacArthur had not indicated that he wanted to come home. If he did, Mr. Truman said, he would issue the necessary order.

The Senate Foreign Relations and Armed Service committees will consider the Knowland resolution today.

CITES 'CRITICAL EVENTS'

MacArthur said here that while he was "deeply appreciative of the honor" reflected in the proposal that he go to Washington he believed "that during this moment of critical events in the Far East the interests of the American people are better served by my remaining at my post here."

In addition to Knowland's resolution, a group of 10 Senators on Wednesday "urgently requested" that MacArthur return home to give his opinion on the arms measure. Knowland and 12 other Senators have proposed that $175,000,000 of the foreign arms bill be given to Nationalist China to aid in its fight against the Communists.

Senate Pleas Are Ignored By M'Arthur

Tokyo, Aug. 11 (AP)—Gen. Douglas MacArthur today ignored requests for comment on the demand of ten United States Senators that he go to Washington to testify on the arms-aid bill.

His last visit to the States was in 1937 when he was married. Since the war he has declined all invitations to return.

Sources close to the General have made it clear that unless he receives a direct order from President Truman or his army superiors he intends to remain in Japan until his job is completed. He has said he will consider that job done when a peace treaty is signed.

3-Day Sham Battle At Seoul Fatal to One

SEOUL, Aug. 11 (AP).—A three-day sham battle testing the defenses of Seoul ended today with one dead and two injured. Police said they believed a live bullet was used mistakenly, resulting in the death. Five thousand men participated.

The two injured were police. One fell down and the other ran into a tree. Neither was hurt seriously.

MacArthur Rejects Bid To Return for Arms Talk

TOKYO, Aug. 12 (Friday) (AP).—General Douglas MacArthur today declined to return to the United States.

In a statement he declared his full views on the strategic situ-

30.24- 4975

Johnson Is Due In Ottawa For Conferences

AUG 12 1949

Ottawa, Aug. 11 (AP)—Louis Johnson, United States Defense Secretary, is scheduled to arrive here today for talks with the Canadian Government.

His itinerary calls for a meeting with the Cabinet defense committee shortly after his arrival at Rockcliffe Airport.

Two members of the top advisory board on continental defense also will attend the meeting.

They are Gen. A. G. L. McNaughton, Canadian chairman of the Joint Defense Board, and Maj.-Gen. Robert Walsh, of the United States Air Force, an American member.

Speculation About Meeting

Disclosure that they will attend caused immediate speculation about the meeting—no members of the board attended a similar meeting last year when the late James Forrestal, then United States Defense Secretary, visited Ottawa.

Official announcements have said only that Johnson and the Government will discuss "matters of mutual interest." That covers a lot of territory.

May Talk Of Equipment

Possible topics are joint Canadian-United States planning for defense of North America and planning by the signatories of the Atlantic Pact. There is also the possibility they will discuss Canadian procurement of United States military equipment. This has been made difficult in the past by United States legislation.

Canada and the United States are already firmly linked in continental defense planning. Plans call for virtual integration of the forces in defense of the Continent and there are also plans for increasing standardization of equipment.

U.N. Council Votes to End Middle East Arms Embargo

AUG 12 1949

LAKE SUCCESS, N. Y., Aug. 11 (AP).—The United Nations Security Council voted today to lift the Middle East arms embargo and other restrictions imposed during the Palestine fighting.

This was one of the principal effects of a joint French-Canadian resolution which was adopted 9 to 0, with Russia and the Soviet Ukraine abstaining.

TERMS OF RESOLUTION

The resolution provides:

1. That the armistice agreements between Israel and her Arab neighbors supersede the various U. N. truce orders.

2. That all U. N. cease-fire and truce resolutions—containing restrictions such as the arms embargo—be replaced by a simple cease-fire order.

3. That all functions previously assigned to Ralph J. Bunche, Palestine acting mediator, be transferred to the three-nation Palestine Conciliation Commission, on which the United States, France and Turkey are represented.

The resolution further expressed the hope that the Israeli government and the Arab countries would seek a final peace settlement either through direct negotiations or with the assistance of the Conciliation Commission.

Just before the final vote, Semyon K. Tsarapkin, Soviet delegate, failed in an effort to write in amendments which would have excluded the Conciliation Commission from further Israel-Arab peace talks and would have required the immediate withdrawal of all U. N. truce observers still in Palestine.

Texts of U. N. Resolutions on Palestine

AUG 12 1949

Special to THE NEW YORK TIMES.

LAKE SUCCESS, Aug. 11—Following are the texts of resolutions on the Palestine situation adopted today by the United Nations Security Council:

Resolution on Armistice

THE SECURITY COUNCIL,

Having noted with satisfaction the several armistice agreements concluded by means of negotiations between the parties involved in the conflict in Palestine in pursuance of its resolution of 16 November, 1948 (S/1080);

EXPRESSES the hope that the Governments and authorities concerned, having undertaken by means of the negotiations now being conducted by the Palestine Conciliation Commission, to fulfill the request of the General Assembly in its resolution of 11 December, 1948, to extend the scope of the armistice negotiations and to seek agreement by negotiations concluded either with the Conciliation Commission or directly, will at an early date achieve agreement on the final settlement of all questions outstanding between them;

FINDS that the armistice agreements constitute an important step toward the establishment of permanent peace in Palestine and considers that these agreements supersede the truce provided for in the resolutions of the Security Council of 29 May and 15 July, 1948;

REAFFIRMS, pending the final peace settlement, the order contained in its resolution of 15 July, 1948, to the Governments and authorities concerned, pursuant to Article 40 of the Charter of the United Nations, to observe an unconditional cease-fire and, bearing in mind that the several armistice agreements include firm pledges against any further acts of hostility between the parties and also provide for their supervision by the parties themselves, relies upon the parties to ensure the continued application and observance of these agreements;

DECIDES that all functions assigned to the United Nations Mediator on Palestine having been discharged, the Acting Mediator is relieved of any further responsibility under Security Council resolutions;

NOTES that the armistice agreements provide that the execution of those agreements shall be supervised by mixed armistice commissions whose chairman in each case shall be the United Nations Chief of Staff of the truce supervision organization or a senior officer from the observer personnel of that organization designated by him following consultation with the parties to the agreements;

REQUESTS the Secretary-General to arrange for the continued service of such of the personnel of the present truce supervision organization as may be required in observing and maintaining the cease-fire, and as may be necessary in assisting the parties to the armistice agreements in the supervision of the application and observance of the terms of those agreements, with particular regard to the desires of the parties as expressed in the relevant articles of the agreements;

REQUESTS the Chief of Staff mentioned above to report to the Security Council on the observance of the cease-fire in Palestine in accordance with the terms of this resolution; and to keep the Palestine Conciliation Commission informed of matters affecting the commission's work under the General Assembly resolution of 11 December, 1948.

Resolution on Mediation Staff

THE SECURITY COUNCIL,

Having taken note of the report of the Acting United Nations Mediator on Palestine, submitted upon the completion of his responsibilities.

DESIRES to pay special tribute to the qualities of patience, perseverance and devotion to the ideal of international peace of the late Count Folke Bernadotte, who stabilized the situation in Palestine and who, together with ten members of his staff, gave his life in the service of the United Nations, and

DESIRES to express its deep appreciation of the qualities of act, understanding, perseverance and devotion to duty of Dr. Ralph J. Bunche, Acting United Nations Mediator on Palestine, who has brought to a successful conclusion the negotiation of armistice agreements between Egypt, Jordan, Lebanon and Syria on the one hand, and Israel on the other, and

DESIRES also to associate in this expression of appreciation the members of the staff of the United Nations Mission in Palestine, including both the members of the United Nations Secretariat and the Belgian, French, Swedish and United States officers who served on the staff and as military observers in Palestine.

SENATORS HEAR HARRIMAN PLEA TO ARM EUROPE

AUG 12 1949

Marshall Plan Ambassador Warns Against Reds' Ruthlessness.

Washington, Aug. 11 (A. P.).—W. Averell Harriman, Marshall plan ambassador to Western Europe, said today that the United States faces a "determined, ruthless, and persistent opponent in Russia, and urged full approval of the administration's $1,450,000,000 foreign arms program.

"These forces must be met with equal determination and perseverance," he told the Senate Foreign Relations and armed Services Committees. "We cannot relax with early successes."

Harriman said that he has been 'gravely concerned over the threat to freedom and peace" that is posed by Russia, and added: "I am today convinced that, through the actions we have taken, and are proposing to take, the maintenance of peace and freedom is within our reach."

Harriman, once Ambassador to Moscow, said that it was his conviction that United States security "can be immeasurably increased" by arming the military forces of Western Europe.

Strength and Vigor.

"In looking at the world today, I feel that we need strong and vigorous partners, of like mind and intention,' Harriman said. "The North Atlantic treaty gives us this association. They are vigorous people, but they need help in rebuilding their strength."

Harriman said that there must be no delay in sending American arms and military equipment to the North Atlantic Pact nations. He added: "If we put off action on the proposed assistance today, or reduce it materially, doubts might well arise again; the subversive elements, the appeasers, and those who would rely on neutrality would attempt to undermine the present determination and confidence."

Backers of the program were reported to be heartened by news that Senator Taft (R.-Ohio) would not lead a fight against it.

Taft 'Won't Lead Fight' Against Arms Aid

AUG 12 1949

Washington, Aug. 11 (AP)—Friends of President Truman's $1,450,000,000 arms-aid plan were cheered today by (1) word that Senator Taft (R., Ohio) won't lead a fight against it, and (2) strong support from the military chiefs.

Taft, chairman of the GOP Policy Committee, said he probably will vote against the plan of arming friendly nations, but will not spearhead the opposition as he did against the North Atlantic treaty.

Taft came nowhere near winning his fight on the pact, but he gave it plenty of trouble.

Harriman Set To Testify

The joint chiefs of staff—Gen. Omar N. Bradley, of the Army; Admiral Louis E. Denfeld, of the Navy, and Gen. Hoyt Vandenberg, of the Air Force—supported the arms plan at closed-door sessions of the Senate Foreign Relations and Armed Services committees, and the House Foreign Affairs Committee.

The Senate groups called for testimony today from W. Averell Harriman, ambassador at large, and Henry F. Grady, Ambassador to Greece.

Chairman Connally (D., Texas) of the Senate Foreign Relations Committee said he is confident the Senate will approve the entire amount. It would be used for rearming the North Atlantic pact nations in addition to Iran, Greece, Turkey, Korea and the Philippines.

2 Vandenbergs At Odds

One group of senators headed by Senator Vandenberg (R., Mich.) favor a stopgap program until the

North Atlantic defense committee comes into being and recommends a defense plan for western Europe.

This situation, senators said privately, has thrown the Michigan senator into opposition with his nephew, General Vandenberg.

General Vandenberg is reported to have told senators that he is opposed to any stopgap measures. He backs Bradley and Denfeld in their arguments that the entire amount is needed.

George "Not Convinced"

Bradley testified yesterday that whatever defense plans are made, the arms will be needed for Europe's armies and delay could prove costly. General Vandenberg is said to have backed this argument.

Senator George (D., Ga.) said the chiefs of staff did not convince him the full $1,450,000,000 will be needed in the first year. But he added he might go along with a plan which would spread this cost over a two-year period.

Taft declared it doesn't make much difference in fact whether the program is split in cash and contract authority. He argued this sort of thing is a device to get Congress to approve the entire $1,450,000,000 program.

TRUMAN HOLDS TO HIS OPINION ABOUT VAUGHAN

AUG 12 1949

Says Senate Investigation of Five Percenters Has Not Altered Attitude.

SAYS GRAY CAN'T OUST AID

Witness Tells Inquiry Chicago Firm Paid for Deep Freeze Unit Sent to General.

Washington, Aug. 11 (A. P.).—President Truman said today that his opinion of Major-Gen. Harry H. Vaughan, his Army aid, has not been changed by testimony brought out in a Senate committee investigation of 5 percenters.

Mr. Truman also told a news conference that the Secretary of the Army is not free to relieve Vaughan from active duty in the way two other major-generals have been suspended temporarily.

Secretary of the Army Gray suspended Major-Gen. Alden H. Waitt and Major-Gen. Herman Feldman after their names were brought out in the Senate investigation.

Opinion Remains Unchanged.

"Has anything that has happened on Capitol Hill changed your attitude toward Gen. Vaughan?" a reporter asked Mr. Truman.

Not in the slightest, the President replied.

Mr. Truman added that he has not discussed with Senator Hoey (D.-N. C.), chairman of the committee, the possibility of Vaughan testifying. He said he didn't want to influence Hoey's judgment—that he wanted Hoey to get the facts and satisfy himself. He reiterated that Vaughan is at liberty to testify at the hearings.

The President, in what appeared to be a strong feeling about his Army aid, commented on Vaughan's absence from the news conference by saying: "He's not afraid of you, don't worry about that."

Has No Comment.

In response to a question, Mr. Truman said he didn't know anything about a deep freeze which one witness told the committee earlier had been sent to Vaughan. Mr. Truman said he had no comment to make.

Albert J. Gross, a Milwaukee business man, told Senators he sent a deep freeze to Vaughan. He said it was paid for by the Albert Verly Company, a Chicago perfume manufacturing firm.

Senator Mundt (R.-S. D.) said the assumption is that Vaughan did not pay for the deep freeze.

But Hoey said the Senate Committee staff had not yet determined whether the deep freeze unit was a gift or a purchase. Therefore, he blocked this line of inquiry for the time being, over protests of two Republican Senators, McCarthy of Wisconsin and Mundt.

John Maragon, former Kansas City bootblack who claims Vaughan and others in high places here as his good friends, has told of having worked for the Verly perfume concern. Maragon has been questioned by committee investigators in the Senate 5 percenter inquiry, although he has denied any connection with the practice of helping land Government contracts for a fee.

Earlier, Mundt heatedly charged that a letter written by a WAA employee to Hunt in August, 1947, was a "blatant invitation for bribery or connivance of some kind."

Mundt spoke out after a committee investigator had read the contents of a letter which he said was written by Clarence W. Oehler to Hunt.

Match Covers Mentioned.

Another letter told of Oehler obtaining for Hunt match covers with "White House" "H. H. V." and "H. S. T." printed on them.

Francis D. Flanagan, committee investigator, said that Oehler was a warehouse specialist for the WAA in the Western area when he wrote letters to Hunt, formerly a $50-a-day consultant for WAA in Washington.

Oehler, now with the American Industrial Development Corporation of St. Louis, took the stand and denied receiving any pay from Hunt. Oehler also said that he had never corresponded with Mr. Truman concerning matches.

Letter Arouses Senator.

Mundt's ire was aroused when Flanagan read a letter dated August 15, 1947, in which Oehler told Hunt of plans to sell in his area automotive parts worth about $100,000,000 in acquisition value. Oehler wrote that "I will direct the program." He added that "I have carte blanche to sell them now on negotiated or bid or odd lot sale." The letter said "this is confidential information," expressed the belief that some manufacturers and dealers "can make a good deal procuring these parts."

Oehler took the witness stand and said he never received any pay or promise of pay from Hunt. He told the Senate subcommittee he was concerned that he might lose his job with WAA in a reduction of personnel.

"I was trying to build myself up with Col. Hunt so I would have a future job," Oehler declared.

He also asserted: "Any information I gave Col. Hunt was of a public nature. None of it was confidential."

Hoey asked: 'Did you make it confidential just to fool Mr. Hunt?"

Oehler acknowledged that statement after statement which he made in letters to Hunt were untrue. He conceded that his claims of being in charge of selling certain materials in August, 1947, and having "carte blanche" to dispose of $100,000,000 worth of automotive parts were misstatements.

Probers To Get Testimony On Gen. Waitt

AUG 12 1949

Washington, Aug. 11 (AP)—The Senate Investigations subcommittee today planned to take the lid off some of the evidence that led to the suspension of the Army Chemical Corps chief last July 16.

Maj. Gen. Alden H. Waitt was suspended as chief of the Chemical Corps by Secretary of the Army Gordon Gray on that date along with Maj. Gen. Herman Feldman, quartermaster general.

Gray's Criticism

Gray said in a statement then that he acted because evidence secured by the Senate committee "indicated that each officer had exhibited a lack of that judgment and sense of propriety which must be expected of persons in their positions."

The committee is looking into the activities of "five percenters"—persons who seek Government contracts for others for a fee.

A committee aide told reporters the group plans to start in "on a matter affecting General Waitt" after first hearing testimony from Clarence Oehler. He said this matter would involve part of the evidence that led to the 56-year-old officer's suspension.

Oehler And Hunt Letters

Oehler, formerly supervisor of the War Assets Administration's storage warehouse division at Chicago, now is reported associated with the American Industrial Development Corporation, of St. Louis.

The committee wants to ask him about correspondence he is said to have conducted with James V. Hunt, Washington management counselor, in April, 1947, when Oehler was with WAA.

Hunt, a former army lieutenant colonel and war assets consultant is a prime figure in the investigation.

Vaughan Again Mentioned

The subcommittee has heard testimony from Paul Grindle, Framingham (Mass.) manufacturer, that Hunt named to him as "close personal friends" both Waitt and Maj. Gen. Harry H. Vaughan, President Truman's military aide.

Vaughan's name was brought into the hearing again yesterday by Housing Expediter Tighe E. Woods. He testified that Vaughan had come to his office to see about hurrying up a construction permit for the Tanforan race track in California on January 12, 1948.

Gen. Waitt To Testify

Chairman Hoey (D., N.C.) told reporters there may be some references to Vaughan later. Other committee sources predicted in advance that Vaughan's name would figure today in connection with Waitt. Waitt himself is expected to take the stand tomorrow.

These sources said the committee plans to go into the negotiations of a Connecticut chemical research laboratory for an army contract in which Hunt has figured.

The committee heard yesterday from Albert W. Lewitt, one-time secretary to former Senator Hawkes (R., N.J.) about his dealings with Hunt.

They involved a transaction which resulted in the return of the Lido Beach Hotel, Long Island, N.Y., to its former owners, Frank Seiden and his sons, Milton and Leon.

Air Force B-36 Expert Called Back For Quiz

AUG 12 1949

Washington, Aug. 11 (AP)—An air force expert on the B-36 bomber was called in today for a round of questioning before the House Armed Services Committee.

The witness was Maj. Gen. Frederick I. Smith, Air Force requirements chief. For two days now he has traced uninterruptedly the 8-year history of the long-ranging superbomber.

Questions Held Back

Representative Van Zandt (R., Pa.), whose House speech last May touched off the congressional inquiry, told a reporter in advance: "There are a lot of members who want to ask a lot of questions."

Chairman Vinson (D., Ga.) restrained his fellow committeemen from assailing Smith with queries yesterday as he wound up a formal statement regarding the controversial airplane.

General Smith told the committee that decisions affecting the B-36 were made in the light of a combination of circumstances.

These included, he said, military requirements, the state of world affairs, the President's money program, and the problems of aircraft manufacturers.

Rose And Fell In Favor

He said the B-36 fell and rose in favor in the opinion of Air Force leaders during its growth from the experimental to the production stage.

Smith said Gen. George Kenney, chief of the Strategic Air Command in April of 1948, proposed relying on the new ship for refueling service and depending upon medium bombers for long-range operations.

Several months later, he went on, Kenney "reversed his previous opinion and agreed that continuation of the full (100) B-36 contract was the proper decision."

He said this was the result of comparison tests between a modified B-36 and other bombers.

LeMay Cited As Factor

It was Kenney's successor to the Strategic Air Command, Gen. Curtis LeMay, who figured in the plane being accepted as a strategic reconnaissance ship.

"In the Fall of 1948," Smith continued, "the B-36 had demonstrated outstanding performance capabilities."

About the same time, he said the

30.24- 4977

decision regarding the future of the plane "was overshadowed by the graver problem of curtailing the over-all strength of the Air Force to fit the President's budget ceiling."

11 Air Groups Cut

"After December (1948)" he told the committee "the problem was no longer how to procure additional airplanes for 70 groups but how to cancel, with a minimum loss to the Government, the airplanes already on order."

A board of senior officers, he related, pared away eleven groups. He said this entailed the cancellation of orders for various types of planes other than the B-36.

One point of the inquiry is to pass on the circumstances of concentrating on the B-36.

Sept. Parley Here On British Finance

Washington, Aug. 11 (AP)—Top British Cabinet officers will come to Washington next month to discuss Britain's long-range plans for dealing with the critical financial situation.

British Foreign Minister Bevin and Sir Stafford Cripps, Chancellor of the Exchequer, are scheduled to present Britain's proposals to high-ranking American and Canadian officials at secret financial talks beginning September 7.

"No Proposals," Says Snyder

Government officials said Secretary of State Acheson and Secretary of the Treasury Snyder will head the American side. Paul Hoffman, ECA administrator, also may sit in.

Snyder, who began talks on the same topic in London last month, was asked at a news conference if the United States would have any proposals.

"No proposals," he replied. "We are going to have discussions and see what comes of it."

Devaluation Possible

Government officials in a position to know said Snyder's talks in London were "inconclusive" and that the Labor government advanced no definite proposals for coping with the money crisis.

Preparations for the September sessions aroused new speculation that Britain may be prepared to devalue the pound sterling.

'SUBVERSIVE' LABEL IS O.K.

Court Rules Government Can So Brand Units

AUG 12 1949

Washington, Aug. 11 (AP)—The United States Court of Appeals ruled in a 2-to-1 decision today that the government has a right to brand certain organizations "subversive."

Loser in the decision was the Joint Anti-Fascist Refugee Committee which had contended it was a charitable organization, and not one out to overthrow, upset or destroy the government. It had been included in the "subversive list" prepared by Tom Clark, Attorney General, two years ago in connection with the loyalty check on federal employés.

The committee had challenged the listing in a suit in district court here. It was dismissed on motion of the government. Justices Bennett Champ Clark and James M. Proctor joined in affirming the District Court's decision.

But Justice H. W. Edgerton dissented.

Would Restrict Speech Freedom

Clark and Proctor said that in preparing the list of subversive organizations, the Justice Department had acted for the President of the United States. "Had the President performed the task himself, his acts could not have been challenged legally," they reasoned.

Edgerton said that since the suit was thrown out of District Court by the motion to dismiss, the Appeals Court had to accept the Anti-Fascist Committee's statement that it was a charitable organization. He also declared the group should have been given advance notice of a hearing before it was put on any subversive list.

He said the effect of the Attorney General's action was to restrict government employés' freedom of speech and assembly.

Not so, said Clark and Proctor.

"Anyone is free to join the committee and give it his support and encouragement. Everyone has a constitutional right to do these things, but no one has a constitutional right to be a government employé," they said.

Eleven members of the committee, including Dr. Edward K. Barsky, were convicted of contempt of Congress last year because of refusal to turn over records of their organization to the House Un-American Activities Committee.

U. S. 'Subversive' Label Upheld

AUG 12 1949

Court of Appeals Says Government Has Right to Classify Certain Groups.

Washington, Aug. 11 (A. P.).—The United States Court of Appeals upheld today the Federal Government's right to label certain groups "subversive." The two-to-one decision was handed down in the case of the Joint Anti-Fascist Refugee Committee, which had appealed from its inclusion in Attorney-General Clark's "subversive list" two years ago.

The appeals court affirmed the United States district court here in dismissing the refugee committee's suit on a motion by the Government. The allegedly subversive organizations were named by the Attorney-General in connection with the loyalty check on Federal employees.

Action for President.

Justices Bennett Champ Clark and Jmes M. Proctor said that the Department of Justice had acted for the President of the United States, and that "had the President performed the task himself, his acts could not have been challenged legally."

Justice H. W. Edgerton filed a sharp dissent, saying that since the challenge was thrown out of the District Court on a simple motion to dismiss, the Appeals Court had to accept the statements of the Joint Anti-Fascist Refugee Committee, which claimed that it was a charitable organization. If this were true, Edgerton said, to call it subversive was damaging and "contrary to fact."

Majority Opinion.

However, the majority said that the publication of the list, with the accompanying warning that membership in any of the organizations would be regarded as one test of Federal employee loyalty, was a necessary step in carrying out the loyalty program. Judges Clark and Proctor said that, contrary to the contentions of the Anti-Fascist Refugee Committee, "freedom of speech and assembly is denied no one."

"Any one is free to join the committee, and give it his support and encouragement," the court ruled. "Every one has a constitutional right to do these things, but no one has a constitutional right to be a governmental employee."

Dr. Edward K. Barsky, chairman of the committee, and ten other committee members were convicted of contempt of Congress last year. They refused to turn their committee records over to the House Un-American Activities Committee.

Reds Set Up UE, Ex-Aide Declares

AUG 12 1949

WASHINGTON, Aug. 11 (AP).—A self-identified former leader of efforts to Communize American labor unions said today the United Electrical Workers (CIO) was set up by Communists.

Testifying before a House Un-American Activities subcommittee, Joseph Zack Kornfeder also identified two men connected with the union as either Communists or former Communists. They are James Matles, international organizer, and James Lustig, who Kornfeder said is a union representative in the New York district.

CLAIMS RED DOMINATION

Representative Francis E. Walter (D., Pa.), a committee member, asked: "From its inception, was the United Electrical Workers dominated by Communists?"

"Yes," Kornfeder replied, "it was set up by them."

While he was testifying, a statement by the union was distributed in the committee room saying Kornfeder "has been peddling his 20-year-old stale, Red-baiting, frame-up stew for more than a decade."

Walter asked Kornfeder how the Communists operated to get control of unions.

"By infiltration," Kornfeder replied. "They set up secret groups in unions, and in that way elect officers and get control. This infiltration was successful in a number of instances, especially among food workers, painters, and in some of the building trades."

GOT MANY SYMPATHIZERS

Kornfeder said the number of converts to the Communist Party among union members was not great, "but as for sympathizers it was more successful."

Kornfeder said he had known Matles since 1925, and that he definitely was a member of the Communist Party in 1931 and 1932.

Asked whether Lustig also was a member of the party, the witness replied, "Yes, he was."

Kornfeder said that when he was in charge of Communist Party trade union activities in the New York district, he "requisitioned" Lustig to work under his direction.

ORGANIZER TESTIFIES

Earlier, Thomas Quinn, of Pittsburgh, field organizer for the UE, refused to tell the committee whether he is or ever has been a Communist.

"I decline to discuss with this committee questions of this nature," Quinn said.

Hoover Twitted And Hailed On Economy

AUG 12 1949

Washington, Aug. 11 (AP)—Congressional reaction to Herbert Hoover's assertion that the United States is "on the last mile" toward the all-powerful state followed the usual economic grooves today.

Republicans and Southern Democrats generally held the former President was exactly right when he said in a seventy-fifth birthday address in Palo Alto, Cal., last night that "through Government spending and taxes our nation is blissfully driving down the back road" to collectivism.

Myers Points Back To 1932

Administration Democrats disagreed vigorously. As an example, Senator Myers, of Pennsylvania, the party's assistant leader in the Senate, said:

"On the economic front, Mr. Hoover has learned nothing in sixteen years. He is raising the same cry that he and those of his political views have raised for sixteen years.

"The whole structure of the Government is so much sounder and more stable than it was in 1932, when he was President, that I think no other answer is required."

Taft Hails "Basic Issue"

Senator Taft of Ohio, chairman of the GOP Policy Committee, said that Hoover again has raised the fundamental issue of personal freedom as he has so often done in the past."

"It is the great, fundamental issue before the people today," Taft declared. "Mr. Hoover's fears are fully realized in the definite proposals in Congress to regulate or take over every field of private activity in the United States."

Senator Byrd (D., Va.), who has attacked President Truman's spending budget sharply, said he agrees thoroughly with Hoover. He added:

"I've been doing all in my power for retrenchment of Government spending ever since I've been here."

Not Too Late, Capehart Says

Senator Capehart (R., Ind.) said he thinks Hoover is right about his assertion that the Government is moving toward socialism by spending the people's savings through high taxes and high outlays.

There is no question in my mind that every night when we go to bed we are just one day nearer socialization under the present administration," the Indiana Senator said.

"It's still not too late to stop it if Congress has the courage to do it."

Reorganization Urged

In that connection, Senator McCarthy (R., Wis.) said he thinks Congress ought to stay in session until it acts on all of the Government reorganization proposals made by the commission which the former President has headed.

Thus far, McCarthy noted that Congress has passed only four out of nineteen reorganization bills that have been introduced.

"The money is there to be saved," he said. "It would be a mistake to adjourn until all of these reorganization plans have been acted upon."

Here's How Average Worker Gives 1 Week in Each Four to Uncle Sam

Palo Alto, Cal., Aug. 11.—The table of the number of days each year that the average working citizen must work to pay for Government spending, as presented last night by former President Herbert Hoover in his speech, follows. As figured by the former President it works out to one week in every working month:

AUG 12 1949

	Days.
Obligations for former wars	11
Current defense and the cold war	24
Other Federal expenses	12
State and local expenditures	14
Current annual total	61
Proposed additional spending	20
Indicated future total	81

"JUSPAD DID NOT THINK ABOUT THE CONSTRUCTION AND EXTENSION OF SHIPBUILDING ENTERPRISES IN YUGOSLAVIA BUT ONLY CONCERNED ITSELF WITH SQUEEZING X X X A PROFIT FOR ITSELF FROM THE EXISTING SHIPBUILDING ENTERPRISES X X X. LONDON - XXX COMPANY.

"THE WHOLE WORK OF THIS SOCIETY (STEAMSHIP COMPANY) DID NOT DIFFER IN THE LEAST BIT FROM THAT OF CAPITALIST SOCIETIES IN OLD YUGOSLAVIA. BUT THAT WHICH WAS DONE IN OLD YUGOSLAVIA CANNOT BE DONE IN TITO'S YUGOSLAVIA, NO MATTER WHO IT MAY BE."

BD1012PED

PRECEDE SHANNON DAY (120)

AUG 12 1949

DUBLIN, AUG. 11-(AP)-PAUL G.HOFFMAN SAID TONIGHT THAT IF MARSHALL PLAN COUNTRIES "WERE MAKING A CONCERTED EFFORT TO SELL GOODS ON THE AMERICAN MARKET, I BELIEVE THE SO-CALLED DOLLAR GAP COULD BE CLOSED QUICKLY."

ASSUMING ECA ALLOCATIONS WILL END AFTER 1952, THE EUROPEAN-RECOVERY PROGRAM ADMINISTRATOR TOLD REPORTERS, EUROPE "WILL HAVE TO EARN THROUGH EXPORTS ABOUT $3,500,000,000 -- OR THREE TIMES MORE THAN IT IS NOW EARNING."

THIS MEANS, HE SAID, THERE WILL HAVE TO BE A "REAL EFFORT" MADE BY EUROPE TO SELL GOODS TO AMERICA. HOFFMAN SAID THE NEW YORK AREA WAS NOT THE BEST MARKET FOR GOODS NOW, AS BELIEVED BY THE AVERAGE EUROPEAN MANUFACTURER--BUT "THERE IS A VERY BIG MARKET TO BE TAPPED IN THE SOUTHWEST."

HOFFMAN ARRIVED FROM THE UNITED STATES TODAY FOR A 16-DAY TOUR OF THE MARSHALL PLAN COUNTRIES.

SN1040PED

WASHINGTON,AUG.11-(AP)-REP.NORBLAD (R-ORE) ASKED ECONOMIC COOPERATION ADMINISTRATOR PAUL G.HOFFMAN TODAY TO INVESTIGATE A REPORTED BRITISH PURCHASE OF $8,000,000 WORTH OF LUMBER IN THE SOVIET UNION.

NORBLAD MADE PUBLIC A LETTER TO HOFFMAN SAYING:

"IN VIEW OF THE FACT THAT THE BRITISH ECONOMY IS BEING SUBSTANTIALLY SUPPORTED BY ECA AMERICAN TAXPAYERS' FUNDS (AS IS EVIDENCED BY OUR CURRENT ANNUAL EXPENDITURES OF $1,300,000,000 IN THAT COUNTRY) THIS PURCHASE IS CERTAINLY CONTRARY TO THE INTENT OF CONGRESS IN APPROVING THE RECOVERY PROGRAM."

AUG 12 1949

THE CONGRESSMAN ASKED HOFFMAN TO DETERMINE THE FACTS OF THE CASE SO THAT IN THE FUTURE ECA MONEY "WILL NOT BE USED DIRECTLY OR INDIRECTLY TO ASSIST THE SOVIET."

"AS YOU MAY KNOW," NORBLAD WROTE, "THERE ARE EXCESS STOCKS OF LUMBER IN THIS COUNTRY, AND MANY OF OUR MILLS IN THE PACIFIC NORTHWEST HAVE SHUT DOWN FOR LACK OF BUSINESS.

"CERTAINLY THE ECA WAS NOT APPROVED BY CONGRESS FOR THE PURPOSE OF SENDING FUNDS TO BENEFICIARY NATIONS TO EXPEND THE SOVIET--RATHER IT WAS TO REBUILD AND STRENGTHEN THOSE COUNTRIES AS A BULWARK AGAINST POSSIBLE SOVIET AGGRESSION."

MD1009PED

AMERICANS ABROAD ALSO HAVE A RESPONSIBILITY, MRS.BOLTON SAID.
"LET THEM SEE" SHE TOLD THE AMERICAN BUSINESSMEN AND GOVERNMENT OFFICIALS IN THE CLUB, "THAT DOLLARS ARE NOT EVERYTHING TO US, THAT WE REALIZE THAT THE EARTH IS THE LORD'S AND THE FULLNESS THEREOF, THAT THE REAL QUARREL IS BETWEEN THE BELIEVERS AND THE UNBELIEVERS."

BJ1147AED

AUG 12 1949

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AUG 12 1949

NIGHT LEAD EUROPEAN ASSEMBLY
BY FRANK O'BRIEN

STRASBOURG, FRANCE, AUG.11-(AP)-WINSTON CHURCHILL, IN A VIGOROUS RETURN TO CONTINENTAL POLITICS, WON TWO VICTORIES TODAY IN THE CONSULTATIVE ASSEMBLY OF THE COUNCIL OF EUROPE.

HIS CANDIDATE FOR ASSEMBLY PRESIDENT, SOCIALIST EX-PREMIER PAUL-HENRI SPAAK OF BELGIUM, WAS ELECTED UNANIMOUSLY. SPAAK, WHO LOOKS ENOUGH LIKE CHRCHILL TO BE HIS BROTHER, WAS FIRST PRESIDENT OF THE UNITED NATIONS ASSEMBLY IN LONDON AND NEW YORK THREE YEARS AGO.

CHURCHILL'S SECOND SUCCESSFUL MANEUVER WAS MADE IN OPPOSITION TO THE CANDIDACY OF WILLIAM WHITELEY, THE LABOR GOVERNMENT'S PARLIAMENTARY SECRETARY OF THE BRITISH TREASURY, FOR ONE OF THE ASSEMBLY'S FOUR VICE-PRESIDENCIES. WHITELEY RAN FIFTH IN A FIELD OF SIX, BEING BARELY DEFEATED BY A BRITISH LORD.

THE ASSEMBLY IS THE 12-NATION FORMATIVE GROUP THAT HOPES TO BECOME THE PARLIAMENT OF EUROPE IN A DREAMED-OF FEDERATION OF CONTINENTAL STATES.

CHURCHILL, PRESIDENT SPAAK AND FOUR VICE-PRESIDENTS ALL ARE ARDENT PROMOTERS OF THE EUROPEAN MOVEMENT (CAP E, CAP M). THE VICE-PRESIDENTS AND THE VOTES THEY RECEIVED OUT OF 98 CAST ARE:

FRANCOIS DE MENTHON OF FRANCE, 90; STEFANO JACINI OF ITALY, 80; OLE BJOERN KRAFT OF DENMARK, 78, AND LORD LAYTON OF BRITAIN, 52.

WHITELEY WAS FIVE VOTES BEHIND LAYTON, A BRITISH NEWSPAPER PUBLISHER, WITH 47. THE SIXTH CANDIDATE, FORMER PREMIER EAMON DE VALERA OF IRELAND, GOT 15 VOTES.

THE 74-YEAR-OLD WARTIME PRIME MINISTER OF BRITAIN, WHO BLASTS AT THE LABOR GOVERNMENT REGULARLY AS MINORITY LEADER AT HOME, TOLD THE ASSEMBLY WHITELEY WAS HIS FRIEND AND THAT HE OPPOSED THE LABORITE ONLY BECAUSE ACTIVE GOVERNMENT OFFICIALS SHOULD BE KEPT FROM THE ASSEMBLY CHAIRMANSHIP.

WHILE CHURCHILL CONTENDED THE ISSUE "RISES ABOVE PERSONALITIES.... AND PARTY MATTERS," WHITELEY'S DEFEAT WAS REGARDED AS A SETBACK FOR THE BRITISH LABORITE BRAND OF SOCIALISM AND A VICTORY FOR CHURCHILL'S EUROPEAN MOVEMENT AND HIS FEDERATION HOPES.

HERBERT MORRISON, BRITISH DEPUTY PRIME MINISTER, CHARGED THE OPPOSITION TO WHITELEY WAS POLITICAL AND REGRETTABLE.

CHURCHILL SPOKE TO THE ASSEMBLY THREE TIMES DURING THE DAY, TWICE TO URGE REVOLT AGAINST "CONDITIONS WHICH WOULD NEVER BE ACCEPTED BY ANY PARLIAMENT."

HE AND OTHER DELEGATES OPENED UP WHAT APPEARS TO BE A REBELLION AGAINST POWERS HELD OVER THE ASSEMBLY BY THE COUNCIL'S COMMITTEE OF FOREIGN MINISTERS, OR "UPPER HOUSE" OF THIS PROPOSED FEDERATION.

CHURCHILL HIMSELF LED A STRONG ATTACK ON A RULE REQUIRING THE ASSEMBLY TO ASK COMMITTEE PERMISSION TO ADD TO THE AGENDA AND DO THIS WITHIN THREE DAYS OF A FORMAL ASSEMBLY OPENING.

SPAAK GOT THE ASSEMBLY TO AGREE ON FORMATION OF A SPECIAL COMMITTEE TO TAKE THIS UP WITH THE MINISTERS AND TRY TO MODIFY THE THREE-DAY RULE.

SPAAK AND CHURCHILL ARE AMONG THE WORLD'S MOST OUTSPOKEN FOES OF COMMUNISM. IN GENERAL DEBATE AT THE U.N. ASSEMBLY IN PARIS LAST FALL, SPAAK TOLD THE RUSSIANS THEY WERE TRYING TO WRECK THE PEACE AND WARNED OTHER DELEGATES RUSSIA HAS A FIFTH COLUMN THAT MAKES HITLER'S OLD ADVANCE GUARD SEEM LIKE A TROOP OF BOY SCOUTS.

LIKE CHURCHILL, SPAAK WAS BORN AN ARISTOCRAT. THE BELGIAN WAS A RABID SOCIALIST AS A YOUTH AND, STILL A SOCIALIST PARTY MEMBER, MODERATED HIS VIEWS LATER IN LIFE TO BECOME A MIDDLE-OF-THE-ROAD LIBERAL.

WHEN IT BECAME APPARENT THAT THE CHURCHILL-BACKED CANDIDACY OF SPAAK WAS A SURE BET, SPAAK RESIGNED IN BRUSSELS LAST NIGHT AS ACTING PREMIER AND FOREIGN MINISTER. HE PREVIOUSLY HAD BEEN BELGIAN PREMIER.

TAKING OVER AT THE AFTERNOON SESSION SPAAK SAID:

"IT IS NOT POSSIBLE TO REMAKE EUROPE TO OUR HEARTS' DESIRE IN ONE MONTH. YOU MUST MAKE A CHOICE AMONG THE PROBLEMS. AFTER THIS SESSION, THERE WILL BE OTHERS. IT IS INDISPENSABLE THAT SOMETHING REAL AND PRACTICAL RESULT FROM OUR WORK."

SPAAK ADJOURNED THE ASSEMBLY AT 6 P.M. UNTIL 3:30 P.M. TOMORROW AFTER LIVELY DEBATE BY CHURCHILL AND OTHERS ON THE AGENDA.

CHURCHILL IS SCHEDULED TO SPEAK TOMORROW AT A EUROPEAN MOVEMENT RALLY STARTING AT 6:30 P.M. (11:30 A.M., E.S.T.). THERE HAS BEEN NO HINT WHETHER HE PLANS A MAJOR POLITICAL ADDRESS SUCH AS HE MADE LAST SPRING IN BRUSSELS AT A SIMILAR RALLY.

THE COMMUNIST PARTY HAS CALLED ON ITS FOLLOWERS TO ATTEND, AN INDICATION THAT HECKLING MAY RESULT IN THE CENTRAL KLEBER SQUARE.

MJ521PED

THIS, CHURCHILL SAID, IS A "SERIOUS ISSUE OF PRINCIPLE." HE ADDED:

"I SUBMIT WITH ALL RESPECT THAT, IN BEGINNING OUR NEW INSTITUTION HERE, IT IS OF THE UTMOST IMPORTANCE THAT WE SHOULD SET THE HIGHEST STORE BY THE PROTECTION AND THE IMPARTIALITY OF THE CHAIR AND ITS DIVORCE FROM OTHER EXTERNAL GOVERNMENTAL ASSOCIATION."

BRITAIN'S CONSERVATIVE LEADER SAID THE ISSUE WAS ONE "WHICH RISES ABOVE PERSONALITIES; IT ALSO RISES ABOVE PARTY MATTERS."

WHITELEY'S DEFEAT WAS REGARDED, HOWEVER, AS A SETBACK FOR THE BRITISH LABORITES AND THEIR SOCIALIST SUPPORTERS FROM OTHER COUNTRIES REPRESENTED IN THE ASSEMBLY AND A VICTORY FOR CHURCHILL'S EUROPEAN MOVEMENT (CAPS E, M), WHICH FAVORS A FEDERATED EUROPE. ALL FOUR VICE PRESIDENTS ARE MEMBERS OF THE EUROPEAN MOVEMENT.

STRASBOURG XXX ASSEMBLY

WW918AED

BERLIN, AUG. 11-(AP)-BERLIN JEWS ARE CALLING A RALLY FOR NEXT WEDNESDAY TO PROTEST FIRING BY GERMAN POLICE ON A JEWISH DISPLACED PERSONS DEMONSTRATION IN MUNICH YESTERDAY.

"WE SHARPLY PROTEST THE POLICE INTERVENTION IN A RIGHTFUL JEWISH DEMONSTRATION," LEADERS OF THE JEWISH COMMUNITY HERE SAID TODAY IN A TELEGRAM TO AMERICAN MILITARY GOVERNMENT. ABOUT 7,000 JEWS LIVE IN BERLIN.

THREE DPS AND 13 POLICEMEN WERE INJURED IN THE CLASH AT MUNICH, IN THE AMERICAN ZONE. A CROWD OF 1,000 DPS HAD GATHERED TO PROTEST AS ANTI-SEMITIC A LETTER PUBLISHED IN A MUNICH NEWSPAPER. POLICE FIRED AFTER THE THRONG REFUSED TO HEED ORDERS TO DISPERSE.

THE BERLIN JEWS' TELEGRAM URGED "HARSHEST ACTION" AGAINST THE PUBLISHER OF THE PAPER, THE SUEDDEUTSCHE ZEITUNG.

RP&BJ1129AED

Y DONALD DOANE

FRANKFURT, GERMANY, AUG.11-(AP)-ALLIED OBSERVERS SAY AN UNUSUALLY LIGHT VOTE IN WESTERN GERMANY'S FEDERAL ELECTION SUNDAY WOULD REFLECT A GROWING DISTRUST OF GERMAN POLITICAL LEADERS BY LARGE SEGMENTS OF THE VOTERS.

THESE OBSERVERS PREDICT FEWER THAN 65 PER CENT OF THE 30,000,000 ELIGIBLE VOTERS WILL GO TO THE POLLS. GERMAN POLITICANS THEMSELVES PREDICT A TURNOUT NO HIGHER THAN 70 PER CENT. THIS WOULD BE A SHARP DROP FROM THE 75 AND 80 PER CENT VOTE CAST IN MOST STATE ELECTIONS SINCE THE WAR.

IT WILL BE THE FIRST FEDERAL ELECTION SINCE PRE-HITLER DAYS. IN IT WEST GERMANS WILL CHOOSE A 400-MEMBER PARLIAMENT FOR AN 11-STATE REPUBLIC IN THE U.S., BRITISH AND FRENCH OCCUPATION ZONES. THE PARLIAMENT THEN WILL NAME A PRESIDENT AND A PRIME MINISTER (CHANCELLOR WHO WILL ORGANIZE THE GOVERNMENT.

GERMAN POLITICIANS CITE OTHER REASONS FOR THE EXISTENCE OF A CAMPAIGN APATHY. THEY SAY IT IS HARVEST TIME AND BUSY FARMERS HAVE N TIME FOR POLITICS. THEY ALSO SAY MILLIONS OF NEW VOTERS ARE REFUGEES EXPELLED FROM OTHER COUNTRIES WHO HAVE NOT YET TAKEN ANY POLITICAL FOOTHOLD. OTHER MILLIONS ARE YOUTHS WHO HAVE NOT YET ACQUIRED POLITICAL INTERESTS.

STILL ANOTHER REASON PROBABLY WILL BE CLAIMED BY THE COMMUNISTS. THEY ARE ALMOST CERTAIN TO HAIL A LIGHT VOTE AS EVIDENCE THAT GERMANS DISAPPROVE OF THE IDEA OF CREATING A WEST GERMAN REPUBLIC WITHOUT INCLUDING THE RUSSIAN ZONE--THAT THEY REGARD IT AS ALLIED "SPLITTING" OF THEIR FATHERLAND.

BOTH AMERICAN AND BRITISH OBSERVERS, HOWEVER, PLACE MUCH OF THE BLAME ON THE TYPE OF CAMPAIGN CONDUCTED BY THE POLITICIANS, WHO SPENT A LARGE PART OF THEIR TIME ATTACKING THE WESTERN OCCUPATION POWERS.

ONE BRITISH OBSERVER SAID: "THE GERMANS SIMPLY DON'T HAVE ANY FAITH IN THEIR PARTIES, THEY HAVE BEEN OFFERED NO CONSTRUCTIVE PROGRAMS---ONLY ATTACKS AGAINST THE ALLIES. YOUTHS, ESPECIALLY, ARE DISTRUSTFUL. FEW OF THEM WILL VOTE."

AN AMERICAN OBSERVER AGREED. HE SAID: "MANY VOTERS HAVE BEEN LOOKING ANXIOUSLY FOR A PARTY TO OFFER THEM A CONCRETE DOMESTIC PROGRAM. THEY ARE DISAPPOINTED IN THE PARTIES THEY VOTED FOR THE LAST TIME (IN STATE ELECTIONS). BUT THEY ARE OFFERED NO BETTER PLACE TO TURN. SO THEY WILL SIMPLY STAY AWAY FROM THE POLLS."

A SPOKESMAN FOR THE AMERICAN MILITARY GOVERNMENT TONIGHT CRITICIZED THE "PRONOUNCED NATIONALISM" OF THE CAMPAIGN. HE SAID IN A GERMAN-LANGUAGE RADIO BROADCAST THAT "NOT A SINGLE PARTY HAS A GOOD WORD FOR THE POSITIVE WORK OF THE WESTERN ALLIES." THIS WAS THE FIRST OFFICIAL AMERICAN STATEMENT TO THE GERMANS ON ANTI-ALLIED ATTACKS BY GERMAN CANDIDATES.

"ONE IS FORCED TO MAKE COMPARISONS WITH THE PAST AND TO LOOK WITH SOME ANXIETY TO THE FUTURE, WHICH IS BEING ENTRUSTED TO SUCH A FORGETFUL, NATIONALISTIC PEOPLE," HE SAID.

HE SAID GERMAN POLITICIANS ARE UNANIMOUS ON ONLY ONE POINT:

"A PRONOUNCED NATIONALISM WHICH SEES ALL RIGHT ON ONE SIDE AND ALL INJUSTICE AND BAD WILL ON THE OTHER SIDE."

THE SPOKESMAN WARNED THAT "OPINION ABROAD HAS NOT OVERLOOKED THE AWAKENED NATIONALISM NOR THE SUDDEN FORGETFULNESS OF GERMAN POLITICIANS CONCERNING THE ASSISTANCE THE WESTERN ALLIES HAVE RENDERED."

AS HE SPOKE, CANDIDATES FOR THE NEW PARLIAMENT CARRIED ON THEIR BLISTERING ATTACKS ON THE ALLIES.

ONE OF THE FIRST MAJOR DISORDERS OF THE CAMPAIGN OCCURRED IN BRUNSWICK, WHEN A GROUP OF MEN ARMED WITH LEAD PIPE BROKE UP A RALLY OF THE GERMAN RIGHTIST PARTY. MEMBERS OF THE EXTREME RIGHT-WING GROUP BATTLED THE INTRUDERS BEFORE 50 POLICEMEN ARRIVED. EYEWITNESSES SAID THE ARMED GROUP SANG THE "INTERNATIONALE" (OLD COMMUNIST INTERNATIONAL SONG) AS THEY STORMED INTO THE MEETING. SIX PERSONS WERE INJURED.

RECENT EDITORIALS IN SEVERAL POLITICALLY INDEPENDENT GERMAN NEWSPAPERS HAVE SUPPORTED THESE THEORIES.

MUNICH'S SUEDDEUTSCHE ZEITUNG, DEPLORING A LACK OF STRONG PERSONALITIES AMONG CANDIDATES, SAID THE VOTERS "CAN HARDLY DISTINGUISH BETWEEN THE CANDIDATES OR EVEN BETWEEN THE PARTIES."

SEVERAL PAPERS, HOWEVER, URGED PEOPLE TO VOTE, WITH A WARNING THAT RADICAL GROUPS ALWAYS VOTE HEAVILY, AND THE FAILURE OF OTHERS TO VOTE GIVES RADICALS THE CHANCE THEY SEEK.

THE MAINZ ALLGEMEINE ZEITUNG DEFENDED THE ALLIES AND DECLARED THE OCCUPATION POWERS HAD GIVEN GERMANY A CHANCE TO REVIVE DEMOCRACY. IT SAID:

"CERTAINLY THERE ARE MANY THINGS IN THE POLICY OF THE OCCUPYING POWERS WHICH CAN BE CRITICIZED. BUT IS IT WISE TO SHARPEN THOSE DIFFERENCES OF OPINION AND THEREBY DIG DEEP DITCHES AGAIN AND SOW NEW DISTRUST BETWEEN OURSELVES AND OTHER NATIONS?"

WW&P233PED

FRANKFURT, GERMANY, AUG. 11-(AP)-THE GERMAN BRIDE OF AN AMERICAN SOLDIER APPEALED TODAY FOR RETURN OF THEIR BABY, WHICH THE SOLDIER TOOK TO THE UNITED STATES.

THE SOLDIER IS SGT. CHARLTON B. CHAPLINE, 32, OF 3104 SOUTHWEST NEBRASKA STREET, PORTLAND, ORE.

ARMY RECORDS SHOW HE FLEW TO THE UNITED STATES JULY 30 WITH THE COUPLE'S FIVE-MONTH OLD SON, CHARLTON BRYAN CHAPLINE.

AN ARMY CHAPLAIN, CAPT. J.K.JUNG, SAID MRS. CHAPLINE HAD REFUSED TO ACCOMPANY CHAPLINE TO THE UNITED STATES.

NOW THE MOTHER, 25, HAS APPEALED TO THE AMERICAN RED CROSS AND EMPLOYED A GERMAN LAWYER IN AN ATTEMPT TO RECOVER THE CHILD.

HER TASK IS COMPLICATED, HOWEVER, BY THE FACT THE BABY HAS BEEN REGISTERED WITH THE U.S. CONSULATE HERE AS AN AMERICAN CITIZEN.

"I DON'T KNOW WHAT SHE CAN DO NOW EXCEPT JOIN HER HUSBAND AND BABY IN AMERICA," THE CHAPLAIN SAID.

RED CROSS OFFICIALS SAID THEY COULD NOT HANDLE SUCH A CASE.

MRS. CHAPLINE, THE FORMER RUTH MARGOT BALBACH, LIVES IN WIESBADEN, WHERE THE SERGEANT WAS ASSIGNED TO AN ARMY HOSPITAL UNIT.

TU849AED

FOLO FRANKFURT (B37DAY)

PORTLAND, ORE., AUG. 11-(AP)-SGT. CHARLTON B. CHAPLINE, 32, DECLARED TODAY THAT HIS TOWHEADED 5-MONTH-OLD SON WOULD "NEVER RETURN TO GERMANY."

CHAPLINE, WHOSE GERMAN WIFE WANTS THE BABY BACK, SAID THAT HE CONSIDERED HIMSELF PERMANENTLY SEPARATED FROM HIS WIFE, AND THAT HE INTENDED TO KEEP THE CHILD HERE.

THE SERGEANT, WHO FED AND DIAPERED THE BABY ON THE FLIGHT FROM GERMANY TO THIS COUNTRY, SAID HE WAS GOING TO SEEK LEGAL ASSURANCE

THAT HIS WIFE CAN'T GET THE BABY BACK.
A SUGGESTION OF A CHAPLAIN IN FRANKFURT THAT THE MOTHER SOLVE THE PROBLEM BY COMING HERE DREW A "THAT'S NOT LIKELY" COMMENT FROM CHAPLINE.
HE SAID SHE COULD NOT GET HERE QUICKLY WITHOUT HIS REQUEST, AND HE WOULD NOT REQUEST THAT. "WE'VE BEEN HAVING TROUBLE," HE SAID. "MOSTLY MOTHER-IN-LAW TROUBLE."
CHAPLINE WAS REPORTING FOR DUTY AT FORT LEWIS, WASH., TODAY, LEAVING THE BABY HERE IN THE CARE OF GRANDPARENTS, MR. AND MRS. CHARLTON B. CHAPLINE, SR.
FJ641PCS

AUG 12 1949

FRANKFURT, GERMANY, AUG.11-(AP)-TWO AMERICAN AIRMEN KILLED IN THE CRASH OF AN AIRLIFT PLANE HAVE BEEN AWARDED THIRD OAK LEAF CLUSTERS TO THEIR AIR MEDALS, THE U.S. AIR FORCE ANNOUNCED TODAY.
THE POSTHUMOUS AWARDS WERE MADE TO LT.DONALD J.LEEMON OF 1826 SMITH ST., GREEN BAY WIS., AND T/SGT.HERBERT F.HEINING OF FORT WAYNE, IND. THEY WERE KILLED WHEN THEIR C-54 TRANSPORT PLANE CRASHED JULY 12 IN THE RUSSIAN ZONE OF GERMANY. THE OAK LEAF CLUSTERS ARE PRE-SENTEND IN PLACE OF ADDITIONAL MEDALS.
JM146PED

AUG 12 1949

FRANKFURT, GERMANY, AUG.11-(AP)-THE LAST RESTRICTIONS ON RAIL TRAFFIC BETWEEN WESTERN GERMANY AND BERLIN WERE LIFTED TODAY.
AFTER THE BERLIN BLOCKADE ENDED, INDIVIDUAL GERMANS AND BUSINESSES WERE BANNED FROM SHIPPING FOOD OR GOODS TO BERLIN BY RAIL.
THE GERMAN RAIL ADMINISTRATION ANNOUNCED TODAY THAT THESE TYPE OF GOODS NOW CAN BE SENT THROUGH THE RUSSIAN ZONE.
WW858AED

BY PHILIP CLARKE (170)
ROME, AUG. 12-(AP)-ITALY'S COMMUNIST PARTY DECLARED IDEOLOGICAL WAR TODAY AGAINST THE ROMAN CATHOLIC CHURCH.
THE MOVEMENT IS AIMED, SPONSORS SAID, AT COUNTERACTING THE RECENT VATICAN DECREE IMPOSING EXCOMMUNICATION AGAINST CATHOLICS WHO REMAIN MILITANT COMMUNISTS.
A RESOLUTION PUBLISHED IN THE COMMUNIST PARTY ORGAN "UNITA" CHARGED THE CHURCH AND AMERICAN IMPERIALISTS WITH WAGING "IDEOLOGICAL TERRORISM" TO PREPARE THE MASSES FOR A NEW WORLD WAR.
IT SAID "FORCES OF CLERICAL OBSCURANTISM" WERE AT THE CENTER OF AN OFFENSIVE AGAINST THE PROGRESSIVE FORCES OF LABOR AND CULTURE. AND CLOSELY TIED TO THESE FORCES, THE RESOLUTION SAID, ARE THE ECONOMIC, POLITICAL AND CULTURAL AGENCIES OF AMERICAN IMPERIALISM.
THE COMMUNIST RESOLUTION MAPPED THE "GREAT MOVEMENT FOR POPULAR CULTURE" IN THESE "MOST URGENT" FIELDS OF ACTION, AMONG OTHERS."
"CREATION OF A NETWORK OF POPULAR LIBRARIES AS PART OF A GREAT CAMPAIGN OF CULTURAL ILLUMINATION.
"SYSTEMATIC ORGANIZATION OF CONFERENCES OF SCIENTIFIC, ECONOMIC AND TECHNICAL ARGUMENTS.
"ORGANIZATION OF COURSES AT POPULAR UNIVERSITIES WITH CALENDARS OF STUDIES FOR THE PEOPLE.
ORGANIZATION AND PARTICIPATION OF THE MASSES OF WORKERS AND STUDENTS IN YOUTH CULTURE OLYMPICS."
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THE WHO, A UNITED NATIONS AGENCY, SAID EUROPE'S LATIN COUNTRIES "SHOWED AN ALMOST DRAMATIC CHANGE IN THEIR GENERAL DEATH RATE" SINCE THE BEGINNING OF THE CENTURY. THE GREATEST RELATIVE IMPROVE-MENT WAS RECORDED IN SPAIN AND ITALY. GPHRVA - XXX NETHERLANDS
IN 1901, ITALY'S DEATH RATE WAS 22 PER 1,000. THE RATE HAD DROPPED TO 11.4 IN 1947. A COMPARISON OF THE SPANISH FIGURES FOR THE SAME YEARS SHOWED A DROP FROM 27.8 TO 11.8.
RP1029AED

GENEVA, SWITZERLAND, AUG. 11-(AP)-THE UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL REJECTED 13 TO THREE TODAY A RESOLUTION OUTLINING THE COMMUNIST-DOMINATED WORLD FEDERATION OF TRADE UNIONS' VIEWS ON UNEMPLOYMENT AND ECONOMIC CRISIS.
THE SOVIET UNION, WHITE RUSSIA AND POLAND VOTED FOR THE RESOLUTION. INDIA ABSTAINED.
THE RESOLUTION CHARGED CAPITALIST NATIONS WITH APPLYING TRADE RESTRICTIONS AND EXPLOITATION OF LABOR AND SAID "THE DOMINANT ECONOMIC FORCES IN CERTAIN COUNTRIES PREFER TO PROVOKE A NEW WORLD WAR RATHER THAN AGREE TO MEASURES WHICH COULD ALLEVIATE UNEMPLOYMENT BUT WHICH WOULD IMPINGE ON THEIR PRIVILEGES AND PROFITS."
STILL TO BE CONSIDERED IS A JOINT RESOLUTION OF FRANCE, THE UNITED KINGDOM AND THE UNITED STATES. IT INVITES THE U.N. TO FORM A SMALL GROUP OF EXPERTS TO DRAW UP A REPORT ON POSSIBLE MEASURES FOR MAINTAINING FULL EMPLOYMENT AND URGES GOVERNMENTS TO AVOID MEASURES WHICH WOULD RESTRICT INTERNATIONAL TRADE.
RP1033AED

AUG 12 1949

LAUSANNE, SWITZERLAND, AUGG 11-(AP)-PAUL A. PORTER, UNITED STATES MEMBER OF THE UNITED NATIONS PALESTINE CONCILIATION COMMISSION, LEFT TODAY FOR WASHINGTON TO CONSULT WITH U.S. GOVERNMENT OFFICIALS.
IT IS EXPECTED THAT PORTER'S CONSULTATIONS WILL DEAL LARGELY WITH THE RECENT ISRAELI OFFER TO REPATRIATE 100,000 ARAB REFUGEES TO ISRAEL ON CONDITION THAT A SUBSTANTIAL PART OF THE REMAINING REFUGEES ARE RESETTLED PERMANENTLY IN THE ARAB COUNTIES.
RP1025AED

NIGHT LEAD GREEK (210)

ATHENS, GREECE, AUG.11-(AP)-THE GENERAL STAFF SAID TODAY THE ARMY'S OFFENSIVE AGAINST COMMUNIST GUERRILLAS IN THE VITSI TRIANGLE IS GROWING.

THE COMMUNIQUE SAID HEAVILY FORTIFIED GUERRILLA POSITIONS IN THE TRIANGE, NEAR THE ALBANIAN AND YUGOSLAV BORDERS, HAVE BEEN CAPTURED AND THAT ARMY TROOPS HAVE ADVANCED AS FAR AS FOUR MILES INTO COMMUNIST-HELD TERRITORY SOUTHWEST OF PHLORINA.

THE ANNOUNCEMENT ADDED "PRESSURE AGAINST THE ENEMY CONTINUES" IN THE GRAMMOS MOUNTAINS AREA. AN ALL-OUT OFFENSIVE AGAINST THE GUERRILLAS' STRONGEST REMAINING CENTER OPENED LAST WEEK.

IN THE VITSI AREA, THE GREEK AIR FORCE HAMMERED GUERRILLA POSITIONS WITH ROCKETS, BOMBS AND MACHINEGUN FIRE. PLANES AND TANKS ALSO WERE BEING PRESSED INTO THE BATTLE BY THE ARMY.

COMMANDO TROOPS WHO STARTED MOVING IN LAST NIGHT SEIZED THE VITAL HEIGHTS OF BARO AND LESSITS, NORTH OF KASTORIA ON THE EASTERN SIDE OF THE MAIN ROAD FROM KASTORIA TO PHLORINA. FARTHER EAST, NATIONAL TROOPS CAPTURED GLAVATA AND POLENATA HEIGHTS.

(A BROADCAST BY THE TIRANA, ALBANIA, RADIO, HEARD IN LONDON, CHARGED THAT FIVE GREEK GOVERNMENT PLANES HAD FLOWN OVER ALBANIAN TERRITORY TODAY. THE ALBANIAN DEFENSE MINISTRY DECLARED YESTERDAY THAT SEVERAL HUNDRED GREEK TROOPS HAD BEEN KILLED OR CAPTURED ALONG THE 30-MILE FRONT. THE ATHENS GOVERNMENT HAS DENIED ANY ATTEMPT TO INVADE ALBANIA.)

DURING THE PAST TWO DAYS CASUALTIES LISTED BY THE GOVERNMENT FOR THE GRAMMOS AREA INCLUDED: 95 ARMY SOLDIERS KILLED; 538 WOUNDED; 116 GUERRILLAS KILLED; 38 CAPTURED.

JK755PED

AUG 12 1949

ATHENS---SECOND ADD GREEK X X X [redacted]. TBHS

A USUALLY RELIABLE SOURCE HERE TOLD A REPORTER ONE ENTIRE GREEK ARMY BATTALION (PERHAPS 600 MEN) WAS WIPED OUT BY GUERRILLAS ON THE SLOPES OF MOUNT TSARNON, WHERE IT HAD BEEN CAUGHT IN A MINEFIELD. THIS INFORMANT SAID THE GENERAL STAFF, IN REPORTING CASUALTIES, HAD DIVIDED THE NUMBER OF MEN IN THE BATTALION INTO TWO DAYS' REPORTS.

IN THE PAST TWO DAYS ARMY COMMUNIQUES HAVE REPORTED 95 ARMY SOLDIERS KILLED AND 538 WOUNDED IN THE GRAMMOS FIGHTING, AND GUERRILLA LOSSES OF 116 KILLED AND 38 CAPTURED.

B1003AED

BELGRADE,YUGOSLAVIA,AUG 11-(AP)-THE PATRIARCH OF YUGOSLAVIA'S SERBIAN ORTHODOX CHURCH SAID TODAY IT IS COMPLETELY LOYAL TO THE STATE AND DOES NOT CONSIDER POLITICAL CONVICTIONS IN MATTERS OF EXCOMMUNICATION.

THE PATRIARCH, DR.GAVRILO DOZIVH, EXPRESSED HIS VIEWS IN WRITING, IN ANSWER TO A REPORTER'S QUESTIONS. HE HEADS THE LEADING CHURCH IN YUGOSLAVIA. (AVAILABLE CENSUS FIGURES SHOWED ABOUT 48 PER CENT OF THE POPULATION ADHERING TO THE ORTHODOX CHURCH AND 37 PER CENT TO THE ROMAN CATHOLIC CHURCH.)

DR.DOZIVH SAID THERE IS NO CONFLICT BETWEEN HIS CHURCH AND PREMIER MARSHAL TITO'S COMMUNIST-DOMINATED GOVERNMENT. HE SAID THE CHURCH "IS COMPLETELY LOYAL TOWARD THE STATE AND STATE PARTIES, NOT INTERFERING IN POLITICS OR POLITICAL PRACTICE."

ASKED WHAT PROVISION HIS CHURCH HAS TAKEN ON THE QUESTION OF EXCOMMUNICATING PERSONS WHO SUPPORT COMMUNISM, THE GRAY-BEARDED PATRIARCH SAID:

"THE CHRISTIAN SERBIAN ORTHODOX CHURCH USED THE PUNISHMENT OF EXCOMMUNICATION VERY RARELY, ONLY AGAINST INDIVIDUAL STUBBORN PERSONS WHO COMMITTED SERIOUS RELIGIOUS VIOLATIONS AND WHO INSULTED THE RELIGION AND THE CHURCH, WITHOUT TAKING INTO CONSIDERATION HIS POLITICAL CONVICTIONS."

JK759PED

BELGRADE, AUG.11-(AP)-THE YUGOSLAV COMMUNIST NEWSPAPER BORBA DENIED TODAY COMINFORM CHARGES THAT PARENTS OF GREEK REFUGEE CHILDREN HERE HAD BEEN DENIED THE RIGHT TO DETERMINE THEIR YOUNGSTERS' FUTURE.

THE NEWSPAPER SAID THE GREEK CHILDREN SOUGHT SANCTUARY IN YUGOSLAVIA AT THE WISH OF THEIR PARENTS TO ESCAPE THE CIVIL STRIFE IN GREECE. IT SAID YUGOSLAV AUTHORITIES RESPECT THE WILL AND WISHES OF THE PARENTS.

ALL TOLD ABOUT 22,000 GREEK CHILDREN HAVE CROSSED INTO YUGOSLAVIA. ON THE BASIS OF OFFICIAL FIGURES, ABOUT HALF OF THEM REMAINED HERE IN CHILDREN CENTERS AND THE REST PASSED ON TO OTHER EASTERN EUROPEAN COUNTRIES.

THE CLAIM OF THE COMINFORM (COMMUNIST INTERNATIONAL INFORMATION BUREAU) APPARENTLY STEMMED IN PART AT LEAST FROM YUGOSLAVIA'S OWN ACCUSATIONS THAT 63 YUGOSLAV CHILDREN SENT TO RUSSIA FOR SCHOOLING NOW ARE BEING HELD IN THE SOVIET UNION AS VIRTUAL CAPTIVES.

YUGOSLAVIA'S ACCUSATION WAS MADE FORMALLY TWO DAYS AGO. IT WAS REPEATED TODAY BY BORBA. THE NEWSPAPER PRINTED A NEW BATCH OF LETTERS CITING SPECIFIC CASES OF YUGOSLAV PARENTS WHO WANT THEIR CHILDREN HOME FROM RUSSIA IMMEDIATELY.

FOR MORE THAN A YEAR THE YUGOSLAV GOVERNMENT HAS BEEN AT ODDS WITH THE COUNTRIES IN THE MOSCOW-DIRECTED COMINFORM. YUGOSLAVIA IS SEEKING THE RETURN OF YUGOSLAV CHILDREN, PARTLY AT LEAST TO PREVENT THEM FROM RECEIVING SOVIET INDOCTRINATION AGAINST THEIR OWN GOVERNMENT.

WW903AED

TEHRAN,IRAN,AUG 11-(AP)-IRAN HAS PROTESTED VIGOROUSLY TO RUSSIAN DETENTION OF THREE IRANIAN BORDER OFFICIALS AND AN INTERPRETER.

A GOVERNMENT SPOKESMAN, WHO ANNOUNCED DISPATCH OF THE NOTE, SAID IT INVOLVED LT.AKHAVAN, TWO SOLDIERS AND AN INTERPRETER WHO HAD GONE ON A RUSSIAN INVITATION TO A SOVIET BORDER POST NEAR KALAT. KALAT IS ON THE NORTHERN KHORASAN PROVINCE FRONTIER.

ALL WERE ARRESTED, THE SPOKESMAN SAID. RUSSIAN OFFICIALS LATER INFORMED THE IRANIAN GOVERNMENT THEY WOULD BE RELEASED ONLY IF IRAN RETURNS TO RUSSIA SOME SOVIET OFFICERS AND SOLDIERS WHO TOOK REFUGE IN IRAN THREE WEEKS AGO.

JK715PED

RANGOON, BURMA, AUG. 11-(AP)-THE BURMESE GOVERNMENT TODAY DESCRIBED AS "ABSOLUTELY UNTRUE" REPORTS HERE THAT PREMIER THAKIN NU SOON WOULD PARTICIPATE IN TALKS CONCERNING AN ANTI-COMMUNIST PACIFIC PACT.

A SPOKESMAN SAID THAKIN NU HAD NO INTENTION OF VISITING THE PHILIPPINES TO DISCUSS WITH PRESIDENT ELPIDIO QUIRINO THE POSSIBILITY OF BURMA'S ENTERING SUCH A PACT, AS THE REPORTS SUGGESTED.

A COMMUNIQUE SAID BURMESE GOVERNMENT TROOPS HAD REOCCUPED THE TOWNS OF MYITTHA AND KUME, SOUTH OF MANDALAY ON THE RANGOON-MANDALAY RAILWAY. MOPPING UP OPERATIONS AGAINST REBEL FORCES ARE IN PROGRESS WITHIN AN EIGHT-MILE RADIUS OF THE TOWN OF KYAUKSE, THE BULLETIN SAID.

RP1017AED

AUG 12 1949

MANILA, AUG.11-(AP)- VICE ADM. OSCAR C. BADGER, COMMANDER OF THE UNITED STATES SEVENTH FLEET IN THE WESTERN PACIFIC, SAID TODAY HE WOULD RETURN TO THE UNITED STATES ON SEPT. 1.

HE IS SCHEDULED TO ASSUME NEW DUTIES THERE.

THE ADMIRAL HAD NO COMMENT ON THE ACTION OF 10 U.S. SENATORS IN ASKING THAT HE BE CALLED BACK TO WASHINGTON TO TESTIFY ON THE ARMS AID BILL.

ADMIRAL BADGER ARRIVED HERE TODAY ABOARD THE CRUISER ST. PAUL.

AL442APS

SHANGHAI, AUG. 11-(AP)-NEITHER CHINESE NATIONALISTS NOR COMMUNISTS HAVE YET AGREED TO PERMIT THE U.S. LINER GORDON TO ENTER SHANGHAI AS A REPATRIATION SHIP.

FLOYD DOWNS, AMERICAN PRESIDENT LINES SHANGHAI MANAGER, SAID TODAY BOTH THE COMPANY AND THE U.S. STATE DEPARTMENT HAD ASKED THE BLOCKADING NATIONALISTS FOR SAFE CONDUCT. THE LINE HOPES TO HAVE THE GORDON HERE SEPT. 15.

THE COMMUNISTS WERE ASKED PERMISSION FOR THE SHIP TO ENTER SHANGHAI. WHEN THE SUBJECT WAS FIRST BROACHED, THEY SAID THEY EXPECTED TO REACH A DECISION AUG. 20, EIGHT DAYS BEFORE THE GORDON IS TO LEAVE SAN FRANCISCO FOR THE ORIENT.

SOME 1,783 FOREIGNERS, MOST OF THEM BRITISH AND AMERICAN, HAVE ASKED FOR PASSAGE ON THE LINER. AT THE PRESENT RATE THE REDS ARE ISSUING EXIT PERMITS, VERY FEW OF THAT NUMBER WILL BE CLEARED. THE REDS GRANT BETWEEN EIGHT AND 10 PERMITS A DAY.

LW350APS NM

AUG 12 1949

OBSERVERS FEEL PAI INTENDS TO PULL BACK INTO HIS NATIVE KWANGSI RATHER THAN KWANGTUNG IF HIS FORCES RETREAT BEFORE THE ADVANCING COMMUNISTS.

SUCH A MOVE WOULD LEAVE CANTON, WHICH IS ALSO THE KEANGTUNG PROVINCIAL CAPITAL, UNDEFENDED BY PAI'S FORCES.

TA KUNG PAO SAID FOUR ARMIES FROM FORMOSA WERE ON THE HUNAN FRONT BUT THIS WAS CONSIDERED EXTREMELY DOUBTFUL HERE.

IN KANSU PROVINCE IN THE NORTHWEST, RED TROOPS WERE REPORTED TO HAVE MADE FURTHER PROGRESS TOWARD LANCHOW, THE PROVINCIAL CAPITAL.

ANOTHER RED FORCE STRIKING NORTH FROM KUYUAN WAS REPORTED TO HAVE REACHED THE BORDER OF NINGHSIA PROVINCE IN THE NORTHWEST.

IN CANTON AN ARMY SPOKESMAN DENIED REPORTS THE CITY WAS BEING ABANDONED. GENERALISSIMO CHIANG KAI-SHEK HERE LAST MONTH SAID THE CITY WOULD BE DEFENDED. PREMIER YEN HSI-SHAN AGREED WITH CHIANG.

AL303APS

TRUMAN-CHINA

WASHINGTON,AUG.11-(AP)-PRESIDENT TRUMAN STEERED CLEAR TODAY OF ANY EXPRESSION ON WHETHER THIS GOVERNMENT WILL EVER RECOGNIZE A COMMUNIST GOVERNMENT IN CHINA.

HE TOLD A NEWS CONFERENCE THAT HE WAS NOT IN A POSITION TO ANSWER THAT QUESTION AND REFERRED REPORTERS TO LAST FRIDAY'S WHITE PAPER WHICH HE SAID COVERED EVERYTHING HE COULD TELL THEM.

HE DID SAY, HOWEVER, THAT THIS COUNTRY HAS NEVER BEEN IN FAVOR OF COMMUNISM WHEN HE WAS ASKED IF THERE WAS ANY CHANGE IN OUR ATTITUDE ABOUT COMMUNIST-DOMINATED AREAS.

MD448PED

WASH-CHINA

UPON HIS ARRIVAL AT WASHINGTON NATIONAL AIRPORT YESTERDAY AFTERNOON, HE DECLINED TO DISCUSS THE CHINA SITUATION IN ANY WAY. EVIDENTLY HE HAD BEEN INSTRUCTED TO MAKE NO PUBLIC STATEMENTS UNTIL AFTER A TALK WITH SECRETARY ACHESON.

STATE DEPARTMENT OFFICIALS SAID HE WOULD SEE ACHESON TODAY (PROBABLY IN THE AFTERNOON) AND SUBSEQUENTLY WOULD REPORT TO THE PRESIDENT. HE WILL THEN PARTICIPATE ACTIVELY IN ADVISING ON THE DEVELOPMENT OF NEW ANTI-COMMUNIST POLICIES TOWARD CHINA AND THE FAR EAST.

WHETHER HE WILL CONTINUE FOR SOME TIME TO HOLD THE TITLE OF AMBASSADOR TO CHINA, WHETHER HE MAY EVENTUALLY RESIGN AND REMAIN IN THIS COUNTRY OR WHETHER HE WILL WANT TO RETURN TO THE FAR EAST AS AN EDUCATOR REMAINS TO BE DISCLOSED. HE BECAME AMBASSADOR IN MID-1946 AFTER APPROXIMATELY 40 YEARS AS ONE OF THE MOST PROMINENT AMERICAN EDUCATORS IN THAT AREA OF THE WORLD.

MEANWHILE THIS COUNTRY'S DIPLOMATIC REPRESENTATION IN THE WAR-DIVIDED COUNTRY IS IN THE HANDS OF 53-YEAR-OLD LEWIS CLARK, A PROFESSIONAL DIPLOMAT. HE HEADED THE SECTION OF THE EMBASSY STAFF WHICH ESTABLISHED HEADQUARTERS AT CANTON TO BE NEAR THE NATIONALIST GOVERNMENT.

VH634AED

AUG 12 1949

TOKYO, AUG.11-(AP)- VICE ADM. CHARLES T. JOY IS EXPECTED IN JAPAN LATE THIS MONTH TO TAKE OVER COMMAND OF U.S. NAVAL FORCES IN THE FAR EAST.

ADMIRAL JOY WILL SUCCEED VICE ADM. RUSSELL S. BERKEY, WHO WILL ASSUME COMMAND OF THE SEVENTH FLEET IN THE MANILA-SUBIC BAY AREA.

AL309APS

AUG 12 1949

HONG KONG, AUG. 11-(AP)-LT.GEN.SIR JOHN HARDING, BRITAIN'S NEW COMMANDER-IN-CHIEF OF FAR EAST LAND FORCES, ARRIVED BY AIR TODAY FROM SINGAPORE.

HE IS SCHEDULED TO SPEND FOUR DAYS IN THIS CROWN COLONY BEFORE RETURNING TO HIS SINGAPORE HEADQUARTERS. DISCUSSIONS OF HONG KONG DEFENSE PROBLEMS WILL BE HELD WITH OTHER BRITISH MILITARY LEADERS.

RA606ACS NM

(300) NIGHT LEAD MAC ARTHUR

WASHINGTON,AUG.11-(AP)-PRESIDENT TRUMAN PUT IT UP TO GENERAL DOUGLAS MAC ARTHUR TODAY WHETHER TO COME HOME FROM JAPAN. MAC ARTHUR PROMPTLY SAID "NO."

SOME CONGRESS MEMBERS HAVE BEEN ASKING THAT MAC ARTHUR BE ORDERED HOME TO ADVISE ON THE ADVANCE OF COMMUNISM IN THE ORIENT, AND HOW THAT PROBLEM AFFECTS THE ADMINISTRATION'S REQUEST FOR ARMS FOR EUROPE.

MAC ARTHUR SAID IN A STATEMENT ISSUED IN TOKYO THAT HIS VIEWS ON THE FAR EASTERN SITUATION ARE ALREADY WELL KNOWN TO THE DEPARTMENT OF THE ARMY. HE ADDED HE BELIEVES HIS PRESENCE IS NEEDED IN JAPAN MORE THAN IN WASHINGTON.

AT HIS NEWS CONFERENCE, MR.TRUMAN SAID HE WOULD SIGN AN ORDER FOR MAC ARTHUR'S RETURN ANYTIME THE GENERAL WANTS TO COME.

THE SENATE FOREIGN RELATION RELATIONS COMMITTEE WILL VOTE TOMORROW AFTERNOON ON A RESOLUTION SPONSORED BY SENATOR KNOWLAND (R-CALIF) AND NINE OTHER SENATORS TO RECALL MAC ARTHUR.

KNOWLAND IS SPEARHEADING A DRIVE FOR AID TO NATIONALIST CHINA, WHILE THE ADMINISTRATION HAS WRITTEN OFF THE NATIONALIST GOVERNMENT AS A FAILURE IN THE WAR AGAINST COMMUNISM.

SENATOR CONNALLY (D-TEX), CHAIRMAN OF THE FOREIGN RELATIONS COMMITTEE, TOLD REPORTERS HE IS OPPOSED TO THE KNOWLAND RESOLUTION "BECAUSE IT BYPASSES THE PRESIDENT."

"BECAUSE OF THE CRITICAL AND EXPLOSIVE SITUATION IN THE FAR EAST," CONNALLY SAID, "I THINK GENERAL MACARTHUR CAN BEST SERVE THE INTERESTS OF THE UNITED STATES BY REMAINING WHERE HE IS AT PRESENT."

A REQUEST BY THE COMMITTEE FOR THE GENERAL'S RETURN, CONNALLY SAID, MIGHT CREATE MISUNDERSTANDING AND CONFUSION IN THE MINDS OF THE ORIENTALS WITHOUT HELPING SOLVE THE TROUBLES IN THAT AREA.

"OF COURSE," HE ADDED, "IF THE PRESIDENT DESIRES GENERAL MACARTHUR TO COME TO THE UNITED STATES THAT IS ANOTHER MATTER. IF GENERAL MACARTHUR DEEMS IT WISE TO REMAIN IN JAPAN THAT IS STILL ANOTHER MATTER. I WOULD RESPECT HIS VIEWS ON THAT SUBJECT."

TOKYO SOURCES CLOSE TO MAC ARTHUR HAVE SAID ON A NUMBER OF OCCASIONS THAT HE PLANNED TO REMAIN IN JAPAN UNTIL A PEACE TREATY IS SIGNED, UNLESS WASHINGTON ORDERS HIM HOME.

HE SAID IN HIS STATEMENT, ISSUED AFTER HE LEARNED OF THE PRESIDENT'S REMARK, THAT HE UNDERSTOOD THE FINAL DECISION WAS UP TO HIM, AND HE ADDED:

"IT IS DIFFICULT FOR ME TO IGNORE THE HEART-WARMING AND FRIENDLY OVERTURES TO RETURN TO MY NATIVE LAND, FOR WHICH IT IS ONLY NATURAL FOR ME TO LONG, JUST AS WOULD ANYONE ELSE UNDER THE CIRCUMSTANCES.

"BUT AN IMPELLING SENSE OF DUTY IN A POSITION OF HIGHLY-CRITICAL RESPONSIBILITY LEAVES ME WITH NO OTHER RECOURSE (BUT TO REMAIN)."

MD1127PED

(100) FIRST LEAD MACARTHUR

WASHINGTON,AUG.11-(AP)-SENATOR KNOWLAND (R-CALIF) WILL ASK THE SENATE FOREIGN RELATIONS AND ARMED SERVICES COMMITTEES TO VOTE TODAY ON A RESOLUTION REQUESTING GENERAL DOUGLAS MACARTHUR'S RETURN FROM JAPAN.

KNOWLAND AND NINE OTHER SENATORS PREVIOUSLY REQUESTED DEFENSE SECRETARY LOUIS JOHNSON TO ORDER MACARTHUR HOME FOR A REPORT TO CONGRESS.

THEY CONTEND CONGRESS SHOULD HEAR MACARTHUR WHILE COMMITTEES ARE STUDYING THE PRESIDENT'S $1,450,000,000 ARMS PROGRAM.

KNOWLAND ALSO IS A LEADER OF A SENATE GROUP WHICH IS SEEKING TO HAVE $175,000,000 IN MILITARY AID EARMARKED FOR NON-COMMUNIST CHINA.

SECRETARY JOHNSON HAS SAID HE WILL NOT ORDER MACARTHUR HOME WITHOUT PRESIDENT TRUMAN'S APPROVAL. AND THE WHITE HOUSE HAS SAID THE MACARTHUR IS FREE TO RETURN WHENEVER HE CHOOSES.

PRESIDENTIAL PRESS SECRETARY CHARLES G.ROSS RECALLED TODAY THAT MR. TRUMAN MADE THAT PLAIN AT A NEWS CONFERENCE MORE THAN A YEAR AGO.

ROSS WAS QUESTIONED BY NEWSMEN ABOUT EFFORTS BY SOME SENATORS TO HAVE MACARTHUR RETURN TO TESTIFY ON THE ARMS AID PROGRAM.

ROSS SAID HE HAD HEARD NO NEW COMMENT FROM THE PRESIDENT ON RENEWED EFFORTS TO BRING MACARTHUR BACK. THE PRESIDENT'S PREVIOUS STATEMENT WAS MADE AT A TIME WHEN MACARTHUR'S TESTIMONY WAS SOUGHT ON OTHER LEGISLATION.

GG1152AED

TOKYO, AUG.11(AP)-THE JAPANESE GOVERNMENT TODAY TOOK STEPS TO CURB DISTRUBANCES BY REPATRIATES FROM RUSSIA.

AN ORDINANCE PUT INTO FORCE IMMEDIATELY SAYS:

"REPATRIATES SHOULD BEHAVE PEACEFULLY UNTIL THEY REACH HOME."

THEY MUST TRAVEL TO THEIR HOMES ON TRAINS ASSIGNED BY REPATRIATION OFFICIALS. PERSONS OTHER THAN RELATIVES OF THE REPATRIATES WERE BARRED FROM TRAINS TAKING THE RETURNED PRISONERS HOMEWARD. WELCOMING CEREMONIES INSIDE RAILROAD STATIONS WERE RESTRICTED.

THE ORDINANCE WAS AIMED DIRECTLY AT KEEPING COMMUNIST LEADERS FROM TURNING THE RETURN OF THE WAR PRISONERS INTO A RED HOLIDAY.

SEVERAL SHIPLOADS OF REPATRIATES RECENTLY HAVE STAGED COMMUNIST DEMONSTRATIONS UPON THEIR ARRIVAL AT MAIZURU, WEST COAST PORT.

AL553APSNM

NIGHT LEAD JOHNSON (260)

OTTAWA, AUG. 11-(AP)-U.S. DEFENSE SECRETARY LOUIS JOHNSON SAID TODAY "WE'VE NO FEARS ABOUT THE ALASKAN (DEFENSE) PICTURE, THANKS TO THE UNDERSTANDING WE HAVE IN THE WESTERN HEMISPHERE."

ON A ONE-DAY VISIT TO OTTAWA, JOHNSON AT A NEWS CONFERENCE ALSO:

1. INDICATED APPROVAL OF A PLAN, DISCUSSED AT AN EARLIER MEETING WITH THE CANADIAN CABINET DEFENSE COMMITTEE, TO ALLOW AN EXCHANGE OF CANADIAN AND U.S. MILITARY PRODUCTION WHICH WOULD PREVENT FURTHER STRAIN ON CANADA'S DOLLAR PROBLEM.

2. SAID THERE IS NO DISAGREEMENT BETWEEN THE TWO COUNTRIES IN ANY ASPECT OF DEFENSE CO-OPERATION.

3. DECLINED TO DISCUSS THE POSSIBILITY OF A UNIFIED AMERICAN-CANADIAN REGIONAL COMMAND BECAUSE IT WOULD BE "PUTTING THE CART BEFORE THE HORSE" IN DEVELOPMENTS LEADING TO FORMATION OF ATLANTIC PACT ORGANIZATION.

THE SECRETARY DESCRIBED HIMSELF AS "TICKLED TO DEATH" WITH CANADA'S DEFENSE SET UP AND SAID, "I HAVE NEVER SPENT A MORE WORTHWHILE DAY IN MY LIFE NOR FELT MYSELF AMONG MORE UNDERSTANDING PEOPLE. WE ARE BROTHERS IN THE CAUSE OF PEACE."

HE MET WITH THE CABINET COMMITTEE, HEADED BY PRIME MINISTER LOUIS ST.LAURENT, FROM 11:30 A.M. TO NEARLY 1 P.M. ON "THE WHOLE FIELD OF DEFENSE."

CANADIAN ARMS PROCUREMENT IN THE UNITED STATES, NEWFOUNDLAND BASES HELD BY THE UNITED STATES, THE CANADIAN DEFENSE ORGANIZATION AND OTHER TOPICS WERE DISCUSSED.

HIS STATEMENT ON ALASKA WAS BACKGROUNDED BY THE PRESENCE OF A TASS (RUSSIAN) NEWS AGENCY REPORTER AT THE PRESS CONFERENCE. WHEN HE WAS ASKED WHETHER THE UNITED STATES COULD HANDLE ENEMY RAIDS UP THERE, HE SAID BOTH TASS AND MOSCOW WOULD LIKE AN ANSWER ON THAT.

HE ARRANGED TO LEAVE FOR WASHINGTON LATE TONIGHT.

SN1044PED

FIRST LEAD JOHNSON

OTTAWA, AUG.11-(AP)-U.S. DEFENSE SECRETARY LOUIS JOHNSON CONFERRED TODAY WITH THE CANADIAN CABINET'S DEFENSE COMMITTEE.

DEFENSE MINISTER BROOKE CLAXTON AND GEN.A.G.L.MCNAUGHTON, CHAIRMAN OF THE CANADIAN SECTION OF THE JOINT DEFENSE BOARD, WERE AMONG THE OFFICIALS WHO GREETED HIM AT OTTAWA'BLROKCLIFFE AIRPORT.

MCNAUGHTON FLEW IN FROM NEW YORK IN A ROYAL CANADIAN AIR FORCE PLANE JUST 15 MINUTES BEFORE JOHNSON ARIVED IN A U.S. AIR FORCE CONSTELLATION.

MAJ.GEN.ROBERT WALSH OF THE U.S. AIR FORCE WAS WITH JOHNSON. WALSH IS AN AMERICAN MEMBER OF THE JOINT DEFENSE BOARD, TOP ADVISORY BODY ON CONTINENTAL DEFENSE.

THE PRESENCE OF MCNAUGHTON AND WALSH AT THE CONFERENCE IN THE EAST BLOCK OF THE PARLIAMENT BUILDINGS CAUSED SPECULATION ABOUT THE PURPOSE OF THE TALKS. NO MEMBERS OF THE BOARD ATTENDED A SIMILAR MEETING LAST YEAR WHEN THE LATE JAMES FORRESTAL, THEN U.S. DEFENSE SECRETARY, VISITED OTTAWA.

OTTAWA, AUG.11-(AP)-LOUIS JOHNSON, UNITED STATES DEFENSE SECRETARY, FLEW BACK TO WASHINGTON TONIGHT AFTER A ONE-DAY VISIT TO OTTAWA FOR DEFENSE TALKS WITH THE CANADIAN GOVERNMENT.

HIS PLANE LEFT NEARBY ROCKCLIFFE AIRPORT AFTER A CANADIAN GOVERNMENT DINNER ATTENDED BY PRIME MINISTER LOUIS ST.LAURENT, DEFENSE MINISTER BROOKE CLAXTON, U.S. AMBASSADOR LAURENCE STEINHARDT, CABINET MEMBERS AND CHURCH AND DIPLOMATIC OFFICIALS.

HA119AED

AUG 12 1949

NIGHT LEAD COMMUNISTS (400)

NEW YORK,AUG 11-(AP)-A COMMUNIST TRIAL DEFENDANT TODAY ADMITTED TEACHING THAT A WORKING-CLASS DICTATORSHIP CANNOT ARISE UNTIL A CAPITALIST STATE'S GOVERNMENT, ARMY AND POLICE FORCE ARE SMASHED.

AND SUCH A DICTATORSHIP, MODELED AFTER RUSSIA'S, CAN HAPPEN HERE, SAID ROBERT G.THOMPSON, COMMUNIST CHAIRMAN IN NEW YORK STATE.

THOMPSON, A WITNESS IN HIS OWN DEFENSE, WS ASKED BY GOVERNMENT ATTORNEY FRANK H.GORDON:

"DID YOU OR DO YOU NOW TACH THAT THE DICTATORSHIP OF THE PROLETARIAN CANNOT ARISE AS A RESULT OF THE PEACEFUL DEVELOPMENT OF BOURGEOISE SOCIETY AND BOURGEOIS DEMOCRACY, AND CAN ARISE ONLY BY THE SMASHING OF THE BOURGEOIS STATE MACHINE, THE BOURGEOIS ARMY, THE BOURGEOIS BUREAUCRATIC MACHINE AND THE BOURGEOIS POLICE?"

BEFORE ANSWERING, THOMPSON SAID THE COMMUNIST PARTY UNDERSTANDS THAT HISTORICALLY THE RULING CLASS OF THIS COUNTRY "IS VERY UNAPT TO GIVE UP CONTROL OF INDUSTRY AND THE POLICE POWER."

MOREOVER, HE SAID, THE RULING CLASS IS APT TO MEET EVERY MOVE FOR SOCIAL PROGRESS WITH VIOLENCE.

COMMUNISTS FEEL THAT NO PEOPLE'S FRONT COALITION COULD TAKE OVER A READY-MADE GOVOERNMENT MACHINE, THOMPSON SAID.

FINALLY, HE SAID VARIOUS PHASES OF THE STATE GOVERNMENT ARE "CORRODED WITH FASCIST-MINDED AND LYNCH-MINDED ELEMENT."

IN VIEW OF ALL THIS, HE ADDED, HIS ANSWER TO THE QUESTION WAS "YES."

HOWEVER, THE FINAL WORD APPARENTLY ESCAPED FEDERAL JUDGE HAROLD R. MEDINA. THE COURT ORDERED THE QUESTION READ AGAIN AND DEMANDED A YES OR NO ANSWER.

THOMPSON PROTESTED THAT TO ANSWER WITHOUT HIS EXPLANATORY PREFACE WOULD PLACE HIM IN A STRAITJACKET. THEREUPON, JUDGE MEDINA TOLD THE GOVERNMENT TO GO ON TO ANOTHER QUESTION.

A CHECK LATER SHOWED THOMPSON'S "YES" ANSWER HAD BEEN HEARD BY THE COURT STENOGRAPHER AND RECORDED WITH THE TESTIMONY.

THOMPSON IS ONE OF 11 TOP AMERICAN COMMUNISTS ACCUSED OF CONSPIRING TO ADVOCATE THE VIOLENT OVERTHROW OF THE U.S. GOVERNMENT.

EARLIER, THOMPSON TESTIFIED THAT A PEOPLE'S COALITION GOVERNMENT SUCH AS RUSSIA'S IS "A REAL AND EXISTING POSSIBILITY" IN THE U.S.

IN MAY, 1948, THOMPSON SAID HE REPORTED TO THE NATIONAL BOARD OF THE COMMUNIST PARTY THAT:

"THIS ROAD COALITION (OF WORKING PEOPLE) WOULD TRY TO ESTABLISH ITSELF AS THE ELECTED GOVERNMENT IN THE COUNTRY AND THAT THIS WAS A REAL AND EXISTING POSSIBILITY BECAUSE THE THREAT OF ECONOMIC CRISIS, WAR AND FASCISM HAD SET THE BROAD MASSES OF THE PEOPLE IN ACTION."

THOMPSONSAID HE COULD NOT RECALL BRANDING THE UNITED STATES AN "IMPERIALIST STATE" EXCEPT IN THE SENSE THAT "THE RULING CLASS IN AMERICA IS IMPERIALIST."

JC&SN950PED

AUG 12 1949

NIGHT LEAD COMMUNISTS (400)

WASHINGTON,AUG.11-(AP)-A STORY OF COMMUNIST AIMS TO DOMINATE AMERICAN LABOR UNIONS BY "INFILTRATION" WAS TOLD TO A HOUSE UN-AMERICAN ACTIVITIES SUBCOMMITTEE TODAY BY A MAN WHO IDENTIFIED HIMSELF AS A FORMER COMMUNIST LEADER.

JOHN ZACK KORNFEDER, THE WITNESS, TESTIFIED THAT THE CIO-ELECTRICAL WORKERS UNION--NOW WITH ABOUT 600,000 MEMBERS--ORIGINALLY WAS SET-UP BY COMMUNISTS.

MOREOVER, HE IDENTIFIED TWO MEN NOW CONNECTED WITH THE UNION AS COMMUNISTS OR FORMER PARTY MEMBERS. THEY WERE JAMES MATLES, INTERNATIONAL ORGANIZER, AND JAMES LUSTIG, IDENTIFIED AS A UNION REPRESENTATIVE IN THE NEW YORK DISTRICT.

REP.WALTER (D-PENNA), A COMMITTEE MEMBER, ASKED KORNFEDER TO EXPLAN HOW COMMUNISTS GET CONTROL OF LABOR UNIONS.

"BY INFILTRATION," KORNFEDER RESPONDED. "THEY SET UP SECRET GROUPS IN UNIONS, AND IN THAT WAY ELECT OFFICERS AND GET CONTROL.

"THIS INFILTRATION WAS SUCCESSFUL IN A NUMBER OF INSTANCES, ESPECIALLY AMONG FOOD WORKERS, PAINTERS AND IN SOME OF THE BUILDING TRADES."

HE SAID COMMUNISTS ALSO SET UP INDEPENDENT UNIONS.

ACTUAL CONVERTS TO THE COMMUNIST PARTY AMONG UNION MEMBERS WERE NOT VERY GREAT, HE TOLD THE COMMITTEE, BUT ADDED: "AS FOR SYMPATHIZERS IT WAS MORE SUCCESSFUL."

AUG 12 1949

THOMAS QUINN, FIELD ORGANIZER FOR THE CIO-ELECTRICAL WORKERS, PITTSBURGH, PENNA., ALSO WAS CALLED BEFORE THE COMMITTEE. HE REFUSED TO SAY WHETHER HE IS OR EVER HAS BEEN A COMMUNIST.

"I DECLINE TO DISCUSS WITH THIS COMMITTEE QUESTIONS OF THIS NATURE," HE SAID. THEN HE CHARGED "THIS HEARING IS CALLED FOR THE SOLE PURPOSE OF INTERFERING WITH OUR LOCAL UNION ELECTIONS."

more

WHEN HE REPEATEDLY DECLINED TO ANSWER WHETHER HE IS OR HAS BEEN A COMMUNIST CHAIRMAN WOOD (D-GA) TOLD QUINN HE COULD LEAVE THE STAND.

LOUIS J.RUSSELL, AN INVESTIGATOR FOR THE COMMITTEE, THEN READ A DEPOSITION HE SAID WAS MADE BY RICHARD W.MCCLELLAN, PRESIDENT OF THE UE LOCAL 31 AT THE ERIE, PENNA., RESISTANCE CO., FROM 1943 TO 1945.

THE PAPER, AS READ BY RUSSELL, QUOTED MCCLELLAN AS SAYING HUGH HARLEY, A UE INTERNATIONAL ORGANIZER, HAD IDENTIFIED HIMSELF TO MCCLELLAN AS A COMMUNIST PARTY MEMBER. IT SAID THAT AT HARLEY INVITATION MCCLELLAN IN 1943 ATTENDED MEETINGS OF "THE COMMUNIST CELL IN THE CITY OF ERIE."

MCCLELLAN, AS QUOTED BY RUSSELL, SAID ONE PERSON ATTENDING ONE OF THE MEETINGS WAS JOHN NELSON, PRESIDENT OF LOCAL 506 "WHO THEN WAS ALSO SHOP STEWARD" AT GENERAL ELECTRIC. THE DEPOSITION ADDED THAT NELSON TOOK PART IN THE DISCUSSION, BOUGHT COMMUNIST LITERATURE AND PAID COMMUNIST DUES.

DURING THE HEARING, SOMEBODY IN THE AUDIENCE PASSED OUT A PRESS RELEASE UNDER THE NAME OF "UNITED ELECTRICAL, RADIO AND MACHINE WORKERS OF AMERICA-CIO," SAYING KORNFEDER "HAS BEEN PEDDLING HIS 20-YEAR OLD STALE, RED-BAITING, FRAME-UP STEW FOR MORE THAN A DECADE."

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WASHN-ELECTRICAL WKRS-XXX SAID

CHAIRMAN WOOD (D-GA) PERMITTED QUINN TO READ A STATEMENT IN WHICH HE SAID "THIS HEARING IS CALLED FOR THE SOLE PURPOSE OF INTERFERING WITH OUR LOCAL UNION ELECTIONS."

QUINN THEN SAID HE WANTED TO DISCUSS A STORY IN A PITTSBURGH PAPER BY INGRID JEWELL. BUT WOOD CUT HIM SHORT, SAYING THE COMMITTEE IS NOT RESPONSIBLE FOR WHAT APPEARS IN THE NEWSPAPERS.

LOUIS J.RUSSELL, A COMMITTEE INVESTIGATOR, READ A DEPOSITION HE SAID WAS MADE BY RICHARD W.MCCLELLAN, PRESIDENT OF UE LOCAL 631 AT THE ERIE,PA.,RESISTANCE CO., FROM 1943 TO 1945.

RUSSELL QUOTED MCCLELLAN AS SAYING HE WAS INSTRUMENTAL IN AFFILIATING THIS UNION WITH CIO-UE AND THAT IN HIS WORK HE BECOME ACQUAINTED WITH HUGH HARLEY, AN INTERNATIONAL ORGANIZER FOR UE.

MCCLELLAN'S DEPOSITION SAID THAT HARLEY "INFORMED ME HE WAS A MEMBER OF THE COMMUNIST PARTY AND HE SHOWED ME HIS DUES BOOK."

AT HARLEY'S INVITATION, THE DEPOSITION SET FORTH, MCCLELLAN ATTENDED MEETINGS OF "THE COMMUNIST CELL IN THE CITY OF ERIE." ONE MEETING IN 1943, THE PAPER SAID, WAS AT THE SOUTHWEST CORNER OF 25TH STREET AND PENNSYLVANIA AVENUE "IN THE SECOND FLOOR FLAT."

THE PARTY PLATFORM WAS DISCUSSED, LITERATURE SOLD AND COMMUNIST DUES COLLECTED, ACCORDING TO THE DEPOSITION.

IT SAIF FURTHER THAN AMONG THOSE PRESENT WAS JOHN NELSON, THE CURRENT PRESIDENT OF LOCAL 506 "WHO THEN WAS ALSO A SHOP STEWARD AT GENERAL ELECTRIC." NELSON, MCCLELLAN WAS QUOTED AS SAYING, TOOK PART IN THE DISCUSSION, BOUGHT COMMUNIST LITERATURE AND PAID COMMUNIST DUES.

FR/AB131PED

VSECOND NIGHT LEAD ARMS (450)

BY JOHN B.OWEN

AUG 12 1949

WASHINGTON,AUG 11-(AP)-THE ADMINISTRATION TODAY DEFEATED, BY A HAIRLINE MARGIN, AN ATTEMPT TO SLASH IN HALF ITS ARMS AID PROGRAM FOR WESTERN EUROPE.

THE VOTE IN THE HOUSE ARMED SERVICES COMMITTEE WAS REPORTED UNOFFICIALLY TO HAVE BEEN A TIE--WHICH AUTOMATICALLY REJECTS AN AMENDMENT. THE NUMBER OF THE 36 MEMBERS PRESENT WAS NOT ANNOUNCED.

CHAIRMAN KEE (D-WVA) TOLD REPORTERS AFTER THE CLOSED SESSION THAT NO OTHER MAJOR AMENDMENTS WERE DISPOSED OF.

KEE SAID HE HOPES THAT THE FULL AMOUNT REQUESTED BY PRESIDENT TRUMAN--$1,450,000,000 FOR WESTERN EUROPE AND OTHER NATIONS--WOULD BE APPROVED PROBABLY MONDAY.

REP.RICHARDS (D-SC) OFFERED THE AMENDMENT TO AUTHORIZE $580,495,000 FOR ARMS AID TO EUROPEAN MEMBERS OF THE NORTH ATLANTIC ALLIANCE. THE BILL CARRIES $1,160,990,000 FOR THAT PURPOSE.

THE RICHARDS AMENDMENT BORE SOME SIMILARITY TO THE IDEA ADVANCED TUESDAY BY SENATOR VANDENBERG (R-MICH). VANDENBERG WOULD CUT DOWN THE AMOUNT OF CASH TO BE APPROPRIATED FOR WESTERN EUROPE IN THIS SESSION OF CONGRESS BY THE AMOUNT PROPOSED BY RICHARDS.

BUT THE MICHIGAN SENATOR PROPOSED THAT CONTRACTS BE AUTHORIZED FOR THE REMAINDER. THAT WOULD MAKE THE COST COME LATER.

THE RICHARDS AMENDMENT IS IN LINE WITH A LARGE SEGMENT OF CONGRESSIONAL OPINION WHICH HAS ARGUED FROM THE FIRST THAT THE PROGRAM NEEDS REVISION. ON THE OTHER HAND, THE ADMINISTRATION CONTENDS IT IS THE BARE MINIMUM NEEDED TO "FILL THE VACUUM" OF EUROPEAN WEAKNESS AND HELP ERECT DEFENSES AGAINST RUSSIAN COMMUNISM.

THERE IS A POSSIBILITY THAT THE RICHARDS AMENDMENT MAY BE RECONSIDERED BY THE COMMITTEE--OR THAT A VARIATION OF IT WITH A DIFFERENT FIGURE WILL BE OFFERED.

PRESIDENT TRUMAN WAS NON COMMITTAL AT HIS NEWS CONFERENCE TODAY CONCERNING THE VANDENBERG PLAN. HE SAID HE HAD NOT DISCUSSED IT.

MEANWHILE, ANOTHER MOVE WAS AFOOT TO IRON OUT ONE OF THE MAJOR OBJECTIONS TO THE ARMS PROGRAM.

SENATOR DULLES (R-NY) SAID HE BELIEVES THE STATE DEPARTMENT WILL AGREE TO AN AMENDMENT SHIFTING CONTROL OF THE PROGRAM TO THE NORTH ATLANTIC ADVISORY COUNCIL, SOON TO BE SET UP.

DULLES SAT IN WITH SENATE COMMITTEES ON FOREIGN RELATIONS AND ARMED SERVICES WHO ARE HOLDING HEARINGS ON THE LEGISLATION.

AS SENATORS LOOKED CRITICALLY AT THE BILL AND CHALLENGED ANY LARGE SCALE DELIVERY OF ARMS TO WESTERN EUROPE WITHOUT APPROVAL OF THE ATLANTIC COUNCIL, DULLES REPORTED HE IS TALKING TO THE STATE DEPARTMENT ON THIS VERY SUBJECT.

HE TOLD A NEWSMAN LATER THAT HE BELIEVED THE DEPARTMENT WOULD ACCEPT A PLAN WHICH WOULD MEAN THE COUNCIL, RATHER THAN THE UNITED STATES, WOULD DISTRIBUTE THE ARMS AMONG THE VARIOUS ATLANTIC PACT NATIONS.

"I BELIEVE THEY (THE STATE DEPARTMENT) WILL GO ALONG ON THIS," DULLES SAID, "IF IT WILL NOT SLOW UP ARMS DELIVERIES."

DULLES TOLD THE COMMITTEES HE WANTS ARMS SHIPMENTS TO GO AHEAD AT ONCE BUT WOULD LIKE TO SEE THE MAJOR PORTION UNDER DIRECTION OF THE TREATY MEMBERS.

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CHAIRMAN CONNALLY (D-TEX) OF THE SENATE FOREIGN RELATIONS COMMITTEE SAID HE HOPES TO END THE SENATE HEARINGS EARLY NEXT WEEK AND BEGIN WRITING AN ARMS BILL.

THE ATLANTIC TREATY PROVIDES FOR AN ADVISORY COUNCIL OF THE 12 NATIONS WITH AUTHORITY OVER ACTUAL PLANNING FOR DEFENSE AGAINST RUSSIAN AGGRESSION. IT HAS NOT BEEN SET UP. REPUBLICANS HAVE ARGUED THAT THE ADMINISTRATION'S PROGRAM OUGHT TO BE TIED IN CLOSER WITH THE COUNCIL'S AUTHORITY. BACKERS OF THE BILL CONTEND THE ACMS ARE NEEDED URGENTLY AND WANT THE FULL PROGRAM VOTED IMMEDIATELY EVEN THOUGH THE COUNCIL HAS NOT BEEN CREATED.

BOTH DULLES AND SENATOR VANDENBERG (R-MICH), WHO HAVE BEEN CRITICAL OF THE BILL'S FORM, SPOKE OUT AT THE HEARING FOR IMMEDIATE ARMS AID. THEY HAVE URGED A STOP-GAP PLAN PENDING COUNCIL ACTION ON A LONG-RANGE PROGRAM.

"I DON'T WANT TO DO ANYTHING TO DELAY DELIVERIES," DULLES OBSERVED. "BUT I WANT TO SUPERIMPOSE THE COUNCIL ON THE ARMS PROGRAM AS QUICKLY AS POSSIBLE." HE WANTS ASSURANCE THAT THE BULK OF THE ARMS DISTRIBUTION BE LEFT TO COUNCIL AUTHORITY.

DULLES DISAGREED WITH AN AMENDMENT PROPOSED BY SENATOR LYNDON JOHNSON (D-TEX) WHICH WOULD MAKE ARMS DELIVERIES SUBJECT TO COUNCIL APPROVAL. HE SAID HE FEARED IT WOULD HOLD UP SPEEDY ARMS SHIPMENTS.

JOHNSON TODAY MENTIONED HIS AMENDMENT TO W.AVERELL HARRIMAN, AMBASSADOR-AT-LARGE. HARRIMAN SAID HE WOULD NOT WANT ANY AMENDMENT WHICH DELAYED OR BARRED SHIPMENTS OF ARMS.

HARRIMAN, FORMER AMBASSADOR TO RUSSIA, SAID THE SOVIET ATTITUDE MADE HIM "GRAVELY CONCERNED OVER THE THREAT TO PEACE AND FREEDOM."

HE DESCRIBED RUSSIA AS A "DETERMINED, RUTHLESS AND PERSISTENT" OPPONENT. ARMING WESTERN EUROPE, HE SAID, WOULD "IMMEASURABLY INCREASE" UNITED STATES SECURITY.

REDUCTION OR DELAY IN THE PROGRAM MIGHT CAUSE DOUBTS TO RISE AND UNDERMINE "THE PRESENT DETERMINATION AND CONFIDENCE," HE COUNSELED.

THE ADMINISTRATION HAS ASKED CONGRESS TO APPROPRIATE $1,450,000,000 FOR THE YEAR ENDING JUNE 30,1950, TO FURNISH NEW AND SURPLUS ARMS TO WESTERN EUROPE, GREECE, TURKEY, IRAN, KOREA AND THE PHILIPPINES. BY FAR THE MOST OF IT WOULD GO TO THE ATLANTIC TREATY PARTNERS IN EUROPE.

THE GOODS WOULD BE SHIPPED OVER A TWO-YEAR PERIOD.

SENATORS QUICKLY BEGAN HAMMERING AT HARRIMAN ABOUT THE COUNCIL'S SHARE IN THE PROGRAM. VANDENBERG POSED THESE QUESTIONS:

"WHY SHOULD THE COUNCIL BE CONFRONTED BY A TWO-YEAR PROGRAM ALREADY IN EXISTENCE? WHY SHOULD THIS PROGRAM BE WRITTEN OUTSIDE THE PACT? WHY SHOULD WE LEGISLATE ON A TWO-YEAR PROGRAM IF THE COUNCIL WILL BE READY IN TWO MONTHS?"

HARRIMAN SAID THAT THE FIVE WESTERN EUROPEAN NATIONS, BRITAIN, FRANCE, BELGIUM, THE NETHERLANDS AND LUXEMBOURG, WILL BE THE HARD CORE OF EUROPE'S DEFENSES AND THEY HAVE AGREED ON THE ARMS PLAN. IT WOULD ENCOURAGE THEM TO ENTER THE COUNCIL WITH AID ALREADY ASSURED, HE SAID.

VANDENBERG INSISTED THAT INTERIM AID COULD BE GIVEN AND THE COUNCIL GIVEN MAJOR DIRECTION OF THE PROGRAM.

HARRIMAN ARGUED THAT NATIONS WHO HELPED DRAW UP THE ARMS PLAN WILL BE MEMBERS OF THE COUNCIL.

SENATOR SMITH (R-NJ) PUT IN THAT HE WOULD NOT UNDERSTAND WHY THE ADMINISTRATION DOES NOT CALL FOR INTERIM ARMS AID UNTIL THE COUNCIL MEETS. THE COUNCIL IS SUPPOSED TO WORK THIS OUT AND ALLOCATED THE ARMS," HE SAID.

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(350) NIGHT LEAD BRADLEY

WASHINGTON,AUG.11-(AP)-GENERAL OMAR N.BRADLEY WAS SELECTED BY PRESIDENT TRUMAN TODAY FOR THE NATION'S NO. 1 MILITARY POST--PERMANENT CHAIRMAN OF THE JOINT CHIEFS OF STAFF.

IN THAT POSITION HE WILL BE THE HIGHEST RANKING AMERICAN MILITARY OFFICER.

SELECTION OF "THE G.I.'S GENERAL", NOW SERVING AS ARMY CHIEF OF STAFF, HAD BEEN WIDELY ANTICIPATED. IT CAPS A CAREER WHICH INCLUDED SERVICE IN TWO WORLD WARS, COMMAND OF THE LARGEST BODY OF TROOPS EVER TO SERVE UNDER AN AMERICAN FIELD COMMANDER, AND THREE YEARS TENURE AS HEAD OF THE VETERANS ADMINISTRATION.

BRADLEY, LIKE MR.TRUMAN, IS A NATIVE OF MISSOURI. THE PRESIDENT, WHO ANNOUNCED THE APPOINTMENT AT HIS NEWS CONFERENCE, SAID HE WAS NOT READY TO TELL WHO WOULD SUCCEED BRADLEY AS ARMY CHIEF OF STAFF.

THE POSITION OF PERMANENT CHAIRMAN WAS CREATED BY THE MILITARY UNIFICATION LAW WHICH THE PRESIDENT SIGNED YESTERDAY. BRADLEY WILL NOT HAVE ANY COMMAND AUTHORITY, OR EVEN A VOTE WITH THE JOINT CHIEFS, BUT HE WILL HAVE VAST PRESTIGE.

THE JOINT CHIEFS OF STAFF ARE THE OPERATING HEADS OF THE ARMY, NAVY AND AIR FORCE.

GEN.DWIGHT D.EISENHOWER HAS BEEN SERVING AS TEMPORARY CHAIRMAN PENDING ENACTMENT OF THE NEW LAW. MR.TRUMAN MADE PUBLIC A LETTER THANKING EISENHOWER FOR HIS SERVICES, AND SAYING HE WOULD RELY UPON HIM AS A CONSULTANT IN THE FUTURE.

THE PRESIDENT ALSO ANNOUNCED THAT HE IS NOMINATING ADMIRAL LOUIS DENFELD FOR AN ADDITIONAL TWO-YEAR TERM AS CHIEF OF NAVAL OPERATIONS. BRADLEY, DENFELD AND GEN.HOYT VANDENBERG OF THE AIR FORCE NOW MAKE UP THE JOINT CHIEFS OF STAFF.

BRADLEY WAS BORN 56 YEARS AGO IN CLARK,MO. HE WAS GRADUATED FROM WEST POINT IN 1915 AND WAS THE FIRST IN HIS CLASS TO RISE TO BRIGADIER GENERAL.

HE WAS A CORPS COMMANDER IN NORTH AFRICA AND SICILY. HE HELD A KEY ROLE IN THE NORMANDY INVASION. IN COMMAND OF THE FIRST ARMY, HE LANDED WITH HIS MEN ON D-DAY AND LATER SMASHED THE GERMAN LINES AT ST.LO. HE ENDED THE WAR IN COMMAND OF THE 12TH U.S. ARMY GROUP, COMPRISED OF MORE THAN 1,300,000 COMBAT SOLDIERS.

THREE MONTHS AFTER THE END OF THE WAR PRESIDENT TRUMAN MADE HIM VETERANS ADMINISTRATOR. HE BECAME THE ARMY'S CHIEF OF STAFF LAST YEAR.

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WASHINGTON,AUG.11-(AP)-PRESIDENT TRUMAN TODAY SENT THE FOLLOWING LETTER TO GEN.DWIGHT D.EISENHOWER AFTER ANNOUNCING THE APPOINTMENT OF GEN.OMAR N.BRADLEY AS CHAIRMAN OF THE JOINT CHIEFS OF STAFF: (180)

MY DEAR GENERAL EISENHOWER:

WHEN I ASKED YOU, LAST FEBRUARY, TO SERVE TEMPORARILY AS PRESIDING OFFICER OF THE JOINT CHIEFS OF STAFF, YOU RESPONDED LIKE THE GOOD SOLDIER YOU ARE. I KNOW HOW GREATLY THIS ASSIGNMENT DISRUPTED YOUR PLANS, AND I WANT YOU TO KNOW HOW MUCH I APPRECIATE ALL THAT YOU HAVE DONE, AS WELL AS ALL THAT YOU WILL DO IN THE FUTURE AS A CONSULTANT AND ADVISER.

THE CHIEFS HAVE MADE OUTSTANDING PROGRESS SINCE YOU BECAME THEIR

PRESIDING OFFICER. THIS PROGRESS HAS COME ABOUT BECAUSE OF TWO PRINCIPAL FACTORS: THE GREAT EFFORT YOU HAVE PUT INTO THE JOB, AND THE HIGH REGARD FOR YOUR OBJECTIVITY AND IMPARTIALITY WHICH ALL OF THE CHIEFS HAVE--A REGARD WHICH ALL OF THEM HAVE MENTIONED TO ME ON A NUMBER OF OCCASIONS.

THE NATION IS EXTREMELY FORTUNATE TO HAVE HAD THE BENEFIT OF THIS MOST RECENT SERVICE BY YOU. AS PRESIDENT OF THE UNITED STATES AND AS COMMANDER-IN-CHIEF, I WANT TO THANK YOU FOR A DIFFICULT JOB WELL DONE.

SINCERELY YOURS,

/S/ HARRY S.TRUMAN

(END TEXT)

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AUG 12 1949

FOREIGN AID

WASHINGTON,AUG.11-(AP)-SENATE AND HOUSE MEMBERS CAME OUT OF CONFERENCE TODAY COMPLETELY DEADLOCKED ON ANY AGREEMENT OVER THE MULTI-BILLION DOLLAR FOREIGN AID PROGRAM.

EACH SIDE STOOD FIRM ON ITS VERSION OF THE AID MEASURE AND WERE IN DISPUTE OVER EVERY DIFFERENCE IN THE BILL.

THE CONFERENCE WILL MEET AGAIN TOMORROW AFTERNOON IN ANOTHER EFFORT TO REACH SOME COMPROMISE WHICH WILL BREAK THE MONEY BILL LOOSE FOR A FINAL VOTE IN BOTH HOUSES.

THE FIRST STUMBLING BLOCK IN THE BILL WAS A SENATE AMENDMENT TO PROVIDE $344,000 FOR A CONGRESSIONAL WATCHDOG COMMITTEE TO KEEP A FUTURE CHECK ON FOREIGN SPENDING.

ONE SENATOR SAID THE HOUSE MEMBERS FLATLY REFUSED EVEN TO DISCUSS THE WATCHDOG AMENDMENT. THEY WERE INSTRUCTED IN ADVANCE NOT TO ACCEPT THIS AMENDMENT, ON THE GROUND THE COMMITTEE WAS UNNECESSARY.

ANOTHER HOT DISPUTE, HE SAID, CENTERED AROUND A SENATE AMENDMENT PROVIDING $25,000 FOR A SECOND REVIEW OF THE DISMANTLING OF SOME 365 GERMAN INDUSTRIAL PLANTS.

THE SENATE INSERTED THIS AMENDMENT IN A MOVE AIMED AT HALTING THE DESTRUCTION AND DISMANTLING OF PLANTS WHICH, SENATORS SAID, WOULD HELP THE RECOVERY OF GERMANY AND WESTERN EUROPE.

"THOSE ARE TWO OF THE HOTTEST ISSUES," A SENATOR SAID PRIVATELY, "BUT WE COULDN'T AGREE ON ANYTHING IN THE BILL."

HERE ARE SOME OTHER DIFFERENCES BETWEEN THE SENATE AND HOUSE VERSIONS OF THE FOREIGN AID BILL:

(1) MONEY--THE HOUSE VOTED $3,568,470,000 TO THE ECONOMIC COOPERATION ADMINISTRATION IN THE CURRENT YEAR--WITH THE MONEY TO BE SPENT IN 10 AND ONE-HALF MONTHS IF NECESSARY.

THE SENATE VOTED A 12-MONTH PROGRAM OF $3,778,380,000 WHICH IS ROUGHLY A 10 PERCENT CUT ON A MONTHLY SPENDING BASIS. THE HOUSE VOTED ALL CASH--THE SENATE INCLUDED $150,000,000 IN CONTRACT AUTHORITY.

(2) THE HOUSE VOTED $925,000,000 FOR ARMY OCCUPATION COSTS IN GERMANY, AUSTRIA, JAPAN AND THE RYUKYU ISLANDS; THE SENATE $900,000,000.

(3) THE HOUSE VOTED $50,000,000 AID FOR TURKEY AND GREECE; THE SENATE $45,000,000.

WY750PED

HOOVER

PALO ALTO, CALIF., AUG. 11-(AP)-THE NATION TODAY HAD THE SOBER WARNING OF ITS ONLY LIVING FORMER PRESIDENT THAT ITS SPENDING POLICIES, IF UNCHECKED, WILL ROB POSTERITY OF ITS INHERITANCE.

FORMER PRESIDENT HERBERT HOOVER, IN A SIGNIFICANT ADDRESS, ASSERTED LAST NIGHT THAT THE UNITED STATES "IS BLISSFULLY DRIVING DOWN THE BACK ROAD TO COLLECTIVISM AT TOP SPEED."

"WE HAVE NOT HAD A GREAT SOCIALIZATION OF PROPERTY," HE SAID, "BUT WE ARE ON THE LAST MILE TO COLLECTIVISM THROUGH GOVERNMENTAL COLLECTION AND SPENDING OF THE SAVINGS OF THE PEOPLE."

THE COUNTRY'S PRESIDENT FROM 1929 TO 1933 SPOKE BEFORE AN ESTIMATED 10,000 PERSONS IN THE BEAUTIFUL GRASS-CARPETED LAURENCE FROST MEMORIAL BOWL ON THE STANFORD UNIVERSITY, CAMPUS, VIRTUALLY IN THE SHADOW OF THE HOOVER INSTITUTE AND LIBRARY ON WAR, REVOLUTION AND PEACE, FOUNDED IN 1915.

THE OCCASION WAS HIS 75TH BIRTHDAY CELEBRATION, SPONSORED BY THE UNIVERSITY IN TRIBUTE TO ITS MOST FAMOUS SON, A GRADUATE OF ITS FIRST CLASS IN 1895.

PRESIDENT TRUMAN'S MESSAGE OF CONGRATULATIONS AND GOOD WISHES WAS AMONG THE THOUSANDS WHICH CAME FROM ALL OVER THE WORLD. SOME OF THEM CAME FROM FOREIGN LANDS WHERE HOOVER'S ADMINISTRATION OF RELIEF ESTABLISHED HIS NAME AS A GREAT HUMANITARIAN.

HOOVER HEADED A SPECIAL COMMISSION ON GOVERNMENT ORGANIZATION WHICH RECENTLY COMPLETED A TWO-YEAR STUDY WITH A REPORT RECOMMENDING ECONOMIES OF FOUR BILLION DOLLARS A YEAR.

IN HIS TALK, BROADCAST BY THE FOUR MAJOR NETWORKS, HE SAID:

"MY WORD TO YOU, MY FELLOW CITIZENS, ON THIS SEVENTY-FIFTH BIRTHDAY IS THIS: THE FOUNDING FATHERS DEDICATED THE STRUCTURE OF OUR GOVERNMENT 'TO SECURE THE BLESSINGS OF LIBERTY TO OURSELVES AND OUR POSTERITY'. WE OF THIS GENERATION INHERITED THIS PRECIOUS BLESSING. YET AS SPENDTHRIFTS WE ARE ON OUR WAY TO ROB POSTERITY OF ITS INHERITANCE.

"THE AMERICAN PEOPLE HAVE SOLVED MANY GREAT CRISES IN NATIONAL LIFE. THE QUALITIES OF SELF-RESTRAINT, OF INTEGRITY, OF CONSCIENCE AND COURAGE STILL LIVE IN OUR PEOPLE. IT IS NOT TOO LATE TO SUMMON THESE QUALITIES."

ASSAILING NEW FEDERAL AND STATE PROPOSALS FOR SPENDING TAXES, HE SAID:

AUG 12 1949

"ALONG THIS ROAD OF SPENDING, THE GOVERNMENT EITHER TAKES OVER, WHICH IS SOCIALISM, OR DICTATES INSTITUTIONAL AND ECONOMIC LIFE, WHICH IS FASCISM."

HE SAID "THE AMERICAN MIND IS TROUBLED BY THE GROWTH OF COLLECTIVISM THROUGHOUT THE WORLD."

THE "FEW HUNDRED THOUSAND COMMUNISTS AND THEIR FELLOW TRAVELERS IN THIS COUNTRY" HE TERMED A "NUISANCE" WHO REQUIRE ATTENTION BUT WHO CANNOT DESTROY THE REPUBLIC. AND THERE ARE ALSO "THE DOCTRINAIRE SOCIALISTS WHO PEACEFULLY DREAM OF THEIR UTOPIA."

BUT HE EXPRESSED CONCERN ABOUT "A CONSIDERABLE GROUP OF FUZZY-MINDED PEOPLE WHO ARE ENGINEERING A COMPROMISE WITH ALL THESE EUROPEAN INFECTIONS."

"THEY FAIL TO REALIZE THAT OUR AMERICAN SYSTEM HAS GROWN AWAY FROM THE SYSTEMS OF EUROPE FOR 250 YEARS. THEY HAVE THE FOOLISH NOTION THAT A COLLECTIVIST ECONOMY CAN AT THE SAME TIME PRESERVE PERSONAL LIBERTY AND CONSTITUTIONAL GOVERNMENT."

HE POINTED TO THE "AUSTERITY" IN ENGLAND AS "A SUFFICIENT SPECTACLE."

HOOVER SAID "MR.AVERAGE WORKING CITIZEN" NOW MUST WORK 61 DAYS

A YEAR TO SUPPORT LOCAL, STATE AND FEDERAL GOVERNMENT. PROPOSED ADDITIONAL GOVERNMENT SPENDING WOULD TAKE ANOTHER 20 DAYS' WORK, HE SAID.

HE ESTIMATED THE COST OF ALL GOVERNMENT TO THE AVERAGE FAMILY, EXCLUSIVE OF FEDERAL DEBT SERVICE, HAD JUMPED FROM $200 TO $1,300 A YEAR IN THE LAST 20 YEARS, AND THAT THIS MIGHT GO TO $1,900 WITH DEBT SERVICE AND NEW PROPOSED EXPENDITURES. ABOUT ONE PERSON IN SEVEN NOW IS A REGULAR RECIPIENT OF GOVERNMENT MONIES, HE ASSERTED.

HE PLACED MUCH OF THE BLAME FOR HEAVY GOVERNMENT SPENDING ON THE PEOPLE THEMSELVES, AS REPRESENTED BY "THE MULTITUDE OF GREAT PRESSURE GROUPS."

HE URGED THINKING AND DEBATE IN THE SCHOOLS AND IN EVERY CORNER GROCERY ON THE PROBLEMS OF GOVERNMENT.

"WE DARE NOT SEE THE BIRTHRIGHT OF POSTERITY TO INDIVIDUAL INDEPENDENCE, INITIATIVE AND FREEDOM OF CHOICE BARTERED FOR A MESS OF COLLECTIVIST SYSTEM," HE DECLARED.

FT1251APS

AUG 12 1949

(800) NIGHT LEAD TRUMAN (ROUNDUP)

BY D.HAROLD OLIVER

WASHINGTON,AUG.11-(AP)-PRESIDENT TRUMAN SAID TODAY THE REMARK OF FORMER PRESIDENT HOOVER THAT THE NATION IS "ON THE LAST MILE" OF THE BACK ROAD TO COLLECTIVISM SOUNDS FUNNY TO HIM AND HE DOESN'T THINK IT IS SO.

THE RETORT, ACCOMPANIED BY A CHUCKLE, CAME AT A NEWS CONFERENCE WHEN A REPORTER ASKED ABOUT THE SPEECH HOOVER MADE AT HIS 75TH BIRTHDAY CEREMONY YESTERDAY AT PALO ALTO,CALIF. THE NEWSMAN DID NOT MENTION THE FORMER PRESIDENT BY NAME BUT QUOTED THE REFERENCE TO COLLECTIVISM.

THE ELDER STATESMAN OF THE OPPOSITION PARTY, WHO WAS CONGRATULATED BY MR.TRUMAN IN A BIRTHDAY MESSAGE, DECLARED THAT "THROUGH GOVERNMENT SPENDING AND TAXES OUR NATION IS BLISSFULLY DRIVING DOWN THE BACK ROAD" TO COLLECTIVISM AND IS "ON THE LAST MILE."

WHEN THE QUESTION WAS PUT TODAY, THE PRESIDENT LAUGHED AND ASKED: WHAT WAS THAT? SAY THAT AGAIN. IT SOUNDS FUNNY TO ME. I DON'T KNOW WHAT THAT IS, BUT I DON'T THINK IT IS SO.

THE REPLY WAS IN CONTRAST TO THE STERN MANNER THE PRESIDENT ASSUMED IN ANSWERING OTHER QUESTIONS, PARTICULARLY ABOUT HIS MILITARY AIDE, MAJ.GEN.HARRY H.VAUGHAN. THE LATTER'S NAME HAS FIGURED PROMINENTLY IN THE SENATE INVESTIGATION OF THOSE WHO HELP BUSINESSMEN GET GOVERNMENT CONTRACTS FOR A FEE.

MR.TRUMAN SAID HE HAS NOT CHANGED HIS ATTITUDE TOWARD VAUGHAN IN THE SLIGHTEST IN THE LIGHT OF TESTIMONY SO FAR ADDUCED. HE REPEATED THAT VAUGHAN IS FREE TO TESTIFY IF CALLED, BUT THAT HE HAS NOT TALKED WITH CHAIRMAN HOEY (D-NC) OF THE COMMITTEE ABOUT THAT POSSIBILITY.

HE SAID HE DID NOT WANT IN ANY WAY TO INFLUENCE HOEY'S JUDGMENT, BUT WANTS THE SENATOR TO GET THE FACTS AND SATISFY HIMSELF.

HE REPLIED WITH A FIRM--HE WILL NOT--WHEN A REPORTER INQUIRED WHETHER SECRETARY OF THE ARMY GRAY WILL BE AS FREE TO RELIEVE VAUGHAN AS HE WAS IN TEMPORARILY SUSPENDING MAJOR GENERALS ALDEN H.WAITT, CHIEF OF THE CHEMICAL CORPS, AND HERMAN FELDMAN, QUARTERMASTER GENERAL.

GRAY ANNOUNCED THE SUSPENSIONS JULY 16, PENDING FURTHER INVESTIGATION BY THE SENATE COMMITTEE. HE SAID THE COMMITTEE HAD EVIDENCE INDICATING THE TWO GENERALS "EXHIBITED A LACK OF JUDGMENT AND SENSE OF PROPRIETY WHICH MUST BE EXPECTED OF PERSONS IN THEIR POSITIONS."

THE FIRST QUESTION PUT TODAY ABOUT VAUGHAN WAS THIS:

"MR.PRESIDENT, DO YOU THINK IT WAS WITHIN THE REALM OF PROPRIETY FOR YOUR MILITARY AIDE AND VETERANS' AFFAIRS COORDINATOR TO HELP A RACE TRACK GET SCARCE BUILDING MATERIALS WHEN THERE WAS A SERIOUS SHORTAGE OF THESE MATERIALS FOR VETERANS' HOUSING?"

MR.TRUMAN SAID HE WOULD NOT COMMENT ON THAT BECAUSE HE DID NOT KNOW IF THAT WAS A FACT. HE TOLD THE REPORTER HE DIDN'T EITHER. THE REPORTER CAME BACK WITH THE STATEMENT THAT IT WAS THE TESTIMONY OF THE PRESIDENT'S HOUSING EXPEDITER. STILL THE PRESIDENT WOULD NOT COMMENT

VAUGHAN WAS NOT PRESENT AT THE NEWS CONFERENCE FOR THE SECOND WEEK IN A ROW. WAS THIS SIGNIFICANT? MR.TRUMAN SAID NO, HE IMAGINED VAUGHAN HAD SOME OFFICE APPOINTMENTS. BUT VAUGHAN IS NOT AFRAID OF YOU, DON'T YOU WORRY ABOUT THAT, HE ADDED IN DEFENSE OF HIS ONE-TIME SENATE SECRETARY AND WAR BUDDY.

AFRAID OF WHO? ANOTHER REPORTER ASKED. AFRAID OF YOU, THE PRESIDENT SAID, POINTING.

ASKED IF HE INTENDED TO MAKE ANY PERSONAL DETERMINATION OF THE FACTS, MR.TRUMAN SAID HE DID NOT. HE ADDED HE IS NOT CONDUCTING THE HEARING, BUT THAT WHEN HE WAS HEAD OF THE WARTIME SENATE INVESTIGATING COMMITTEE HE GOT THE FACTS.

AT THE OUTSET, THE PRESIDENT ANNOUNCED THE APPOINTMENT OF GEN.OMAR N.BRADLEY, NOW ARMY CHIEF OF STAFF, AS CHAIRMAN OF THE JOINT CHIEFS OF STAFF OF ALL THE ARMED SERVICES, A JOB CREATED IN THE NEW UNIFICATION ACT SIGNED YESTERDAY.

GEN.DWIGHT D.EISENHOWER, PRESIDENT OF COLUMBIA UNIVERSITY, WAS BEEN SERVING AS TEMPORARY PRESIDING OFFICER OF THE JOINT CHIEFS SINCE FEBRUARY.

THE PRESIDENT MADE PUBLIC A LETTER HE SENT TO EISENHOWER THANKING HIM FOR A "DIFFICULT JOB WELL DONE."

HE ALSO REAPPOINTED ADMIRAL LOUIS E.DENFELD AS CHIEF OF NAVAL OPERATIONS FOR ANOTHER TWO YEARS DATING FROM NEXT DEC. 15. HE SAID HE HAS NOT YET SELECTED A SUCCESSOR TO GEN.BRADLEY AS ARMY CHIEF OF STAFF.

AUG 12 1949

ON OTHER SUBJECTS THE PRESIDENT HAD THIS TO SAY:

HE STILL FEELS THAT GENERAL DOUGLAS MACARTHUR IS AT LIBERTY TO COME HOME IF HE SEES FIT, BUT THE GENERAL HAS YET TO SAY HE WANTS TO. A NUMBER OF SENATORS HAVE SUGGESTED THAT HE BE CALLED HOME TO TESTIFY ON CHINA, GENERAL PACIFIC QUESTIONS AND ARMS ASSISTANCE FOR EUROPE.

HE DISAGREES WITH A CONTENTION THAT HIS APPOINTMENT OF A FACT-FINDING BOARD IN THE STEEL DISPUTE WILL PROVE THE RUINATION OF COLLECTIVE BARGAINING. CLARENCE B.RANDALL, PRESIDENT OF INLAND STEEL, SAID IN NEW YORK TODAY THAT CREATING THE BOARD MEANT THAT WAGES WILL BE FIXED BY THE GOVERNMENT AND COLLECTIVE BARGAINING ENDED. THE PRESIDENT SAID SUCH BOARDS HAVE BEEN SET UP FOR 15 OR 20 YEARS AND THEY WILL NOT END BARGAINING.

IT MAY TAKE THREE MONTHS TO WORK OUT A PLAN FOR CHANNELING FEDERAL CONSTRUCTION PROJECTS TO AREAS HARDEST HIT BY UNEMPLOYMENT. THERE IS NO INTENTION TO AVOID PUBLIC BIDDING IN THE LETTING OF SUCH CONTRACTS.

HE BELIEVES CONGRESS SHOULD STAY UNTIL IT PASSES AN AID-TO-EDUCATION BILL. HE WILL NOT COMMENT ON MINIMUM WAGE LEGISLATION UNTIL ONE REACHES HIS DESK.

IF HE CAN ARRANGE IT, HE WOULD LIKE TO GO TO DES MOINES,IOWA, TO ATTEND THE MEETING OF THE AMERICAN VETERANS OF WORLD WAR II.

THE PRESIDENT REMARKED THAT THE THERMOMETER READ 96 ON HIS OFFICE PORCH TODAY. IT WAS 84 INSIDE.

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NIGHT LEAD FIVE PERCENTERS
BY STERLING F.GREEN

AUG 12 1949

WASHINGTON,AUG 11-(AP)-A FLEETING MENTION OF THE SHIPMENT OF A DEEP FREEZER TO MAJ.GEN.HARRY H.VAUGHAN CREATED TODAY WHAT SENATOR MUNDT (R-SD) CALLED AN "AROMA OF MYSTERY" IN THE SENATE INVESTIGATION T

FREEZER TO MAJ.GEN.HARRY H.VAUGHAN CREATED TODAY WHAT SENATOR MUNDT (R-SD) CALLED AN "AROMA OF MYSTERY" IN THE SENATE INVESTIGATION OF "FIVE PERCENTERS."

BUT PRESIDENT TRUMAN TOLD HIS NEWS CONFERENCE THE FREQUENT MENTION OF HIS ARMY AIDE IN THE SENATE PROBE HAD NOT CHANGED HIS OPINION OF VAUGHAN. HE MADE PLAIN THAT VAUGHAN WAS NOT GOING TO BE SUSPENDED, AS TWO OTHER GENERALS HAVE BEEN.

A MILWAUKEE BUSINESSMAN TOLD THE SENATORS HE SENT THE FREEZER TO VAUGHAN. IT WAS PAID FOR, SAID WITNESS ALBERT J.GROSS, BY THE ALBERT VERLY CO., CHICAGO PERFUME MANUFACTURERS.

SEVERAL OTHER WASHINGTONIANS GOT HOME FREEZERS PAID FOR BY THE PERFUME COMPANY, GROSS ADDED--AND HE WAS STOPPED AT ABOUT THAT POINT, WHILE SENATORS AND STAFF MEMBERS BUZZED AMONG THEMSELVES.

LATER, SOME SENATORS SAID THEY UNDERSTOOD GROSS WOULD HAVE TESTIFIED THAT AT LEAST FIVE FREEZING UNITS WERE SHIPPED TO VERY HIGHLY PLACED GOVERNMENT OFFICIALS, OR THEIR FAMILIES. AT LEAST ONE OF THESE OFFICIALS WAS UNDERSTOOD TO HAVE DENIED, HOWEVER, THAT HE EVER GOT A FREEZER.

CHAIRMAN HOEY (D-NC) RULED THAT THE SPECIAL INVESTIGATING SUBCOMMITTEE DIDN'T KNOW YET WHETHER THE FREEZERS WERE PURCHASES OR GIFTS. HE STOPPED THE LINE OF TESTIMONY, PENDING FURTHER EVIDENCE.

BUT MUNDT, SPEAKING SWIFTLY, ALREADY HAD SLIPPED INTO THE RECORD A REMARK THAT IT WAS THE "ASSUMPTION" VAUGHAN HAD NOT PAID FOR HIS FREEZER.

MUNDT AND A FELLOW REPUBLICAN, SENATOR MCCARTHY (WIS) "RELUCTANTLY" AGREED TO HALT THE QUESTIONING. MUNDT COMPLAINED, HOWEVER, THAT HOEY'S RULING LEFT "AN AROMA OF MYSTERY."

IT WAS NOT THE ONLY MYSTERY. THE VERLY COMPANY, MCCARTHY RECALLED, FORMERLY EMPLOYED JOHN MARAGON, THE FABULOUS FORMER BOOTBLACK WHO VISITS VAUGHAN AT THE WHITE HOUSE AND HAS BEEN QUESTIONED PRIVATELY BY THE COMMITTEE.

NOR WAS IT THE ONLY AROMA. AS TENSION HEIGHTENED IN THE SMALL AND CROWDED HEARING CHAMBER, SENATOR MCCARTHY BROKE IT BY SUGGESTING THE COMMITTEE STAFF MIGHT TRY TO FIND SENATOR MUNDT SOME CIGARS "WITH TOBACCO IN THEM." MUNDT JOINED IN THE LAUGHTER AND WENT ON EMITTING BILLOWS OF SMOKE.

THE DAY'S QUEST FOR INFORMATION ON "FIVE PERCENTERS"--INDIVIDUALS WHO, FOR A PERCENTAGE FEE, GET FEDERAL CONTRACTS FOR BUSINESSMEN--PRODUCED THESE DEVELOPMENTS:

1. A FORMER WAR ASSETS ADMINISTRATION OFFICIAL TESTIFIED HE SENT LETTERS CONTAINING INFORMATION ON SURPLUS OFFERINGS TO JAMES V.HUNT, THE NO. 1 TARGET OF THE SENATE PROBE INTO THE ALLEGED USE OF "INFLUENCE ON GOVERNMENT MEN.

2. SENATOR MUNDT CHARGED THAT ONE OF THE LETTERS TRANSMITTING THE INFORMATION WAS A "BLATANT INVITATION FOR BRIBERY OR CONNIVANCE" IN THE SALE OF $100,000,000 WORTH OF SURPLUS AUTOMOTIVE PARTS. THE WITNESS, CLARENCE W.OEHLER, SAID IT WAS MERELY PUBLIC INFORMATION.

3. THE FORMER WAA MAN, SAID HE FURNISHED HUNT WITH MATCH FOLDERS MARKED "WHITE HOUSE", "H.S.T.", AND "H.H.V."--THE INITIALS OF THE PRESIDENT AND HIS AIDE.

4. THE MILWAUKEEAN, GROSS, SAID HE HIRED HUNT IN 1946 TO HELP HIM GET SCARCE STEEL FOR $1,000 A MONTH AND 10 PERCENT OF THE STEEL PRICE. HE GOT NO STEEL, HE SAID, AND PAID ONLY $2,000 IN ALL.

AT THAT TIME, HUNT WAS WORKING FOR WAA, THE SURPLUS DISPOSAL AGENCY, AS A CONSULTANT AT $50 A DAY, GROSS TESTIFIED.

5. THE SENATORS WERE TOLD THAT A NEW YORK MANUFACTURER PURCHASED A $20,000 LEATHER GOODS PLANT TO PRODUCE BELTS UNDER A $782,000 ARMY CONTRACT, ONLY TO LEARN THAT THE CONTRACT WAS "ENTIRELY PHONEY." A FORMER ARMY QUARTERMASTER EMPLOYE "LANDED" THE FICTITIOUS CONTRACT FOR HIM, IT WAS TESTIFIED.

MOST OF THE REPORTERS WHO CROWDED INTO PRESIDENT TRUMAN'S OFFICE DIDN'T KNOW ABOUT THE DEEP FREEZE TESTIMONY, WHICH CAME LATE IN THE DAY. THEY HAD IN MIND YESTERDAY'S TESTIMONY--THAT VAUGHAN HELPED TANFORAN RACETRACK GET CLEARANCE FOR CONSTRUCTION IN EARLY 1948, WHEN A RECREATIONAL BUILDING WAS RESTRICTED FOR THE BENEFIT OF HOUSING.

THE FIRST QUESTION WAS: WHAT DID THE PRESIDENT THINK OF VAUGHAN HELPING THE RACETRACK OWNERS. MR.TRUMAN SAID HE DIDN'T KNOW IT WAS A FACT AND NEITHER DID THE REPORTER.

IT WAS NOTED THAT VAUGHAN WAS NOT PRESENT. HE USUALLY STANDS, FAULTLESSLY UNIFORMED, WITH OTHER STAFF MEMBERS BEHIND THE PRESIDENT. A REPORTER REMARKED ON HIS ABSENCE. THE PRESIDENT SAID:

HE'S NOT AFRAID OF YOU. DON'T WORRY ABOUT THAT.

MR.TRUMAN TOLD ANOTHER QUESTIONER THAT THE SECRETARY OF THE ARMY IS NOT FREE TO SUSPEND VAUGHAN FROM ACTIVE DUTY IN THE WAY THAT TWO OTHER MAJOR GENERALS HAVE BEEN SUSPENDED SINCE THE "FIVE PERCENT" STORM BLEW UP.

THE CHIEFS OF THE ARMY'S QUARTERMASTER CORPS AND CHEMICAL CORPS, GENERALS HERMAN FELDMAN AND ALDEN WAITT RESPECTIVELY, WERE SUSPENDED JULY 16.

THEN CAME THE CLINCHER: "HAS ANYTHING THAT HAS HAPPENED ON CAPITOL HILL CHANGED YOUR ATTITUDE TOWARD GENERAL VAUGHAN?"

NOT IN THE SLIGHTEST, SAID THE PRESIDENT.

HE REPEATED THAT VAUGHAN IS FREE TO TESTIFY AT THE HEARING IF HE CARES TO.

AUG 12 1949

AT THE OTHER END OF PENNSYLVANIA AVENUE, WITNESS GROSS WAS TELLING THE SENATORS THAT HE HIRED HUNT TO FIND HIM STEEL AFTER HUNT SPOKE OF HAVING INFLUENCE WITH GENERAL VAUGHAN.

HE SAID HUNT ALSO CLAIMED FRIENDSHIP WITH FORMER POSTMASTER GENERAL ROBERT M.HANEGAN AND LT.GEN.EDMUND GREGORY, FORMER CHIEF OF THE WAR ASSETS ADMINISTRATION.

GROSS, NOW WITH TRACTOR SPECIALTIES,INC., OF MILWAUKEE, SAID HE NEEDED STEEL DESPERATELY TO KEEP HIS MANUFACTURING FIRM FROM GOING OUT OF BUSINESS.

HE GAVE THE OPINION THAT HUNT WAS "SELLING ME A BILL OF GOODS--I GOT THE IMPRESSION I WAS IN VERY GOOD HANDS."

BUT THE DEAL PRODUCED "NOT ONE PENNY'S WORTH OF ANYTHING--NOT EVEN A DECENT LETTER," HE SAID.

GROSS TESTIFIED THAT ALL THE HOME FREEZERS HE SHIPPED TO WASHINGTON WERE PAID FOR EITHER BY THE VERLY COMPANY OR ITS HEAD, DAVID BENNETT.

LATER A COMMITTEE MEMBER TOLD REPORTERS THAT "FIVE OR SIX" FREEZERS WENT TO OTHER GOVERNMENT OFFICIALS BUT ADDED:

"IT MIGHT HAVE BEEN A PERFECTLY INNOCENT THING. WE WANT TO FIND OUT THE CIRCUMSTANCES BEFORE WE LET ANY MORE OF IT GO IN THE RECORD. WE DON'T WANT TO SMEAR ANYONE."

WILLIAM P.ROGERS, CHIEF COUNSEL FOR THE COMMITTEE, EXPLAINED THAT THE STAFF HAD NOT YET HAD A CHANCE TO LEARN WHERE THE MONEY CAME FROM. "NOTHING WILL BE LOST BY WAITING UNTIL TOMORROW," HE SAID.

GROSS SAID HIS LAWYER "GAVE ME A VERBAL SPANKING" FOR HAVING SIGNED THE CONTRACT WITH HUNT. HE TERMINATED IT, HE SAID, AFTER GIVING HUNT

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"$1,000 WHEN I KISSED HIM HELLO AND $1,000 WHEN I KISSED HIM GOODBYE."

THE TESTIMONY-TAKING ENDED WITH THE SENATORS LISTENING ALMOST UNBELIEVINGLY TO A TALE OF FICTITIOUS ARMY CONTRACTS.

LT.COL.RALPH SCHALLER, CHIEF OF AIR FORCE PROCUREMENT INVESTIGATIONS, AND GEORGE L.LIVINGSTONE OF THE AURANTIC CORPORATION, BROOKLYN, WERE THE WITNESSES.

BOTH NAMED JOSEPH E.RIVERE OF LYNBROOK,L.I.,N.Y., A FORMER QUARTERMASTER CORPS EMPLOYE, AS THE MAN WHO PRODUCED THE CONTRACTS.

AT HIS LYNBROOK, N.Y., HOME, HIS WIFE SAID RIVERE WAS IN WASHINGTON BUT SHE DID NOT KNOW WHERE HE COULD BE REACHED FOR COMMENT THERE.

SCHALLER SAID OTTO L.HERBST, PRESIDENT OF THE HEGA KNITTING MILLS, YONKERS,N.Y., HAD PURCHASED THE NEW YORKER LEATHER GOODS CO. ON THE STRENGTH OF AN ARMY CONTRACT FOR 85,000 TROOP SAFETY BELTS.

THE COLONEL SAID HIS INQUIRY SHOWED THAT RIVERE HAD REPRESENTED TO HERBST HE COULD GET THE $782,000 CONTRACT AND ACTUALLY HAD PRODUCED A CONTRACT THAT WAS "FICTITIOUS." THE CASE HAS GONE TO THE JUSTICE DEPARTMENT, HE SAID.

LIVINGSTONE TOLD THE SENATORS THAT RIVERE CAME TO HIM IN SEPTEMBER, 1948, CLAIMING THAT HE KNEW "EVERYBODY WHO WAS ANYBODY" IN THE QUARTERMASTER CORPS. LIVINGSTONE SAID HE PAID RIVERE $560 FOR EXPENSES ENTAILED IN GETTING HIM ARMY CONTRACTS.

RIVERE CAME UP WITH "WHAT APPEARED TO BE A CONTRACT" FOR 100,000 HALF-GALLONS OF INSECTICIDE, AT $95,000. LIVINGSTONE SAID HE IS NOW SATISFIED THE CONTRACT WAS A "COMPLETE FRAUD."

STAR WITNESS OF THE MORNING SESSION WAS OEHLER, THE FORMER WAA EMPLOYE FROM ST.LOUIS WHO TOLD HOW HE FURNISHED INFORMATION ON PENDING GOVERNMENT SURPLUS SALES TO HUNT.

IT PROMPTED MUNDT'S OUTCRY OF "INVITATION TO BRIBERY OR CONNIVANCE" AND WAS DESCRIBED BY WAA, IN A LETTER TO THE COMMITTEE, AS AN "IMPROPER DISCLOSURE" OF INFORMATION.

THE INFORMATION GIVEN HUNT WAS RESTRICTED DATA "NOT AVAILABLE TO THE PUBLIC," THE WAA LETTER SAID. AT THIS STAGE, THE AGENCY SAID, IT IS UNCERTAIN "WHETHER ANY CRIMINAL VIOLATION WAS INVOLVED."

BUT OEHLER, WEARILY MURMURING HIS TESTIMONY, SAID THE INFORMATION ON SALES OF AUTOMOTIVE PARTS WAS NOT CONFIDENTIAL, EVEN THOUGH HE SO DESCRIBED IT IN ONE OF HIS LETTERS TO HUNT.

"I WAS TRYING TO BUILD MYSELF UP WITH COLONEL HUNT SO I WOULD HAVE A FUTURE JOB," HE EXPLAINED.

ONE LETTER, IDENTIFIED AS HAVINVMBEEN OBTAINED FROM HUNT'S FILES, TOLD OF OEHLER FURNISHING HUNT WITH MATCH FOLDERS MARKED "WHITE HOUSE," "H.S.T." AND "H.H.V."

IN ANOTHER LETTER OEHLER WROTE: "YOU SAY HARRY V. WANTS TO HAVE MATCH SETS FOR AN AMBASSADOR. OKAY CAN DO."

OEHLER NOTIFIED HUNT HE WAS SHIPPING HIM ONE BOX EACH OF THE FOLDERS WITH DISTINGUISHED INITIALS "FOR YOUR PERSONAL USE AND FUN." HE WAS KEEPING A FEW FOR HIMSELF, HE SAID--"THE USUAL POLITICAL PERCENTAGE."

THE WITNESS ADMITTED WRITING A SERIES OF LETTERS IN 1947 ON SURPLUS DISPOSAL DEVELOPMENTS TO HUNT. THE LATTER, A FORMER QUARTERMASTER OFFICER, HAD BY THEN LEFT WAA AND SET UP HIS BUSINESS COUNSELOR OFFICE IN WASHINGTON.

HUNT HAS BEEN ACCUSED BY AN EARLIER WITNESS OF SELLING HIS "INFLUENCE WITH GOVERNMENT OFFICIALS IN THE LETTING OF GOVERNMENT CONTRACTS. HE HAS DENIED THE CHARGES, BUT BECAUSE OF ILLNESS HAS NOT BEEN CALLED FOR TESTIMONY.

AS FRANCIS D.FLANAGAN, COMMITTEE STAFF INVESTIGATOR, CONFRONTED OEHLER WITH THE LETTERS FROM HUNT'S FILES, OEHLER DECLARED HUNT NEITHER ASKED FOR THE SURPLUS INFORMATION NOR PAID FOR IT. FLANAGAN SAID HE FOUND NO EVIDENCE OF ANY PAYMENT.

OEHLER EXPLAINED HE WAS CONCERNED OVER LOSING HIS POSITION AS WAREHOUSE SPECIALIST FOR WAA IN THE WESTERN AREA. WAA WAS REDUCED ITS FORCE, HE SAID, AND HE FELT HUNT MIGHT BE OF HELP IN GETTING HIM INTO PRIVATE INDUSTRY.

"ANY INFORMATION I GAVE COLONEL HUNT WAS OF A PUBLIC NATURE," HE ADDED. "NONE OF IT WAS CONFIDENTIAL."

HOEY ASKED: "DID YOU MARK IT CONFIDENTIAL JUST TO FOOL MR.HUNT?"

"THAT'S RIGHT," SAID OEHLER.

THE LETTER WHICH STIRRED MUNDT'S OUTBURST WAS DATED AUG. 15,1947. IN IT OEHLER TOLD HUNT OF WAA PLANS TO SELL IN HIS AREA AUTOMOTIVE PARTS WHICH COST THE GOVERNMENT $100,000,000.

"I WILL DIRECT THE PROGRAM," OEHLER WROTE, ADDING: "I HAVE CARTE BLANCHE TO SELL THEM NOW ON NEGOTIATED OR BID OR ODD-LOT SALE."

THE LETTER SAID "THIS IS CONFIDENTIAL INFORMATION," WITH THE WORDS "CONFIDENTIAL INFORMATION" UNDERLINED. IT TOLD HUNT "THE TIME IS RIPE" TO GET INTO OPERATION. OEHLER SAID HE FELT SOME MANUFACTURERS AND DEALERS "CAN MAKE A GOOD DEAL PROCURING THESE PARTS."

MUNDT SPOKE UP. HE ASKED FLANAGAN, WHO WAS READING THE MISSIVE ALOUD, WHETHER IT CONTAINED ANYTHING THAT "OFFERS ANY JUSTIFICATION FOR A WAA EMPLOYE PASSING ALONG THIS SECRET INFORMATION."

BEFORE FLANAGAN COULD REPLY, MUNDT DENOUNCED THE LETTER AS A "BLATANT INVITATION FOR BRIBERY OR CONNIVANCE OF SOME KIND."

THE SENATOR SAID OEHLER WAS TELLING HUNT IN EFFECT: "I GOT SOME PRETTY HOT STUFF, AND WE CAN GET TOGETHER." HE WENT ON:

"I SEE NO OTHER CONCEIVABLE JUSTIFICATION FOR A MAN ON THE INSIDE DISCLOSING SECRET INFORMATION OF TREMENDOUS VALUE TO SOMEONE WILLING TO CUT CORNERS."

BUT THE PARTLY BALD OEHLER SAT PASSIVELY AND, AS THE QUESTIONING DEVELOPED, ADMITTED THAT STATEMENT AFTER STATEMENT IN HIS LETTERS WAS UNTRUE.

ASKED WHETHER HE "MISREPRESENTED" IN CLAIMING TO BE IN CHARGE OF THE AUTO PARTS SALE, HE SAID "YES." ASKED WHETHER HE HAD CARTE BLANCHE FOR THE DISPOSAL, HE REPLIED:

"THAT'S A MISSTATEMENT. I HAD NO AUTHORITY. X X X I HAD NOTHING TO DO WITH THE DISPOSAL."

SENATOR MCCARTHY ASKED IF IT WERE TRUE, AS OEHLER HAD TOLD HUNT IN A LETTER, THAT IT WAS NECESSARY TO KNOW THE "PROPER GOVERNMENT PERSONNEL" TO OBTAIN FEDERAL CONTRACTS.

"ABSOLUTELY NOT," SAID THE WITNESS.

MCCARTHY BORED IN AGAIN. HE CALLED OEHLER'S ATTENTION TO HIS STATEMENT IN A LETTER THAT HUNT, BY APPROACHING TOP-LEVEL PEOPLE, "COULD HAVE ME CALLED TO WASHINGTON."

OEHLER CHUCKLED WANLY: "THAT'S A FIGMENT OF THE IMAGINATION."

THESE WERE AMONG FURTHER LETTERS READ INTO THE RECORD BY FLANAGAN:

MAY 1,1947, OEHLER TO HUNT: INFORMATION THAT THE ARMY AND NAVY PLANNED TO STORE SURPLUS MACHINE TOOLS IN ORDNANCE DEPOTS, WITH PRIVATE CONTRACTORS TO BE EMPLOYED TO "UNLOAD, SKID, CLEAN AND REPAIR" THEM AND MAINTAIN THE WAREHOUSES ON LONG-TERM CONTRACTS. OEHLER SAID "THE TIME FOR GETTING INTO THIS IS RIPE," AND SUGGESTED HUNT LINE UP

SOME CONTRACTORS.
AUG. 21,1947, OEHLER TO HUNT: A REPORT THAT OEHLER HAD LEARNED FROM RUFUS MATTHEWS, A CIVILIAN AIDE IN THE QUARTERMASTER GENERAL'S OFFICE, THAT THE QUARTERMASTER CORPS PLANNED TO EXPAND ITS STORAGE OPERATIONS AND LET CONTRACTS TO PRIVATE FIRMS. THE LETTER IDENTIFIED MATTHEWS AS GENERAL FELDMAN'S "RIGHT HAND MAN."
THIS APPARENTLY REFERRED TO MAJ.GEN.HERMAN FELDMAN, THE SUSPENDED QUARTERMASTER GENERAL. THE COMMITTEE PLANS TO REVEAL THE EVIDENCE WHICH LED TO FELDMAN'S SUSPENSION, MEMBERS SAID. BUT IN THIS MORNING'S HEARING, COMMITTEE COUNSEL WILLIAM ROGERS BROKE IN TO SAY THERE WAS NO EVIDENCE THAT MATTHEWS GAVE OEHLER ANY CONFIDENTIAL INFORMATION FROM THE QUARTERMASTER CORPS.
"OEHLER'S PURPOSE IN A LOT OF THIS WAS ONLY TO IMPRESS HUNT," ROGERS REMINDED THE COMMITTEE.
SENATOR MARGARET CHASE SMITH (R-ME) WANTED TO KNOW WHETHER THERE WAS "ANY REAL INDICATION" THAT OEHLER "SOLD HIS SERVICES" TO HUNT.

FLANAGAN SAID NO. HE ADDED THAT HUNT DID CONTACT SOME OF THE COMPANIES MENTIONED BY OEHLER AND FAILED TO CONTACT OTHERS, SO "IT IS DIFFICULT TO TELL WHETHER HE CONTACTED THEM BECAUSE OF WHAT OEHLER SAID."
FLANAGAN PRODUCED ONE LETTER, ON WHITE HOUSE STATIONERY, WHICH SAID:
"JIM HUNT: COULD I GET SOME MATCHES MADE FOR MY FRIEND BILL PAWLEY, AMBASSADOR TO BRAZIL? THANKS. HARRY."
THEN FLANAGAN QUOTED FROM A LETTER DATED AUG.18, HUNT TO OEHLER, IN WHICH HUNT WROTE HE WAS INCLOSING A COPY OF THE SIIGNATURE OF AMBASSADOR WILLIAM D.PAWLEY, TO BE INSCRIBED ON A MATCH COVER.
FLANAGAN LEFT THE IMPRESSION THIS WAS CONNECTED WITH THE REQUEST FROM "HARRY V." MENTIONED EARLIER.
OEHLER TOLD THE COMMITTEE HE PAID FOR THE "H.S.T." AND "H.H.V." MATCHES PERSONALLY, AT 2 OR 3 CENTS A PACKAGE. HE SAID HE HAD NEVER HAD ANY CORRESPONDENCE WITH PRESIDENT TRUMAN ABOUT THEM.
IN EARLIER TESTIMONY IT WAS DEVELOPED THAT HUNT ORDERED BOOKS OF MATCHES PRINTED "SWIPED FROM HARRY S.TRUMAN."

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AUG 12 1949

VAUGHAN
WASHINGTON,AUG.11-(AP)-IT HAP-PUNNED AT A WHITE HOUSE NEWS CONFERENCE DISCUSSION TODAY OF GENHARRY H.VAUGHAN'S STATUS IN THE FIVE PERCENTER PROBE.
NOTING THAT THE ARMY HAD TEMPORARILY SUSPENDED TWO GENERALS MENTIONED IN THE INQUIRY, A REPORTER SAID SOME PARAGRAPHER HAD SUMMED UP THE SITUATION AS FOLLOWS:
"TWO DOWN AND VAUGHAN (ONE) TO GO."
PRESIDENT TRUMAN JOINED IN THE LAUGHTER AT THE PUN, REMARKING THAT IT MUST HAVE ORIGINATED WITH A DISPLACED PERSON.
THEN MR.TRUMAN WENT ON TO MAKE PLAIN THAT VAUGHAN WAS NOT GOING TO BE SUSPENDED.

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NIGHT LEAD B-36

AUG 12 1949

BY MORGAN REYNOLDS
WASHINGTON,AUG.11-(AP)-GEN.GEORGE C.KENNEY, WHO ONCE WANTED TO SCRAP THE B-36 PROGRAM UND TURN THE 10,000-MILE BOMBER INTO A FLYING FI
LING STATION, BOASTED TODAY: "NOBODY HAS A FIGHTER PLANE THAT COULD TOUCH IT."
"AS A NIGHT BOMBER OPERATING OVER 40,000 FEET, IT IS PERFECTLY SAFE TO TAKE IT ANYWHERE," THE 60-YEAR OLD PACIFIC WAR VETERAN TOLD THE HOUSE ARMED SERVICES COMMITTEE.
THE B-36, HE ADDED, CAN "DO ANYTHING" AS A COMBAT CRAFT.
KENNEY'S FLAT ENDORSEMENT OF THE PLANE HE SAID THREE YEARS AGO HE HAD "NO FAITH" IN, CAME AS THE COMMITTEE WENT INTO THE THIRD DAY OF ITS INVESTIGATION OF THE SUPERBOMBER'S HISTORY TO SEE WHETHER ANY POLITICAL OR BUSINESS INFLUENCE WAS INVOLVED IN THE PRODUCTION CONTRACT WITH CONSOLIDATED VULTEE AIRCRAFT CO.
THESE WERE OTHER HIGHLIGHTS:
1. ROBERT P.PATTERSON, FORMER SECRETARY OF WAR, SAID HE ACCEPTED "FULL RESPONSIBILITY" FOR GIVING CONSOLIDATED THE ORDER FOR 100 B-36S IN 1943 EVEN THOUGH THE PLANES HAD NOT THEN BEEN TESTED. HE ACKNOWLEGED THAT THE ACTION WAS "MOST UNUSUAL" BUT SAID THAT WHEN HE CAME INTO THE WAR DEPARTMENT HE WAS "SHOCKED" TO FIND "HOW WEAK WE WERE IN THE AIR."
PATTERSON SAID HE GAVE THE GO-HEAD SIGNAL AFTER TOM GRIDLER, THEN HEAD OF CONSOLIDATED, CAME TO HIM AND PROMISED TO BEAT THE PRODUCTION SCHEDULE BY "10 MONTHS" IF HIS COMPANY WAS GIVEN A 100-PLANE CONTRACT.
AFTER CONSULTING AIR FORCE OFFICIALS, PATTERSON SAID, "THEN AND THERE I GAVE HIM THE ORDER FOR 100 B-36S."
COMMITTEE COUNSEL JOSEPH B.KEENAN ASKED PATTERSON WHETHER HIS DECISION WAS "MOTIVATED IN ANY WAY" BY THE OWNERSHIP OF THE CONSOLIDATED CONCERN. PATTERSON REPLIED:
"NOT IN THE SLIGHTEST. I DIDN'T HAVE THE FAINTEST NOTION WHO HAD FINANCIAL INTEREST IN CONSOLIDATED. I HADN'T MET GIRDLER UNTIL THAT DAY IN 1943."
2. MAJ.GEN.FREDERICK H.SMITH, AIR FORCE REQUIREMENTS CHIEF, INDICATED THAT THE AIR STAFF EXPECTS TO REPLACE THE B-36 IN FIVE OR SIX YEARS WITH THE B-52, A JET BOMBER VERSION OF THE B-29 PRODUCED BY BOEING. SMITH GAVE NO DETAILS OF THE NEW CRAFT WHICH IS STILL IN THE EXPERIMENTAL STAGE. HE SAID NO ORDER HAS YET BEEN PLACED BY THE AIR FORCE.
2. LT.GEN.CURTIS LE MAY, WHO SUCCEEDED KENNEY LAST YEAR AS CHIEF OF THE STRATEGIC AIR COMMAND, TESTIFIED THAT THE B-36 "WILL FLY ANY COMBAT MISSION THAT I CAN FORESEE." HE BACKED KENNEY'S VIEW THAT NO KNOWN FIGHTER PLANE WOULD BE EFFECTIVE AGAINST THE HIGH-FLYING BOMBER. LE MAY SAID A NIGHT FIGHTER "MIGHT" CATCH A B-36 UNDER SOME CIRCUMSTANCES "BUT IT WOULD ONLY BE AN ACCIDENT."
LE MAY, WHO DIRECTED THE B-29 STRIKES AGAINST JAPAN AND THE DROPPIN OF THE TWO ATOM BOMBS WHICH LED TO NIPPON'S KNUCKLING, TOLD THE COMMITTEE THERE IS NO PLANE WHICH CANNOT BE SHOT DOWN, BUT THAT IT WOULD BE VERY DIFFICULT TO BRING A B-36 DOWN. HE SAID HIS ADVOCACY OF THE PLANE WAS BASED SOLELY ON ITS ABILITY TO GO "ANYWHERE" IN THE WORLD FROM BOMBING BASES IN THIS COUNTRY AND RETURN.
UNDER KEENAN'S QUESTIONING, LE MAY ACKNOWLEDGED THAT THE AIR FORCE HAS ITS EYES ON ANOTHER LONG RANGE BOMBER, BUT SAID "WHEN A BETTER BOMBER IS DEVELOPED, THE B-36 WON'T BE WIPED OUT BUT WILL BE RELEGATED TO SECOND PLACE."

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SMITH, WHO HAD BEEN THE CHIEF WITNESS THE PAST TWO DAYS, EARLIER HAD TOLD THE COMMITTEE OF KENNEY'S OPPSOTION TO THE B-36 PROJECT IN WHICH OVER A HALF BILLION DOLLARS HAS BEEN INVESTED. HE TESTIFIED THAT IN 1946 AND AS LATE AS APRIL OF LAST YEAR THAT THE FORMER CHIEF OF THE STRATEGIC AIR COMMAND HAD INSISTED THAT THE B-36 WAS "INFERIOR" TO THE B-29 AND SHOULD BE USED AS A FLYING TANK CAR TO REFUEL MEDIUM BOMBERS FOR LONG RANGE MISSIONS.

KENNEY, HOWEVER, WHEN HE TOOK THE STAND MADE IT PLAIN THAT HIS PAST DOUBTS HAD BEEN OVERCOME BY CHANGES WHICH HAVE BEEN MADE IN THE SUPER-BOMBER.

AN AIR OFFICER SINCE 1917, KENNEY NOW IS COMMANDER OF THE AIR UNIVERSITY AT MAXWELL FIELD, ALA. DURING THE LAST WAR HE SERVED AS ALLIED AIR CHIEF IN THE PACIFIC.

KENNEY SAID HIS FIRST CONTACT WITH THE B-36 WAS IN 1941 WHEN HE RECOMMENDED THAT THE AIR FORCE BUY IT. THIS DECISION, HE SAID, WAS BASED ON PRELIMINARY PLANS SUBMITTED BY FOUR AIRPLANE MANUFACTURERS. AT THAT TIME KENNEY WAS CHIEF OF PROCUREMENT IN THE AIR MATERIAL COMMAND AT WRIGHT FIELD, OHIO.

ASKED BY KEENAN WHETHER THERE WERE "ANY POLITICAL RAMIFICATIONS" OR OTHER CONSIDERATIONS WHICH INFLUENCED THAT RECOMMENDATION, THE GENERAL REPLIED THAT HE APPROVED THE B-36 PLANS "SOLELY ON THE MERITS OF DESIGN."

KENNEY SAID HE DID NOT HAVE ANY FURTHER DEALINGS WITH THE B-36 PROJECT UNTIL AFTER HIS RETURN FROM THE PACIFIC IN LATE 1946 TO TAKE OVER THE STRATEGIC AIR COMMAND. HE TOLD THE COMMITTEE HE IMMEDIATELY INQUIRED ABOUT THE PLANE WHICH STILL HAD NOT FLOWN ALTHOUGH THE PRODUCTION SCHEDULE HAD CALLED FOR DELIVERY THE YEAR PREVIOUS.

"I WASN'T TOO HAPPY ABOUT THE INFORMATION I GOT," KENNEY SAID. "THE PLANE DIDN'T SEEM TO BE LIVING UP TO EXPECTATIONS."

HE REPORTED THAT THE PLANE WAS HAVING "A LOT OF TEETHING TOUBLES" WITH PROPELLERS, LANDING GEAR AND ENGINES WHICH "WERE VERY ALARMING TO ME."

"I WAS AN OPERATOR," KENNEY ADDED, "AND I WANTED SOMETHING THAT WOULD OPERATE. I WASN'T INTERESTED IN A LOT OF PRETTY PICTURES."

THE GENERAL THEN RELATED HOW HE RECOMMENDED TO GEN. CARL A. SPAATZ, THEN AIR FORCE COMMANDER, THAT THE B-36 PROGRAM BE REVIEWED AND PERHAPS CUT BACK OR DROPPED. SPAATZ, HOWEVER, AGREED WITH OTHER AIR OFFICERS WHO TOOK AN OPPOSITE VIEW AND THE PROGRAM WAS CONTINUED.

AFTER MORE UPS AND DOWNS, KENNEY SAID THE B-36 SHOWED MORE ENCOURAGING PERFORMANCE AND BY JUNE, 1948, MOST OF THE PLANE'S TROUBLES HAD BEEN ELIMINATED.

THAT WAS THE DATE, GEN.SMITH TESTIFIED YESTERDAY, THAT THE AIR HIGH COMMAND DECIDED TO GO AHEAD WITH THE FULL CONTRACT AFTER THE RUSSIANS CLAMPED DOWN THEIR BLOCKADE ON BERLIN. SINCE THAT TIME, SMITH SAID ADDITIONAL ORDERS FOR 75 MORE B-36S HAVE BEEN PLACED WITH CONSOLIDATED.

KENNEY SUMMED UP HIS VIEW OF THE IMPROVED MODEL THIS WAY:

"THE AIRPLANE ASTONISHED ME, AND I THINK IT ASTONISHED EVERYBODY ELSE. IT WAS ONE OF THOSE LUCKY FREAKS THAT TURNED OUT BETTER THAN IT LOOKED AT FIRST."

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BY HARRY P.SNYDER

WASHINGTON, AUG.11-(AP)-GEN. GEORGE C.KENNEY SAID TODAY THE B-36 BOMBER "CAN GO ANYWHERE AND DO ANYTHING" AS A COMBAT PLANE.

ONCE ONE OF THE TOUGHEST FOES OF THE BIG PLANE, KENNEY GAVE IT THIS HIGH PRAISE BEFORE THE HOUSE ARMED SERVICES COMMITTEE:

"AS A NIGHT BOMBER, OPERATING OVER 40,000 FEET, IT IS PERFECTLY SAFE TO TAKE IT ANYWHERE. NOBODY HAS A FIGHTER PLANE THAT COULD TOUCH IT."

THE STUBBY, GRAY-HAIRED AIR FORCE PIONEER WAS A WARTIME ALLIED AIR COMMANDER IN THE PACIFIC.

HE TOLD HIS STORY TO THE COMMITTEE AFTER IT HEARD FORMER SECRETARY OF WAR ROBERT P.PATTERSON TAKE "FULL RESPONSIBILITY" FOR A PRE-TEST ORDER OF 100 B-36S GIVEN IN 1943 TO GET PRODUCTION ROLLING AS QUICKLY AS POSSIBLE.

LATER, LT.GEN.CURTIS LE MAY, LEADER OF THE B-29 STRIKES AGAINST JAPAN AND KENNEY'S SUCCESSOR AS THE CHIEF OF THE STRATEGIC AIR COMMAND, TOLD THE COMMITTEE:

"I KNOW OF NO NIGHT FIGHTER THAT COULD BE BROUGHT AGAINST IT (THE B-36) THAT WOULD BE EFFECTIVE."

LE MAY SAID A NIGHT FIGHTER "MIGHT, AND I SAY MIGHT" CATCH A B-36 UNDER SOME CIRCUMSTANCES, "BUT IT WOULD BE AN ACCIDENT."

THE GENERAL SAID THERE IS NO PLANE THAT CANNOT BE SHOW DOWN, BUT HE ADDED "IT WOULD BE VERY DIFFICULT" TO SHOOT DOWN A B-36.

LE MAY DID NOT AGREE WITH A KENNEY ASSERTION THAT THE B-36 SHOULD BE USED EXCLUSIVELY AS A NIGHT BOMBER. UNDER SOME CONDITIONS IT MIGHT BE ADVISABLE TO USE IT ON DAYLIGHT MISSIONS, HE SAID.

REP.HARDY (D-VA) ASKED LE MAY WHETHER HE THOUGHT THE DDVELOPMENT OF LAND-BASED BOMBERS SUCH AS THE B-36 HAD MADE CARRIER-BASED BOMBING UNNECESSARY.

THAT, LE MAY REPLIED, IS A QUESTION FOR THE JOINT CHIEFS OF STAFF.

IN REPLY TO A QUESTION FROM REP.SHORT (R-MO), LE MAY SAID HE DOES NOT BELIEVE THERE IS ANY CARRIER-BASED BOMBER CAPABLE OF CARRYING OUT AN ATOMIC BOMB ATTACK.

BEFORE KENNEY LEFT THE WITNESS STAND, REP.VAN ZANDT (R-PA) ASKED HIM WHETHER HIS ONCE CRITICIZED VIEWS ON THE B-36 BOMBER HAD ANYTHING TO DO WITH HIS TRANSFER LAST FALL FROM THE STRATEGIC AIR COMMAND TO COMMAND OF THE AIR UNIVERSITY.

"I DON'T THINK SO," KENNEY SAID. "IT NEVER OCCURRED TO ME."

AN AIR OFFICER SINCE 1917 AND NOW COMMANDER OF THE AIR UNIVERSITY AT MAXWELL FIELD, ALA., KENNEY SAID HIS FIRST CONTACT WITH THE B-36 WAS IN 1941, WHEN HE RECOMMENDED THAT THE AIR FORCE BUY IT.

THIS DECISION, HE SAID, WAS BASED ON PRELIMINARY DRAWINGS AND PLANS SUBMITTED BY FOUR AIRPLANE MANUFACTURERS. KENNEY WAS THEN CHIEF OF PROCUREMENT IN THE AIR MATERIEL COMMAND AT WRIGHT FIELD, OHIO.

KENNEY SAID HE APPROVED THE B-36 PLANS "SOLELY ON THE MERITS OF DESIGN." THIS, HE DECLARED, WAS "THE ONLY CONSIDERATION."

HE SAID HE NEXT MET THE B-36 WHEN HE RETURNED FROM THE PACIFIC AFTER THE WAR AND WAS GIVEN COMMAND OF THE STRATEGIC AIR COMMAND IN LATE 1946. HE IMMEDIATELY BEGAN TO INQUIRE ABOUT THE PLANE, WHICH STILL HAD NOT FLOWN.

KENNEY SAID THAT "THE PLANE DIDN'T SEEM TO BE LIVING UP TO EXPEC-

TATIONS."
IT WAS HAVING "A LOT OF TEETHING TROUBLES," WITH PROPELLERS, THE FLAP SYSTEM, LANDING GEAR AND ENGINES, AND THESE "WERE VERY ALARMING TO ME," HE ADDED.
KENNEY SAID HE RECOMMENDED TO GEN. CARL A.SPAATZ, THEN AIR FORCE COMMANDER, THAT THE B-36 PROGRAM BE REVIEWED AND PERHAPS CURTAILED.
BY JUNE OF 1948, HOWEVER, MOST OF THE PLANE'S TROUBLES HAD BEEN LICKED, KENNEY SAID, ADDING:
"THE AIRPLANE ASTONISHED ME, AND I THINK ASTONISHED EVERYBODY ELSE. THE YOUNGSTERS FLYING IT SAID THEY LIKED IT, AND WITH ALL THE TROUBLES CURED, I SAID 'ALL RIGHT, I'LL BUY IT'."
PATTERSON TOLD THE COMMITTEE HE WAS NOT MOTIVATED BY INTEREST IN ANY OF THE INDIVIDUALS CONNECTED WITH THE CONSOLIDATED AIRCRAFT COMPANY, WHICH BUILDS THE B-36.

GENERAL KENNEY TOLD THE COMMITTEE THE B36 IS A SUPERIOR SHIP AS A NIGHTTIME BOMBER.
"IF I SENT 100 B36S OUT AT NIGHT ON A MISSION," HE SAID, "I WOULD EXPECT TO GET BACK 100 AIRPLANES, BARRING ENGINE TROUBLE."
HE SAID NO ONE HAD A NIGHT FIGHTER THAT COULD SHOOT DOWN THE BIG SHIP AND ADDED THAT HE EXPECTED IT WOULD BE FIVE YEARS BEFORE SUCH AN INTERCEPTOR IS DEVELOPED.
"THERE IS NO REASON TO EXPECT ANYTHING SHOULD INTERFERE WITH THAT PLANE GOING IN AT NIGHT," HE SAID.
REP.SHORT (R-MO) ASKED IF HE THOUGHT THE NAVY'S BANSHEE JET FIGHTER COULD INTERCEPT THE B36.
"NOT AT NIGHT AND AT 40,000 FEET," HE RETORTED.
REP.VINSON (D-GA) ASKED HIM IF IT WERE TRUE THE B-36 IS "ONLY A NIGHT PLANE AND NOT A 24-HOUR PLANE."
"THAT'S THE WAY I WOULD USE IT," HE ANSWERED.
REP.VAN ZANDT (R-PA) ASKED THE GENERAL WHAT EFFECT A GUIDED MISSILE WOULD HAVE ON THE CRAFT.
"IF THEY GET A NIGHT FIGHTER WITH SEARCH RADAR," HE REPLIED, "THE B-36 WILL BECOME A TANKER."
ASKED BY REP.RIVERS (D-SC) IF THE AIR FORCE HAD ADEQUATE FIGHTER PLANES, KENNEY SAID HE DIDN'T KNOW BUT WHEN PRESSED FOR AN OPINION REPLIED, "WE NEED A NIGHT FIGHTER."
KENNEY SUGGESTED IN REPLY TO A QUERY BY SHORT REGARDING THE RUSSIAN AIR FORCE THAT IT SHOULD BE DIRECTED TO THE INTELLIGENCE SERVICE.
"I DON'T MIND SAYING, HOWEVER, THAT I AM NOT WORRIED ABOUT RUSSIAN AERONAUTICAL DEVELOPMENTS," HE SAID. "I THINK WE'VE DONE VERY WELL."
SHORT ASKED THE AIRMAN IF HE AGREED THAT CARRIER-BASED BOMBERS "CONTRIBUTED GREATLY TO OUR VICTORY IN THE PACIFIC" AND WAS TOLD:
"I THINK WE'D BETTER SPLIT SOME OF THE CREDIT."
"OH, THERE'S PLENTY OF GLORY TO GO AROUND," RETORTED SHORT. "I JUST DON'T WANT THE NAVY WASHED OUT."
VINSON OBSERVED THAT IN A RECENT STORY CARRIED BY THE UNITED STATES NEWS "IT LOOKS LIKE THE NAVY HAS ALREADY BEEN WASHED OUT." HE REFERRED TO AN ARTICLE BY DAVID LAWRENCE TO THE EFFECT THAT NAVY EQUIPMENT HAS BEEN CUT DOWN BY LARGE AMOUNTS.
"I KNOW," SAID SHORT, "BUT THERE WILL ALWAYS BE A NAVY."
COMMITTEE COUNSEL KEENAN WANTED TO KNOW IF SECRETARY OF THE AIR FORCE SYMINGTON "OR ANYONE ELSE" HAD INFLUENCED KENNY TO CHANGE HIS OPINION REGARDING THE VALUE OF THE B-36.
"NOBODY COULD SELL ME A BOMBER BUT A BOMBER," THE GENERAL REPLIED, ADDING THAT HE HAD NOT CHANGED HIS OPINION BUT THAT THE AIRCRAFT HAD BEEN CHANGED ENOUGH "TO GET THE BUGS OUT OF IT."
"ANYBODY WHO KNOWS ME," HE SAID, "WILL TELL YOU THAT NOBODY TELLS ME WHAT TO SAY ABOUT AN AIRPLANE."

THE COMMITTEE IS TRYING TO FIND OUT WHY THE AIR FORCE HAS PUSHED THE B36. THE INQUIRY STARTED AFTER REP.VAN ZANDT (R-PA) MADE A SPEECH IN THE HOUSE IN WHICH HE CRITIZIED THE PROGRAM, AND SAID:
"THERE ARE A LOT OF MEMBERS WHO WANT TO ASK A LOT OF QUESTIONS."
PATTERSON SAID HE ALSO HAD A HAND IN GETTING THE COMPANY A CONTRACT FOR THE FIRST TWO EXPERIMENTAL MODELS OF THE NEW LONG-RANGE AIRCRAFT IN 1941.
THE SHIPS HAD NOT BEEN TESTED, HE TOLD THE COMMITTEE, AND THE PLACING OF THE ORDER UNDER THE CIRCUMSTANCES WAS "MOST UNUSUAL."
"I WAS SHOCKED WHEN I CAME TO THE WAR DEPARTMENT AND FOUND HOW WEAK WE WERE IN THE AIR," PATTERSON SAID. "OUR AIR POWER PROGRAM WAS LARGELY A PAPER PROGRAM."
HE SAID HE WAS IMPRESSED WITH THE INFORMATION THAT THE B-36 BOMBER COULD CARRY A 10,000-POUND BOMB LOAD 10,000 MILES WITHOUT REFUELING.
PATTERSON SAID HE COULD RECALL QUITE CLEARLY THE DAY THE ORDER WAS PLACED FOR THE 100 B-36S.
"TOM GIRDLER, PRESIDENT OF CONSOLIDATED, CAME IN TO SEE ME," PATTERSON SAID. "HE ASKED ME HOW LONG THE WAR WOULD LAST. I SAID I DIDN'T KNOW.
"HE THEN ASKED ME: 'DO YOU WANT THE B-36 IN THE WAR?'
"I TOLD HIM: 'I CERTAINLY DO.'"
PATTERSON RELATED THAT GIRDLER EXPLAINED THAT HE WAS HAVING DIFFICULTY IN GETTING SUBCONTRACTORS TO PROVIDE NEEDED PARTS FOR THE BIG PLANE, AND ASKED:
"WHY DON'T YOU GIVE ME AN ORDER FOR 100? IF YOU DO, I WILL BEAT THE SCHEDULE (OF PRODUCTION) BY 10 MONTHS."
PATTERSON SAID HE CONSULTED WITH AIR FORCE HEADS AND "THEN AND THERE GAVE HIM THE ORDER FOR 100 B-36S."
ASKED BY COMMITTEE COUNSEL, JOSEPH B. KEENAN, IF ANY OF HIS DECISIONS REGARDING THE B-36 WERE "MOTIVATED IN ANY WAY" BY THE OWNERSHIP OF THE CONSOLIDATED CONCERN, PATTERSON REPLIED:
"NOT IN THE SLIGHTEST. I DIDN'T HAVE THE FAINTEST NOTION WHO HAD FINANCIAL INTEREST IN CONSOLIDATED. I HADN'T MET GIRDLER UNTIL THAT DAY IN 1943."

BEFORE PATTERSON TOOK THE STAND, MAJ.GEN. FREDERICK H. SMITH, CHIEF OF THE AIR FORCE'S REQUIREMENT SECTION, HAD BEEN QUESTIONED BY THE COMMITTEE.
SMITH YESTERDAY COMPLETED THE READING OF A LONG, DETAILED HISTORY OF THE B-36.
KEENAN ASKED SMITH WHETHER THERE HAD BEEN ANY "CHAPERONING, MONITORING OR REVIEW" OF HIS PREPARED TESTIMONY BY ANYONE FROM THE SECRETARY OF DEFENSE'S OFFICE.
SMITH SAID NO, HE HADN'T BEEN COACHED.

COMMITTEE CHAIRMAN VINSON (D-GA) TOOK SMITH OVER THE BACKGROUND OF AN ORDER FROM PRESIDENT TRUMAN LAST YEAR WHICH CUT THE AIR FORCE FROM 56 COMBAT GROUPS TO 48. HE ASKED WHETHER CONTR
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RQUIRED BY THIS ORDER HAD COST THE GOVERNMENT ABOUT $44,000,000 (M).
GENERAL SMITH SAID THAT WAS AN ESTIMATED FIGURE, AND HE DID NOT

KNOW THE EXACT ONE.
THE AIR FORCE CANCELLED ORDERS FOR 51 B-45 LIGHT, FOUR-ENGINE JET BOMBERS AND 118 F-93 FIGHTER PLANES FOLLOWING THE PRESIDENT'S DECISION, GENERAL SMITH SAID.
CANCELLATION OF A CONTRACT FOR 30 B-49 "FLYING WING" JET BOMBERS WAS DUE TO IMPROVED PERFORMANCE OF THE B-36, RATHER THAN THE PRESIDENTIAL CUTBACK, SMITH ADDED.
THREE SEPARATE PURCHASES OF B-36S HAVE BEEN MADE, SMITH SAID. THE FIRST WAS THE ORIGINAL CONTRACT FOR 100 PLANES. A BOARD OF SENIOR AIR FORCE OFFICERS LATER APPROVED ADDITIONAL ORDERS FOR 36 AND 39 PLANES.
VINSON ASKED WHETHER THESE DECISIONS WERE UNANIMOUS. GENERAL SMITH SAID THEY WERE, BUT ONLY AFTER "CONSIDERABLE CONSIDERATION." HE SAID "THERE WERE SOME DOUBTS" AMONG TOP AIR FORCE OFFICERS AS TO THE VALUE OF THE B-36 WHEN ADDITIONAL ORDERS WERE CONSIDERED.
SMITH SKETCHED FOR THE COMMITTEE A FEW DETAILS OF A NEW PLANE CALLED THE B-52, WHICH HE SAID WILL SUCCEED THE B-36 AS AN INTERCONTINENTAL BOMBER IN FIVE OR SIX YEARS. THE B-52, HE SAID, IS AN ALL JET HEAVY BOMBER, AND WILL BE MANUFACTURED BY BOEING.
IN HIS HISTORY OF THE B-36 SMITH TOLD THE COMMITTEE THAT THE DECISIONS AFFECTING THE B-36 WERE MADE IN THE LIGHT OF A COMBINATION OF CIRCUMSTANCES.

AUG 12 1949

WASHINGTON, AUG.11-(AP)-SENATOR MCCARRAN (D-NEV) SAT TIGHT ON A DISPLACED PERSONS BILL TODAY DESPITE A DEMOCRAT-REPUBLICAN MOVE TO PRY THE MEASURE OUT OF THE SENATE JUDICIARY COMMITTEE.
MCCARRAN, WHO HEADS THE COMMITTEE, INDICATED HE HASN'T CHANGED HIS MIND ABOUT HOLDING UP SENATE ACTION ON THE HOUSE-APPROVED MEASURE. IT IS DESIGNED TO MODIFY A BILL PASSED BY THE GOP 80TH CONGRESS WHICH PRESIDENT TRUMAN HAS SAID CONTAINED "ANTI-CATHOLIC AND ANTI-SEMITIC" PROVISIONS.
WITH MR.TRUMAN'S URGING, SENATOR LUCAS (D-ILL) TOOK UP WITH REPUBLICANS YESTERDAY THE QUESTION OF JOINTLY SPONSORING A RESOLUTION TO TAKE THE BILL AWAY FROM THE COMMITTEE AND BRING IT DIRECTLY BEFORE THE SENATE.
LUCS, LEADER OF THE SENATE DEMOCRATS, WALKED UNANNOUNCED INTO A MEETING OF THE REPUBLICAN POLICY COMMITTEE TO DISCUSS THE MATTER.
HE SAID HE AND CHAIRMAN TAFT (OHIO) OF THE SENATE GOP POLICY GROUP AGREED THEY WOULD SIGN A PETITION TO DISCHARGE THE COMMITTEE FROM CONSIDERING THE HOUSE BILL. HE ADDED THAT FIVE OTHER DEMOCRATS AND FIVE OTHER REPUBLICANS WOULD PUT THEIR NAMES ON THE PETITION.
TAFT TOLD REPORTERS HE JUST WANTED TO BE SURE THAT ONCE THIS WAS DONE, LUCAS WOULD BRING THE ISSUE BEFORE THE SENATE. LUCAS SAID HE WILL BRING IT UP BEFORE CONGRESS QUITS, BUT WON'T PUT IT AHEAD OF SOME OTHER IMPORTANT LEGISLATION SUCH AS THE RECIPROCAL TRADE AGREEMENTS AND MINIMUM WAGE BILLS.
LUCAS CONCEDED HE IS TREADING ON DIFFICULT GROUND IN TRYING TO DISLODGE MCCARRAN FROM HIS CONTROL OVER THE MEASURE.
IN THE FIRST PLACE, SENATORS DON'T LIKE TO TAKE ANY BILL AWAY FROM A COMMITTEE. THEY GENERALLY THINK THAT'S A BAD PRECEDENT, FOR FEAR THEY MIGHT GET CAUGHT IN A SIMILAR MOVEMENT ON SOME MEASURE THEY WANT TO PIGEON HOLE.
IN THE SECOND PLACE, SUCH ACTION BY THE SENATE GENERALLY IS REGARDED AS A SLAP AT THE COMMITTEE CHAIRMAN. MCCARRAN HAS BEEN AROUND THE SENATE SINCE 1933 AND HAS A LOT OF FRIENDS WHO MAY NOT WANT TO SEE HIM KICKED AROUND, DP BILL OR NO DP BILL.
LUCAS SAID HE ASKED FOR REPUBLICAN HELP BECAUSE HE CONSIDERS THE HOUSE-APPROVED BILL A BIPARTISAN MEASURE. IT WOULD BOOST FROM 200,000 TO 400,000 THE NUMBER OF HOMELESS EUROPEANS WHO COULD BE ADMITTED TO THIS COUNTRY AND TAKE SOME OF THE GEOGRAPHICAL AND OTHER RESTRICTIONS OFF THIS IMMIGRATION.
"THIS IS NOT A POLITICAL QUESTION," LUCAS SAID. "IT SHOULD BE APPROACHED FROM A HUMANITARIAN STANDPOINT."
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AUG 12 1949

DENVER,AUG 11 (AP)-FOR A YOUNG RUSSIAN WHO WANTS TO GET AHEAD IN THE SOVIET UNION, THE BEST THING TO DO IS JOIN THE COMMUNIST PARTY. BUT THAT'S NO SNAP.
THAT WAS THE STATEMENT LAST NIGHT OF DR.JOHN HAZARD OF COLUMBIA UNIVERSITY, WHO ADDRESSED A PRESS-RADIO SEMINAR AT THE UNIVERSITY OF DENVER.
HAZARD SAID THAT TO WIN ADMISSION TO THE PARTY A PERSON HAD TO BE ENDORSED BY THREE PARTY MEMBERS.
EACH OF THE ENDORSERS IS PERSONALLY RESPONSIBLE FOR THE APPLICANT'S "GOOD AND FAITHFUL BEHAVIOR" AFTER HE IS ADMITTED.
ONCE ACCEPTED, THE NEW MEMBER IS ON PROBATION FOR ONE YEAR, DOING THE MOST UNPLEASANT AND ROUTINE OF PARTY TASKS TO PROVE HE IS WORTHY OF THE "HONOR AND RESPONSIBILITY OF PARTY MEMBERSHIP."
HAZARD SAID THAT WITH RELATIVELY FEW EXCEPTIONS, ONLY PARTY MEMBERS RISE TO POSITIONS OF IMPORTANCE IN THE SOVIET UNION. THIS, DESPITE THE FACT THAT THERE ARE ONLY ABOUT 6,000,000 (M) PARTY MEMBERS OUT OF A TOTAL POPULATION OF 200,000,000.
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WASHINGTON, AUG.11-(AP)-JOHN J. MCCLOY, U.S. HIGH COMMISSIONER FOR GERMANY, TALKED OVER HIS PROBLEMS WITH PRESIDENT TRUMAN TODAY AND QUOTED THE PRESIDENT AS HAVING SAID:
"YOU HAVE SOME INSOLUABLE PROBLEMS AND SO HAVE I."
MCCLOY TOLD REPORTERS HE WAS NOT TOO CONCERNED ABOUT THE RISE OF A MORE "ASSERTIVE" ATTITUDE BY THE GERMAN PEOPLE AND THE PRESS.
"IN MANY WAYS THIS IS HEALTHIER THAN NO REACTION AT ALL," HE SAID.
"I THINK THERE IS ENOUGH RIGHT-MINDED SENTIMENT TO COUNTERACT THE WRONG."
MCCLOY SAID THE AMERICAN OCCUPATION AUTHORITIES ARE TAKING OFF THE LICENSES UNDER WHICH THE GERMAN PRESS OPERATED TO GIVE GREATER FREEDOM OF EXPRESSION.
HOWEVER, HE SAID, THE OCCUPATION AUTHORITIES WILL RETAIN THEIR

CONTROLS UNDER GENERAL OCCUPATION AUTHORITY AND WILL NOT PERMIT ACTIONS WHICH "INTERFERE WITH THE PRESTIGE" OF OCCUPATION OFFICIALS.

HE SAID HE IS LEAVING TOMORROW TO SPEND THE DAY IN MAINE WITH HIS MOTHER AND THEN WILL RETURN TO GERMANY.

AB1243PED

WHITE SULPHUR SPRINGS, W.VA., AUG 10-(AP)-A PAPAL BLESSING HAS BEEN BESTOWED UPON AMERICAN AND CANADIAN MEMBERS OF THE DAUGHTERS OF ISABELLA ATTENDING A MEETING OF THE NATIONAL CIRCLE AT THE GREENBRIER HOTEL HERE TODAY.

THE MESSAGE FROM POPE PIUS XII CAME FROM THE SUBSTITUTE PAPAL SECRETARY OF STATE, THE RT. REV. T.B.MONTINI, YESTERDAY TO THE MEMBERS OF THE INTERNATIONAL FRATERNAL GROUP OF CATHOLIC WOMEN "IN APPRECIATION OF THEIR PRAYERS FOR PEACE AND WORLD SURVIVAL."

NATIONAL REGENT MRS. CAROLYN B.MANNING OF NEW BEDFORD, MASS., REPORTED THAT THE SOCIETY'S MEMBERSHIP WAS THE LARGEST IN ITS 52-YEAR HISTORY WITH 7,194 NEW MEMBERS ENROLLED IN THE LAST SIX MONTHS.

MRS. MANNING ALSO REPORTED THAT MORE THAN 40,000 PIECES OF CLOTHING HAD BEEN SHIPPED ABROAD SINCE THE END OF WORLD WAR II AND THAT 5,000 NEW GARMENTS HAD BEEN SENT THIS YEAR ALONE TO ROME FOR DISTRIBUTION TO EUROPE'S NEEDY.

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AUG 12 1949

BY RENNIE TAYLOR
ASSOCIATED PRESS SCIENCE REPORTER

BERKELEY,CALIF., AUG. 10-(AP)-A TINY COMMUNITY DESIGNED TO TEST AND EVALUATE THE PERSONALITIES OF INDIVIDUALS AND GROUPS OF PEOPLE IS TO BE ESTABLISHED AT THE UNIVERSITY OF CALIFORNIA.

MODELED AFTER THE FAMED SYSTEM WHICH WAS USED BY THE GOVERNMENT TO PICK SPIES DURING WORLD WAR II, THE COMMUNITY WILL BE THE FIRST OF ITS KIND IN THE UNITED STATES.

IT WILL BE HEADED BY DR.DONALD W.MACKINNON, ONE OF THE KEY MEN IN THE SPY PICKING PROJECT UNDER THE WARTIME OFFICE OF STRATEGIC SERVICES (OSS).

THE PROJECT IS FINANCED WITH $100,000 FROM THE ROCKEFELLER FOUNDATION. THE COMMUNITY WILL CONSIST OF A 20-ROOM FORMER FRATERNITY HOUSE, WHERE PEOPLE UNDER PERSONALITY OBSERVATION WILL LIVE FOR THREE-DAY PERIODS UNDER THE SCRUTINY OF A PLATOON OF PSYCHIATRISTS, PSYCHOLOGISTS AND OTHER EXPERTS IN THE FIELD OF HUMAN RELATIONSHIPS.

MEDICAL AND ENGINEERING STUDENTS ESPECIALLY WILL BE TESTED. NOBODY WILL PASS OR FLUNK THE TESTS. THE INFORMATION ON EACH PERSON WILL BE FILED AWAY. AFTER THEIR GRADUATION IT MAY FURNISH SCINETISTS AND EDUCATORS WITH INFORMATION ABOUT WHAT TYPES OF PERSONALITY MAKE THE BEST DOCTORS AND ENGINEERS.

PEOPLE ALSO CAN BE TESTED FOR THEIR PERSONALITY QUALIFICATIONS FOR SPECIFIC JOBS. SETUPS CAN BE MADE TO TEST AN INDIVIDUAL'S REACTION TO ENVIRONMENTAL, SOCIAL OR OCCUPATIONAL PROBLEMS. THIS IS INTENDED TO CONSTITUTE A REALISTIC WAY OF MATCHING MEN TO JOBS. THIS MAY BECOME IMPORTANT TO INDUSTRY AND GOVERNMENT.

SETTINGS ALSO CAN BE ARRANGED, DR.MACKINNON SAID, FOR STUDYING "IRRATIONAL SOCIAL ATTITUDES" SUCH AS RACIAL OR ECONOMIC GROUP CONFLICT, AND HOW PERSONALITY AFFECTS THE RELATIONSHIP OF ONE INDIVIDUAL TO ANOTHER.

ONE OF THE THINGS THAT HAS BAFFLED THE EXPERTS, DR.MACKINNON ADDED, IS THE COMPLETELY ADJUSTED PERSON--THE ONE WHO GETS ALONG WITH NEARLY EVERYBODY AND GETS AHEAD IN THE WORLD. WHAT ELEMENTS OF PERSONALITY MAKE THIS POSSIBLE?

AS HEAD OF THE OSS PERSONALITY CENTER NEAR WASHINGTON,D.C., DR. MACKINNON SAID RESEARCHERS FOUND THAT CAPABLE, WELL-ADJUSTED PEOPLE OFTEN WERE FOUND TO HAVE UNDERGONE PSYCHOLOGICALLY CRIPPLING EXPERIENCES. IN SOME WAY THESE PEOPLE CAPITALIZED UPON THE EXPERIENCES WHILE OTHERS WERE DEFEATED BY THEM.

DR.MACKINNON AND HIS COLLEAGUES HOPE TO FIND OUT WHAT PARTICULAR QUIRKS OF PERSONALITY MAKE A NEUROTIC OUT OF ONE PERSON AND A HEALTHY, USEFUL INDIVIDUAL OUT OF ANOTHER.

RA436ACS NM

AUG 12 1949

SAN FRANCISCO, AUG. 11-(AP)-TOKYO ROSE'S ATTORNEY BROUGHT THE FIRST ADMISSION FROM A GOVERNMENT WITNESS IN HER TREASON TRIAL TODAY THAT THERE WAS ACTUAL SURVEILLANCE OF THE "ZERO HOUT" RADIO PROGRAM AND THE PEOPLE ON IT.

MOTUMU NII, 40, GAVE HIS RADIO TOKYO BACKGROUND AS A TRANSLATOR AND REWRITE MAN, 1943 TO 1945. BUT HE SAID HE REALLY WAS SUPPOSED TO LISTEN IN ON THE WARTIME PROPAGANDA BROADCASTS AND CENSOR.

"YOU WERE PUT THERE TO SPY ON THEM--TO SEE WHAT THEY DID AND SAID OVER THE SAID, ISN'T THAT A FACT?" ASKED WAYNE COLLINS, COUNSEL FOR MRS. IVA TOGURI D'AQUINO, 33-YEAR-OLD TOKYO ROSE WHO IS CHARGED WITH TREASON.

"THAT WAS THE IDEA," NII SAID.

HE NEVER MADE ANY REPORTS TO HIS SUPERIORS, THE WITNESS ADDED.

UNDER QUESTIONING BY PROSECUTOR TOM DE WOLFE, NII RECALLED THE DEFENDANT, AS "ANNIE" OR "ORPHAN ANNIE," ONCE ASKED IN HER BROADCAST TO AMERICAN FORCES IN THE PACIFIC:

"WHY DON'T YOU STOP FIGHTING AND LISTEN TO GOOD MUSIC?"

ALSO:

"WHY DON'T YOU GO BACK TO YOUR LOVED ONES IN THE STATES INSTEAD OF FIGHTING IN THE JUNGLES WITH THE MOSQUITOES AND THE FOXHOLES?"

THE NAME OF WALLACE INCE CAME INTO THE TRIAL DURING THE DAY. INCE, NOW A U. S. ARMY MAJOR, WORKED AT RADIO TOKYO WHILE A PRISONER OF WAR. HE WAS A CAPTAIN AND A PRISONER OF WAR THEN.

NII TESTIFIED THAT THEODORE TAMBA, A DEFENSE ATTORNEY WHO QUESTIONED HIM IN TOKYO LAST SPRING, TOLD HIM:

"IF MRS. IVA TOGURA GETS INTO TROUBLE, MAYBE INCE WILL GET INTO IT TOO AND I WAS A FRIEND OF INCE."

ANOTHER GOVERNMENT WITNESS, EURASIAN MARY HIGUCHI, WAS QUESTIONED BY COLLINS REGARDING CONVERSATIONS WITH KENNETH PARKINS, AUSTRALIAN ARMY SERGEANT AND A WAR PRISONER. SHE DENIED SHE EVER TOLD PARKINS THAT ALL MRS. TOGURA DID WAS SPIN RECORDS OR THAT SHE NEVER HEARD TOKYO ROSE BROADCAST ABOUT ALLIED SHIP LOSSES.

MISS HIGUCHI WORKED AT RADIO TOKYO FROM 1943 TO 1945 AS A TYPIST.

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End August 11, 1949

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CHURCHILL URGES 'UNITED EUROPE' AT FRENCH RALLY

Frank O'Brien

STRASBOURG, France, Aug. 12 (AP)—Winston Churchill told the townspeople of this war-scarred old French—and German — speaking city tonight that Europe must unite in strength so great "that none will dare molest her tranquil sway."

Such a United Europe would be based on moral convictions that would win the gratitude of all mankind, he told an outdoor rally of the European Movement which he heads.

The wartime prime minister of Britain made his current keynote speech on European union to the people after he had spent two days wrangling in the first Consultative Assembly of the European Council for the assembly's right to parliamentary freedom.

Speaks In French

He spoke in French to the rally of about 1,000 Alsatians and at one point asked: "Are we to sink x x into final chaos through ideological wars thrust upon us by barbarous and wicked oligarchies xxx?"

Churchill got a one-minute ovation and he responded with the familiar V-for-Victory sign. Police guarded canal bridges between Churchill's rally and a communist protest gathering half a mile away. Communists first urged their ranks to attend the Churchill rally but changed their minds and met separately. There was no violence.

"We shall protect ourselves against being crushed and flattened out by any form of totalitarian tyranny, whether it be the hated Nazi domination which we have cast out, or by any other form or similar despotism," Churchill told the rally.

He did not mention communism or Russia.

No One's Enemy

" I myself am not the enemy of any race or nation in the world," he said. This statement was cheered by the crowd.

"Old feuds must die," Churchill said, "territorial ambitions must be set aside, national rivalries must be confined to proving who can render the truest service to the common cause."

In the assembly earlier, Churchill won a half-victory in the effort to break away from restrictions on what it can talk about. For the second straight day he championed the cause of parliamentary freedom for the 101-man, 12-nation body.

He and other assemblymen acted to liberalize the rules under which the European Council's committee of (foreign) ministers would have considerable power to decide what goes on the assembly's agenda.

Spaak, Ministers Confer

Assembly President Paul-Henri Spaak of Belgium met with the ministers' committee two hours and brought back an agreement allowing a two-thirds majority of the assembly to propose new topics for debate at any time during assembly sessions. The ministers agreed to receive agenda suggestions from Spaak and reply to the assembly within five days.

Spaak closed the assembly session at 6 p.m. so Churchill and other delegates might speak to the public from the balcony overlooking Kleber square.

The assembly spent all of today's session protesting the foreign ministers' powers over it. The upshot was the compromise which allows the assembly to define its own agenda for this year's session and promises it more latitude generally.

British To Renew Arming Of Arabs

London, Aug. 12 (AP)—The British said today they were resuming sales of arms to Arab nations with a view to security and strategic needs in the Middle East.

The announcement came a day after the United Nations lifted the arms embargo imposed during the Arab-Israeli war in Palestine.

The first shipments will deliver materiel contracted for before the embargo went into effect, the Foreign Office said.

Security, Strategy Discussed

Among the countries on the list are Egypt, Hashemite Jordan and Iraq, all of which have mutual-defense treaties with Britain. A spokesman said he could not name the countries to be supplied.

Anticipating the end of the arms embargo, Britain has discussed Middle East security and strategy setups the last few weeks with the United States and France and last month conferred with British envoys called from the eastern Mediterranean.

Seek Fighter Aircraft

The crux of the talks was reported to have been anti-Communist defense planning.

Iraq, Egypt and Hashemite Jordan are in the market for fighter aircraft. Jordan has no air force now but the British Royal Air Force has started training Jordan Army officers as pilots.

Jordan's warrior king, Abdullah, will visit Britain soon as a guest of the British Government. He is expected to discuss defense planning.

4 Doomed In Plot Against Yugoslavia

London, Aug. 12 (AP)—Four Moslems were sentenced to death in Sarajevo today for plotting to overthrow Yugoslavia's social order "with the aid of imperialist intervention," a Tanjug broadcast said.

Ten others were sent to prison for from three to twenty years, the Yugoslav news agency said in a Sarajevo dispatch.

They were identified as members and officials of the "Monarchist-Fascist organization 'young Moslems'." In a earlier report on the trial, Tanjug said one defendant had told the people's court the organization relied on "Englishmen and Americans."

"During the trial," Tanjug said, "the defendants admitted preparing assassinations of state and party leaders, organizing various sabotage acts and collecting arms . . . with the aim of carrying out their plans."

Tanjug earlier had reported testimony that the organization planned to carve a separate Moslem state out of Premier Marshal Tito's country.

Laborite Aide Assails Churchill Statement

Berkhamsted, England, Aug. 12 (AP)—A Labor Government official charged today that, unless Winston Churchill recants his statement that every major nationalized industry in Britain is in the red, "he stands convicted out of his own mouth of deliberately deceiving the public."

The official was Douglas Jay, Economic Secretary of the Treasury. He said that, contrary to the Conservative leader's charges in his political campaign speech of three weeks ago, the Government-held coal industry, the cable and wireless, and the Bank of England all show profits this year.

Prime Minister Clement R. Attlee attacked the Churchill speech two weeks ago as irresponsible. Churchill's address in Wolverhampton had been the opening salvo of the Conservative campaign for the 1950 general elections.

Hoffman Has Good Word For England

Bournemouth, England, Aug. 12 (AP)—Paul G. Hoffman, European Recovery Program administrator, beginning a tour of Marshall plan countries, said on his arrival here today that "England has really buckled down and started to make a very good job of it."

Asked about American criticisms of the way Britain is spending Marshall aid dollars, Hoffman said:

"The American people have demonstrated time and again that they have nothing but friendliness for their English cousins. But among cousins there is always criticism. That is to be expected."

Hoffman arrived from Dublin, Ireland, by plane with his wife and two children. He plans to fly to Paris tomorrow or Sunday.

Combat Uniform Streamlined For British Tommies

London, Aug. 12 (AP)—A new streamlined combat uniform for British troops was unveiled by the War Office today.

The old bulky olive-drab wool has been replaced with a water-repellent cloth made up into three basic garments:

A loose-zippered smock, waist length, which can be worn outside the pants in hot weather.

Loose trousers gathered with brief leggings at the ankles.

A three-quarter length greatcoat (what Americans would call a mackinaw) of hard finish with a warm lining.

A peaked cap which looks like those worn by the well-dressed skier tops the outfit.

The War Office said the uniform will be tested by troops in the United Kingdom, Germany, Austria and the Middle East in the next six months. Present combat wear, it said, "Gives poor protection against wind and cold and particularly rain—and the protection it does give is at the expense of freedom of movement."

12 Killed in Crash Of R. A. F. Plane

London, Aug. 12 (A. P.).—The Air Ministry said today that twelve British service men were killed by the crash of a Royal Air Force passenger plane yesterday near Aden.

18 Nations Sign For War Rules

M. Goldsmith

Geneva, Switzerland, Aug. 12 (AP)—The United States and seventeen other nations formally signed today three revised Geneva Red Cross conventions relating to the treatment of prisoners of war and of wounded soldiers and sailors in any future conflict.

A fourth agreement, which would give civilians in an occupied country the protection of recognized international law for the first time in history, was signed by seventeen nations.

Outlaw Death Penalty

The United States did not sign the civilian convention because one of the agreement's articles outlaws the death penalty in any occupied country which abolished the death sentence prior to the occupation.

Nine nations signed all four conventions. They are: Austria, Chile, Colombia, Cuba, Denmark, Ecuador, Turkey, Uruguay and Switzerland.

The United States was the only major power to sign any of the agreements. Britain, France and the members of the Soviet bloc may do so later.

The conventions will become binding only on those nations which sign and subsequently ratify them.

German Election Tactics Scored By W. Allies

Frankfurt, Germany, Aug. 12 (AP)—The Western Allies cracked down today on both Communists and resurgent Nationalists in western Germany's federal election campaign. R. O'Regan

The United States Military Government civil division in Berlin banned a German Communist election pamphlet depicting an American Army sergeant as a black marketeer.

British officials in Duesseldorf seized 500,000 copies of a Communist leaflet signed by seven former Nazi SS (Elite Guard) men. It told Germans to vote "for those who work for Germany's freedom in building a national front" and attacked the West's administration of Germany as colonial rule.

"Pronounced Nationalism"

An American Military Government spokesman lashed out last night at the "pronounced nationalism" displayed in the campaign. He warned that opinion abroad would not overlook "the sudden forgetfulness" by German politicians of American help.

The anti-Allied campaigning went on unabated, however.

Scattered violent incidents are marking the campaign, which winds up Sunday. Some 31,000,000 voters are expected to go to the polls that day to choose a West German Parliament.

The newest incident was an attack in Wattenschedi, in the Ruhr, on two men who carried placards of the left-of-center Social Democrats. Police said the two men were fired on by an unidentified person who escaped after the shots missed their targets.

Confiscation Order

In Berlin, the United States Civil Administration director, E. H. Litchfield, said the Communist pamphlet which was banned had been distributed by the thousands in the American and French zones. He ordered all copies confiscated.

"This is another example of the Communist party's efforts to con-

fuse the domestic issues, which should be uppermost in the campaign, and to incite bitterness against the American occupation," Litchfield said.

The pamphlet, entitled "Jimmy's Lucky Days," described the sale by an American sergeant of cigarettes for jewelry and other valuables. It concluded with a call for votes against "the Toadies of Wall Street."

"Pen Pal" Campaign

West Germany's Communist boss, Max Reimann, demanded in a radio address last night that the Allies stop the program of dismantling German industries.

Soviet zone Communists have started a "pen pal" campaign to lure skilled labor from the Ruhr, and are sniping at the dismantling program and the Western zone elections in the process. Most of the letters talk about how well things are for workers in the Russian zone and say Ruhr workers' wages will be matched across the zonal border. But Ruhr Germans said they thought the Communist maneuver would have little effect on the elections.

in anther campaign speech that the Germans be "let alone to build up" their own homeland.

Wants Independence

"We want to be free and independent," Reimann told an audience of about 4,000 at an outdoor rally.

He drew his best round of applause from a generally apathetic audience when he declared the Germans are able to mend their own fences.

"We have lost two wars but we are still here," he shouted.

AIRLIFT TO OPERATE ON FIVE-DAY WEEK

BERLIN, Aug. 12. — (AP) The Berlin airlift is going on a five-day week. The crews will take tomorrow and Sunday off.

It's part of the gradual tapering down that will end the giant American and British supply project Oct. 31. The planes have been flying seven days a week.

RED OFFICIALS FREE GERMAN JOURNALISTS

BERLIN, Aug. 12 (AP)—Russian authorities tonight released three west German journalists who were arrested yesterday as they left the city.

Reinhold Apfel, editor of the Stuttgarter Zeitung, said Soviet sentries took them off a bus at a border point after Lotte Killian, a woman photographer from Stuttgart, had taken a picture of a Russian soldier.

Apfel said a sentry boarded the bus and demanded that she hand over the camera. When she insisted on a receipt for it, the Russian placed her under arrest. Apfel said he and Karl Steinhausen of Dena, the west German news agency, volunteered to go with her and also were arrested.

Earlier today police officials of both Berlin sectors, east and west, denied knowledge of the incident.

Reich Lawyers Leave For Trial Of Ilse Koch

Frankfurt, Germany, Aug. 12 (AP). Two German attorneys and a German judge left today for the United States to prepare for the new trial of Ilse Koch, former "Queen of Buchenwald" concentration camp.

They will interview former inmates of Buchenwald now living in the United States to obtain testimony for use in the trial. Mrs. Koch will be tried on charges of mistreating Germans in the camp. A storm of protest arose in the United States when her term of life imprisonment for war crimes was whittled to four years.

Making the trip to the United States are Dr. Johann Ilkow, special prosecutor; Dr. Ernst Jagomost, justice of the Bavarian District Court, and Dr. Alfred Seidl, defense counsel.

Albanian Revolt, Tito-Directed, Is Reported

Rome, Aug. 12 (AP)—Reports published in morning newspapers here today quoted radio Athens as saying a revolution had broken out in northern Albania.

The report, which was not credited to any source, said fighting was under way between Albanian Army units and Partisans. It said the revolt was being directed by agents of Premier Marshal Tito of Yugoslavia.

Albania, which is cut off from land communication with other Soviet satellites, has been on the outs with Tito since he was expelled from the Cominform (Communist International Information Bureau). Several Albanian leaders charged with being pro-Tito recently were executed by the Albanian Government.

Report Unconfirmed

Belgrade, Yugoslavia, Aug. 12 (AP)—Diplomatic sources here said today they had no knowledge of a revolution in Albania as reported by Rome newspapers.

Government officials here also disclaimed knowledge of an Albanian revolt, as did officials at the Albanian legation. The Albanians said they did not believe the report.

A spokesman at the French Embassy which, unlike the British and American, still has representation in Albania, also said he knew nothing about the report.

No Communications

Neither the Albanians nor French, however, have telephone or telegraph communications with Tirana, the Albanian capital.

There have been frequent reports here of hunger and unrest in the mountainous little country and occasional protests against Government requisition of foodstuffs.

But there has been no indication this had reached revolutionary proportions, even after the recent purge of some personally popular anti-Cominform leaders.

Slavs Liquidating Danube Accord With Russia

A. Singleton

Belgrade, Yugoslavia, Aug. 12 (AP)—Yugoslavia announced today she will liquidate the jointly financed Russian-Yugoslav Yuspad Corporation, which had been set up for the control and development of mutual shipping interests.

Transport Minister Bozidar Maslaric said the activities of the company were "no different from the activities of capitalistic countries in old Yugoslavia, but that which was done in old Yugoslavia cannot be done in Tito's Yugoslavia, no matter who it is."

This newest development in the worsening relations between Stalinist Russia and Premier-Marshal Tito's Communist Yugoslavia was announced by the Transport Minister in a speech before transport workers at the Danube port of Novi Sad.

Harmful To People

Yuspad, he said, is harmful to the people of Yugoslavia. Yuspad is a coined name for the Yugoslav-Soviet Joint Danube Navigation Company. It was the existence of such companies under Yugoslav control which kept the Western powers from signing a Danube River agreement drafted here a year ago under the guidance of Andrei Y. Vishinsky, now Soviet Foreign Minister.

The workers were told by Maslaric that they will be under the administration of the Transport Ministry and "Yuspad will not appear any more to slow down your creative powers."

He charged Yuspad had been used by Russia to milk Yugoslavia of profits and rob workers of the fruit of their labors. Under the original plan, he said, the Novi Sad shipyard was a cog in a master scheme under which Yuspad was to build new shipyards and enlarge existing ones in Yugoslavia.

$300,000 Spent Abroad

Russia was to have contributed equipment for building and repairing vessels worth 67,000,000 dinars ($1,350,000). However, he said, Yuspad spent the equivalent of $300,000 abroad for materials in deals financed by Yugoslavia without contributions from Russia.

Yugoslavia has been placing increasing emphasis recently on rebuilding her shipping.

Italian Agency Tells Of Plot On Tito's Life

Trieste, Aug. 12 (AP)—Astra, an Italian news agency, said today a group of pro-Cominform Communists had plotted unsuccessfully to assassinate Premier Marshal Tito of Yugoslavia with a Rusian-type mine July 29.

Quoting travelers to Trieste, Astra said traitors in the group betrayed the plot, and Tito's police arrested 30 suspects, including several soldiers.

The travelers were quoted as having said the plot was carefully planned over a long period by anti-Tito members of a "proletariat" sporting club at Pola, Yugoslavia, on the Adriatic.

A mine was placed at the entrance of a Pola shipbuilding yard which Tito was to visit the afternoon of July 29, according to the travelers.

Pola is a seaport on the southern tip of the Istrian peninsula, awarded to Yugoslavia under the Italian peace treaty. It is some 60 miles south of Trieste.

Red Political Rallies Dispersed By Ex-War Prisoners in Germany

FRANKFURT, Germany, Aug. 12 (AP)—Former German prisoners of war in Russia broke up communist political rallies in two cities today as western Germany's election campaign swept to a climax. The election for the new parliament will be held Sunday.

Shouting "we are fed up with Russians," recently returned prisoners charged into a communist meeting at Bentheim on the Dutch-German border and chased the speaker from the platform.

Won't Support Reds

One of the former prisoners then addressed the crowd, saying, "in our presence no one will support Soviet sub-humanity."

He pulled open his coat to show his ragged clothing and said:

"This is the way they dismissed us."

In the British zone city of Guetersloh, former prisoners heckled a communist speaker, demanding that he describe conditions in the Soviet zone of Germany. Police dispersed the meeting.

Max Reimann, number one communist in west Germany, demanded

Russ Delay Berlin Truck Travel Again

Berlin, Aug. 12 (AP) — Russian Army guards cut down West German truck traffic to Berlin for eight hours early today, United States military sources reported.

Passage through the Soviet checkpoint at Helmstedt, zonal frontier post on the main road from the British zone to Berlin, was cut down without warning at 2 A.M. to four trucks an hour.

Eight hours later the slowdown order was lifted and truck traffic began returning to normal. United States sources said more than 100 trucks were lined up in the slow-moving queue during the interval. There was no explanation.

U.S. Closes German Gift Agency

FRANKFURT, Aug. 12 (AP).—The United States military government today cancelled licenses of the Overseas Mail Order Service (OMOS) to send goods to Germany. An announcement said customs officials had uncovered "violations of regulations governing duty-free gift shipments." The nature of the violations was not given. An official said OMOS shipped gift parcels to Germans and displaced persons from the United States.

REBELS ROUTED BY U.S.-TRAINED GREEK SOLDIERS

L. S. Chakales

WITH THE GREEK ARMY AT KOZANE, Greece, Aug. 12—(AP) Communist guerrilla bands were believed fleeing into Albania tonight after the American-trained Greek army had ripped into the heart of their Vitsi mountain stronghold in 48 hours of heavy fighting.

Government troops, smashing through the main guerrilla defenses from the east and south, pushed forward into the core of the enemy's 400-square-mile Vitsi triangle fortress.

The goal of the current push—

NIGHT

coupled with the offensive farther north in the Mount Grammos area—is to blast out two key communist strongholds along the Albanian border.

May Cut Supply Line

The brunt of the army's attack on the Vitsi positions turned westward today. Greek officers believed they might overrun the vital juncture of the guerrillas' Albanian supply route with the Florina-Kastoria highway. This road has been kept closed by guerrilla defenders for more than a year.

As the battle developed early today the guerrillas struck back fiercely but were unable to blunt the impact of the army's assault. Mobile government columns fanned out through the rugged hill country and engaged the guerrillas in scores of skirmishes. Disorganized guerrilla units jockeyed around in apparent confusion in an area between Florina and Kastoria and the Albanian frontier.

Competent military observers said they believed if the Greek troops can hold up under anticipated counterattacks, they should be able to wipe out some 8,000 guerrillas in the Vitsi triangle alone.

Reds Die Fighting

Government intelligence officers said the guerrilla high command had issued orders for every man to die fighting. One senior officer said in some positions the guerrillas had obeyed and died to a man.

Casualty reports were incomplete, but two units of the Greek army were reported to have suffered heavy losses. Guerrilla convoys in the Vitsi region, however, were hammered by Greek Air Force planes.

(A guerrilla radio broadcast heard in London claimed 963 government troops were killed and 2,490 wounded in attacks on guerrilla positions in the Grammos-Vitsi zone Wednesday and Thursday).

Lt. Gen. James A. Van Fleet, chief of the U. S. military missions to Greece, visited a Greek command post five miles outside government-held Kastoria today. He conferred with top Greek officers, including Gen. Constantine Ventiris, commander-in-chief on the Grammos-Vitsi front.

Violent Battle Rages In Greek Rebel Zone

L. S. Chakales

Headquarters, Vitsi Mountains, Greece, Aug. 12 (AP)—Violent fighting raged today in the heart of the Greek guerrillas' breached Vitsi triangle redoubt.

Thirty-six hours of fighting had carried Government troops through main guerrilla defenses and up to 10 miles deep in the 400-square-mile fortress area.

The guerrillas struck back violently in the night, but still had not blunted the impetus of the breakthrough.

Mobile columns paced by commandos fanned out and fought scores of skirmishes with the Communist-led rebels.

Fortress Objectives

The aim of the current drive, coupled with that in the Grammos area farther north, is to knock out two key Communist fortress areas along the Albanian frontier.

Competent military observers said that if the Greek Army can withstand anticipated counterattacks, it should be able to blitz 8,000 rebels in the Vitsi triangle alone.

Lieut. Gen. James Van Fleet, chief of the American military mission to Greece, paid a visit today to this command post, 5 miles outside Government-held Kastoria. Van Fleet conferred with Gen. Constantine Ventiris, Government commander in chief for Grammos-Vitsi, and other Greek officers.

Defense Lines Seized

Large parts of major guerrilla defense lines already are occupied by Government troops. They seized Baro Yiamata and Lessits Heights east of the Phlorina-Kastoria highway.

This road joins the main highway from Albania—over which the Government says the guerrillas get their supplies—at Vatohorion.

There were reports here that Vatohorion already is under Government artillery fire. Infantry from this command was said to be moving to cut the supply route.

Government intelligence said the guerrilla high command had issued orders for every guerrilla to die fighting. A senior officer said that in some positions they obeyed and died to a man.

Casualty reports were incomplete, but two units of the Greek Army were said to have suffered heavy losses.

Churchman Accuses Czechs

R Kasischke

Prague, Czechoslovakia, Aug. 12 (AP)—A high Catholic churchman reported today he has evidence that some Catholics arrested in the church-state war are being mistreated in Czechoslovak prisons.

This church source mentioned particularly Father Alois Zmrzlik, private secretary of the Vatican's mission in Prague. He was arrested during the first week of July and now is reported held in Pankrac prison here.

The church informant, whose name could not be divulged, claimed to have information that Father Zmrzlik had been beaten and was still being subjected to long interrogations. The source also claimed that attempts to get food parcels to the priest were thwarted.

New Controversy Possible

Despite diplomatic protests by Msgr. Gennaro Verolini, the former Vatican charge d'affaires here, the Czech Government has given no official information about Father Zmrzlik, who was reported seized while on an errand for the Vatican nunciature, the source said. No mention of the clergyman ever has been made by the official radio or the controlled Prague press.

Church sources said, however, that Dr. Antonin Mandl, secretary of the church's Catholic Action Society, reportedly was now receiving better treatment in prison. Mandl was arrested July 10 by security police as the Communist regime promoted its own Catholic action movement.

Meanwhile, the possibility of a new controversy between the Catholic Church and the Czech regime developed over the Vatican's appointment of two new bishops in Slovakia without first submitting their names for Government approval.

Loyalty Expressed

The new appointees, who are to be consecrated Sunday, are: Msgr. Ambrosius Lazik, who has been serving as apostolic administrator of Trnava, and Msgr. Robert Pobozny, who has been capitular vicar of Roznava.

Both clergymen have publicly expressed their loyalty to Archbishop Josef Beran, the Czech primate, by signing his last pastoral letter, issued June 26. That letter accused the Czech Government of persecuting the church. The state later branded this letter "a subversive and anti-state document."

[A Vatican dispatch said today the creation of two titular bishops in Slovakia was announced July 26 by the Holy See. The announcements said Monsignor Lazik had been named titular bishop of Appia, and Monsignor Pobozny titular bishop of Neila.

Prague Reports Denied

[Vatican sources explained the two bishops were not named for sees in Czechoslovakia, but were appointed titular bishops of places which existed in the early Christian centuries in Asia Minor.

[These sources said they were appointed by the consistorial congregation, and not by the congregation for the propagation of the faith, the latter being one that deals with "territories of infidels."]

The Vatican representative in the Czech capital denied reports given out by Prague diplomatic sources which claimed the two new bishops were appointed "bishops in partibus infidelium." They said this term meant the Vatican now considered Czechoslovakia was ruled by nonbelievers. A spokesman for the Holy See's nunciature, however, described these reports as untrue.

Only Titular Bishops

Under a new church control bill coming up for parliamentary action this fall, the Czech Government demands not only prior approval—on political grounds—of archbishops and bishops, but of all church appointments, including village priests.

A spokesman for the papal nunciature in Prague said the two newly-appointed church officers were only titular bishops, not bishops in residence. Therefore, the spokesman added, they do not require prior approval by the Government under an unofficial agreement which has existed between the Vatican and the Czech Government since before the last war.

Czech Bomb Ruins U.S. Aide's Car

Prague, Czechoslovakia, Aug. 12 (AP)—An American Embassy official here reported that a homemade bomb had wrecked his automobile early today. **R Kasischke**

The official was Capt. John Childs, of Lewiston, Maine, assistant air attaché at the Embassy.

He said the automobile was unoccupied and parked in front of his house at the time of the explosion. Nobody was injured but windows of buildings in the vicinity were shattered by the blast.

Parked In Front Of Residence

Captain Childs said he had parked his auto in the street in front of his residence at about 11.15 P.M. and retired about midnight. Some five minutes later, he said, he heard an explosion.

In the street a crowd had gathered around the vehicle. The car's front parts had been blown apart.

Childs said Czech police found parts of a fuse and metal casing.

"It looked like a homemade job," he said. "I have no theories about who might have planted it.

Captain Childs, who is single, is the son of Mrs. Mildred Childs, of Washington, D.C.

RUSSIA BLASTS AT YUGOSLAVIA

E. Gilmore

Enemy of the Soviet Union, Moscow Charges in Note to Belgrade

MOSCOW, Aug. 12—(AP) Russia today branded Yugoslavia as an enemy of the Soviet Union and an ally of foreign capitalists.

In a note to Belgrade, Russia charged that the Yugoslav government is in a bloc with the western powers and "more and more is joining up with imperialist circles against the U.S.S.R."

"Let the people of Yugoslavia know," the Russian note said, "the Soviet government looks on the present Yugoslav government not as a friend and ally but as an enemy and adversary of the Soviet Union."

The note was the fourth in a series of bitter diplomatic exchanges over what the government of Premier Marshal Tito regards as Russia's abandonment of Yugoslav territorial claims at the recent foreign ministers, conference in Paris.

The Kremlin attack on Yugoslavia, made public by the Moscow radio, said the Tito government, as early as April, 1947, was willing to abandon its basic claims for Austrian territory as compensation for war losses, but wanted to toss the responsibility for this decision to the Soviet government.

(At the Paris conference, Russia sided with the United States, Britain and France in rejecting Yugoslavia's claim for a slice of southern Austria. Prior to that meeting, the Soviet Union had supported the Yugoslav demands.

(The Soviet note referred to Yugoslavia as an "enemy" for the first time despite the fact Tito and the Kremlin have been at political odds for more than a year. In June, 1948, Tito and his top communist lieutenants were ousted from the cominform—Russia's network of eastern European satellites—for alleged deviations from the Marxist-Leninist line as laid down by Moscow.

(In London, diplomatic observers wondered whether this latest outbreak of name-calling might be a forerunner of a sharper Russian policy against Yugoslavia.

(Tito altered his troops in Yugoslav Macedonia last week—between communist Bulgaria and Albania—and charged his Soviet-dominated neighbors were spreading rumors of a possible Red army invasion there. The official Yugoslav news agency quoted Tito as dismissing the rumors as attempted intimidation, but he warned his army was prepared to fight any invader. Tito also predicted Bulgaria and Albania would repudiate the cominform).

SOVIET BRANDS YUGOSLAVIA ENEMY STATE

AUG 13 1949 DAY

Note Charges Tito Regime Is Fast Becoming Tied to Capitalists of West.

ASSAILS POLICY ON AUSTRIA

Asserts Belgrade Abandoned Its Basic Claims But Shifted Blame to Soviet.

Moscow, Aug. 12 (A. P.).—Soviet Russia denounced the Yugoslav Government today as an enemy of the Soviet Union and charged that Premier Marshal Tito's regime more and more is throwing in its lot with the West.

This sweeping Soviet attack, made public by the Moscow radio, was contained in a Russian note to Yugoslavia.

The note stated that Tito's regime as early as April, 1947, had been willing to abandon its basic claims for Austrian territory as compensation for war losses, but wished to shift the responsibility for this decision to the Soviet Government.

The note was the fourth in a series of bitter diplomatic exchanges between Moscow and Belgrade over what the Yugoslavs regarded as Russia's abandonment of Yugoslav territorial claims at the recent Big Four Foreign Ministers' conference in Paris.

First Use of 'Enemy.'

[Although Tito and the Kremlin have been at odds for more than a year, the note marked the first time that Russia had used the term "enemy" in referring to the Yugoslav Government. Diplomatic observers in London wondered whether this latest outbreak of name calling signaled a sharper Soviet policy against the Tito government. Last week Tito alerted his troops in Yugoslav Macedonia, between Communist Bulgaria and Albania, and said his Soviet-dominated neighbors were spreading rumors of a possible Red Army invasion there. The Yugoslav leader was quoted by his official news agency as dismissing the reports as attempted intimidation, but warned that he was ready to fight any invader.]

Referring to the present nature of Yugoslav-Russian relations, the Soviet note said:

"That certain strong ties bind the Yugoslav Government or chief persons in the Yugoslav Government with the camp of foreign capitalists.

"The Yugoslav Government more and more is joining up with imperialistic circles [the West] against the U. S. R. R. and is in a bloc with them.

"That the Soviet Government can no longer consider the Yugoslav Government as an ally.

"That the Soviet Government can no longer support claims of the Yugoslav Government, especially those claims which the Yugoslav Government has renounced, although it hides it from the Yugoslav people.

"That if the Yugoslav Government prefers a united front with the imperialists to a united front with the U. S. S. R., then let these circles (the imperialists) support its claims.

'Let the People Know.'

The Russians published a letter from Yugoslav Foreign Minister Edward Kardelj dated April 20, 1947, in which he offered variations of the minimum Yugoslav demands on Austria. In essence, these reduced Yugoslav's claims to a small piece of territory containing two electric power stations.

The Soviet note charged the Yugoslav Government was afraid to bear the responsibility for sacrificing national interests, but wanted instead to have the Soviet Union play that role. Russia refused to be cast as a "political swindler," the note said.

"Let the people of Yugoslavia know," the note said, "the Soviet Government looks on the present Yugoslav Government not as a friend and ally but as an enemy and adversary of the Soviet Union."

Potentate's Powerful Pen Brings $20,000

Damascus, Syria, Aug. 12 (A. P.).—The American-owned Transarabian pipeline bought President Husni Zayim's fountain pen last night for 60,000 Syrian pounds (about $20,000).

The money went to the Red Crescent, the Moslem world's version of the Red Cross. Zayim had donated the pen for auction. After two years of negotiation Transarabian recently was granted authorization to build a pipeline across Syria.

French Cede Viet Nam Town

SAIGON, Indo-China, Aug. 12 (AP).—The French Army announced today it had withdrawn troops from Backan, about sixty miles south of the Chinese border. The evacuation puts anti-French Nationalist guerillas in command of the central part of northern Viet Nam.

British To Take Aircraft Plant At Kaitak

AUG 13 1949

Hong Kong, Aug. 12 (AP)—The Hong Kong government notified the China National Aviation Corporation today the C.N.A.C. aircraft maintenance plant at Kaitak airport has been requisitioned for British military uses.

The company, largely financed by Americans, was ordered to move its personnel from the plant by August 15.

Airline executives have asked China's Ambassador to London, Cheng Tien-shih, through tht Chinese Foreign Office in Canton, to take up the matter with the British Government.

[The British are building up the military defenses of Hong Kong, a crown colony and Oriental trade center, to offset the possibility of invasion if the Chinese Communists sweep through to the South China Sea.]

COMMUNISTS MAKE NEW GAINS IN CHINA

NIGHT

Rumors Kanhsien Had Fallen Cannot Be Confirmed

AUG 13 1949

S. Moosa

Canton, China, Aug. 12 (AP)—Heavy fighting 215 miles northeast of Canton and continuing Communist gains in Mohammedan northwest China marked the civil war today.

Rumors that Kanhsien had fallen could not be confirmed, but pro-Government dispatches said the Chinese Reds were fighting on the outskirts of that Kiangsi provincial capital 215 miles from this Nationalist capital.

The Communists also were reported applying strong pressure 35 miles north of Hengyang on the railway leading to Canton. Hengyang, 265 miles north of Canton, is the junction point of a railway leading southwest into Kwangsi province.

Large-Scale Civilian Exodus

Military analysts speculated the Communists had no intention of attacking that strong fortress frontally, but aimed at squeezing Nationalist Gen. Pai Ching-hsi into withdrawing.

Meanwhile, Gen. Ma Pu-fang, Nationalist commander of the northwest front, arrived in Canton and immediately went into conference with Premier Yen Hsi-shan on his armies' urgent need for arms and munitions.

Travelers from Lanchow said the Communists were advancing steadily toward that capital of Kansu province. They said a large-scale civilian exodus was in progress. The Chinese Reds last were reported 95 miles away, having passed the worst of the mountain barriers upon which the defense had relied.

Two Armies Massed

Ma Pu-fang's cousin, Gen. Ma Hung-kwei, Governor of Kansu, has been in Canton for some time, seeking arms.

Official Nationalist reports stated the Communists also were preparing a special amphibious assault on the Chushan Islands, 115 miles southeast of Shanghai.

The nearest of these islands is only 7 miles off the mainland. They included important Nationalist air and naval bases. (It is from them that the Nationalists have been maintaining their blockade of Shanghai and making frequent air raids.)

The Nationalist report said Communist Gen. Chen Yi had massed two armies (possibly 60,000 men) and more than 1,000 junks for the attack.

Three Red Armies Near Gateway To Canton

Spencer Moosa

AUG 13 1949 DAY

Canton, Aug. 12 (AP)—Three Chinese Communist armies totaling 75,000 men are closing on Kanhsien, gateway to Kwangtung province and Canton, official Nationalist reports said today.

Kanhsien is 215 miles northwest of Canton. It lies in the valley of the Kan River, natural highway to this refugee capital.

The Nationalists admitted the loss of a town 12 miles northwest of Kanhsien.

[It was on this part of the front north of Canton that the Nationalists reported on Tuesday that 11,000 Red troops were surrounded.]

Location Of Armies

Wuyunchiao was seized by one of the three armies which Nationalists say have been committed by Gen. Liu Po-cheng, Communist commander.

Another army was said to be pressing south toward Kanhsien along the Kan River Valley. A third army was reported operating to the east. Liu is supposed to have three more armies in reserve.

Fighting due north of Canton was confined to skirmishes north of Hengshan, mountain strongpoint 25 miles north of Hengyang.

Hengyang, 265 miles north of Canton, earlier was reported to have been abandoned as headquarters for Gen. Pai Chung-hsi, commander in chief on the South China front.

Sea Assault Indicated

Another official dispatch said that Gen. Chen Yi, Communist commander in eastern China, was preparing an amphibious assault on the Chu Shan Islands about 100 miles southeast of Shanghai.

The islands provide air and naval bases for the Nationalist blockade of Shanghai and other Communist-held ports.

The report said more than 1,000 junks had been commandeered and two armies were massed at Chinhai and Siangshan, on the east coast near the islands.

Exodus From Lanchow

Foreign travelers from Lanchow, the threatened capital in northwestern China's Kansu province, said a large-scale exodus of civilians was in progress there.

Conveyances included ox carts, mule litters, saddle horses and heavy American trucks. Refugees were reported fleeing northwest along the highway which was once the silk route between China and the Western World.

The route runs through Kansu and across the remote province of Sinkiang, formerly known as Turkistan, and into Soviet Russia.

The travelers say the people of Lanchow have been watching with growing fear the approach of two Chinese Communist forces from the east and southeast.

Forces Retreat Steadily

Troops of Moslem General Ma Pu-fang, commander of Nationalist forces in Northwest China, have fallen back steadily.

The Communists were reported to have already crossed the highest of the mountain barriers through which many persons thought the Reds would not be able to find passage. General Ma was due in Canton today, presumably to press the Nationalist Government for supplies and arms.

In Lanchow, these travelers said, Ma was rumored to have exhausted much of his ammunition and small arms in battles fought around Sian, capital of Shensi province, last month. Failure of the Nationalist Government to make good these losses may explain Ma's retreat.

More Bomb Raids On Shanghai Reported

Shanghai, Aug. 12 (AP)—Shanghai has been subjected to a succession of bombing raids in the last 48 hours.

The raids have been carried out by from two to six planes.

[Nationalist planes have been hitting at Communist-held Shanghai intermittently since its fall several weeks ago. This dispatch, which came through Communist censorship, did not give any details of the raids or indicate any damage.]

30.24- 5001

Mrs. Truman Got Freezer, Invoice Shows, as Probers Scan 5 Per Cent Gift List

TWO UNITS SENT TO GEN. VAUGHAN, VOUCHERS REVEAL

Justice Vinson, Presidential Secretary Connelly Also Listed

WHITE HOUSE SILENT

Military Aide Also Charged with Plot to Steer Army Promotions

Sterling F. Green

WASHINGTON, Aug. 12 (AP)—Invoices brought to the Senate's "five percenter" hearing—but not introduced—showed home freezers sent to Mrs. Harry S. Truman at Independence, Mo., and two to Maj. Gen. Harry H. Vaughan in Washington, a committee member said tonight.

Three other Washingtonians received freezers, the vouchers reportedly showed. All of the units were paid for by the Albert Verley Co., Chicago perfume makers, it was testified yesterday.

The other invoices listed as recipients Chief Justice Fred M. Vinson, Federal Reserve Governor James K. Vardaman, and Presidential Secretary Matt Connelly, the Senator told a reporter. In 1945, when the reported shipments began, Vinson was a reconversion director and later secretary of the treasury. Vardaman was President Truman's naval aide.

Maragon Linked

John Maragon, whose name has been threaded through the inquiry into alleged "influence" in the government, was then with the perfume firm.

The invoices were brought to yesterday's session by Albert J. Gross of Milwaukee. The businessman said he shipped units to a group of Washingtonians. He named Vaughan, then his testimony was halted.

A committee member said today he was informed Mrs. Truman sent a thank-you note to Gross, though he was merely the shipper. The member was uncertain whether Treasury Secretary Snyder was on Gross' list, as stated in one report.

Sen. McCarthy (R-Wis), already had told reporters that Gross was 'entirely in the clear."

"I have seen the list of people who reportedly received freezer units, as published in the newspapers," McCarthy added. "My only comment is that George Allen should not be on the list."

Some reports had said that Allen, long - time presidential intimate and former director of the Reconstruction Finance Corporation, was on the list.

As a White House spokesman said he had "no information" on those stories, the sensation-spangled hearing on Capitol hill produced:

Charge Vaughan 'Plot'

1. Charges that Maj. Gen. Alden Waitt, chief of the army chemical corps, plotted with Vaughan, the president's military aide, to "cut the throats" of fellow officers who might have succeeded Waitt. The chemical chief is now suspended. Selection of a man to fill such a post as the chief of the Chemical corps would, in the usual course of events, be up to the Army's chief of staff. The selection would go to the White House for approval and then to the Senate for confirmation.

2. Testimony that Waitt wrote derogatory reports for Vaughan on the eight other officers—and one warmly praising himself in the office of James V. Hunt, key figure in the 'five percenter" probe.

3. A statement by Hunt's secretary that she personally carried Waitt's memo dispraising the other officers to Gen. Vaughan in the White House.

Vaughan To Testify

4. Announcement that Vaughan is willing to testify and "presumably" will be called—and a demand by Senator McCarthy (R-Wis) that he appear.

5. Evidence that Hunt, a "management counselor" here, had advance word on the appointment of Maj. Gen. Herman Feldman as quartermaster corps chief, and passed it on to a private client with the comment: "It will not harm us in the least." Feldman, like Waitt is now under suspension by the army.

The mysterios deep-freezers bobbed up late yesterday. A Milwaukee businessman testified he shipped one to Vaughan four years ago and 'several" more to Washington persons—all paid for by the Albert Verley Co. of Chicago.

That is the firm which employed John Maragon, man-about-Washington, frequent White House caller, and a secret witness before the special investigating subcommittee.

A news story today named Mrs. Truman, Vinson, Secretary of the Treasury Snyder, Federal Reserve board Governor James K. Vardaman, and former federal loan director George E. Allen as among the other recipients.

Allen Denies Charge

Allen, once called the Truman "Court Jester," denied it. Presidential Press Secretary Charles G. Ross told newsmen he has "no information whatever" about Mrs. Truman or the others. Chief Justice Vinson had no comment, saying he would prefer to have the facts come out in the Senate inquiry.

The names were kept out of the hearing record yesterday though the Milwaukee witness, Albert W. Gross, was reported to be ready to give them. Chairman Hoey (D-NC) cut him off, saying "we don't want to smear anyone" until the committee staff finds out who footed the bill for the freezers.

Hoey declared today: "We will reveal all the names on the list, except in cases where we find that someone listed did not actually receive a freezer." One person already has stated he did not, he added.

The committee is gunning for individuals who charge a percentage fee for helping businessmen get federal contracts through alleged "influence."

The charge that General Waitt tried to undercut the officers eligible to succeed him was made by Senator Mundt (R-SD). It followed the reading of testimony from Hunt's pretty brunette secretary, Miss Mildred Ortmeyer, that Waitt dictated the memo to her and had her carry it to Vaughan's office. It was titled "eligible officers for appointment to chief of chemical corps."

Mundt Charges Plot

Mundt exploded: "It looks to me like a sort of ingenious plot by which Hunt, Waitt and Vaughan have connived to cut the throats of all the other officers trying to get that job".

The committee's chief counsel, William P. Rogers, testified that Waitt has admitted dictating the memo in Hunt's office in May. When he was temporarily suspended on July 16, one of the grounds was "improperly furnishing data to an individual not in the military service and who was not entitled to receive such data."

The committee made public Waitt's memo, but also decided to release the Army's official fitness reports on the same men—totally different in tone and content but also written by Waitt.

Rogers told the committee a comparison shows it was clear that "what Waitt said about these officers behind their backs"—that is, in the memo for Vaughan—was "not a true evaluation."

General Waitt, he explained, "was interested in being considered to replace himself in his job." The appointment was to have been made this fall.

For example, the official fitness report said of Col. Hugh W. Rowan: "x x x An officer with great ability and an exceptionally fine mind." The Waitt-Vaughan memo said "x x x he might be accused of being lazy. He certainly has ability but his record doesn't entitle him to much consideration."

Of Col. Charles E. Loucks, official report: "x x x splendid technical background and wide training and experience x x x. I rely greatly on his sound judgement. He is general officer caliber." The Waitt-Vaughan memo: "x x x starts things but doesn't finish them."

TenGamblersCleanUp In Streets of Nanking

NANKING, Aug. 12 (AP).—Nanking residents were surprised yesterday to see ten smartly dressed shop owners sweeping the streets.

Communist police said the sweepers were being punished for gambling. They had been arrested in a police raid.

Chiang Aide Arrives in Tokyo

TOKYO, Aug. 12 (AP)—Wu Teh-Chen, one of Chiang Kai-shek's closest advisers, arrived in Tokyo tonight for what he called an "unofficial" visit and to meet with Gen. Douglas MacArthur. Mr. Wu, Minister without Portfolio in the Nationalist Chinese Cabinet, said that his trip had no connection with the proposed Pacific union.

CanadaWouldSwapWar Goods For U.S. Material

Ottawa, Aug. 12 (AP)—Canada has proposed to the United States that she be allowed to swap warships, aircraft, small arms ammunition and other Canadian war production for United States-made military equipment, informed quarters said today.

Louis A. Johnson, United States Defense Secretary, said here yesterday he personally is "very much in favor" of such an exchange scheme.

Its purpose, from Canada's point of view, would be to prevent further strain upon her reserves of United States dollars and to bolster her defense industry.

Canada's proposal that she produce such things as her developing anti-submarine destroyers for the United States was made in talks with United States Ambassador Laurence Steinhardt.

SENATE GROUPS VOTE TO REQUEST M'ARTHUR RETURN

AUG 13 1949

Conferees Back Move to Ask General Testify on Arms Aid Plan

DEBATE IS HEATED

Baldwin, M'Mahon Votes Are Opposite in 13-12 Party Line Ballot

WASHINGTON, Aug. 12. — (AP) Climaxing angry debate, the combined Senate committees on Foreign Relations and Armed Services voted 13 to 12 today to invite General Douglas MacArthur to testify at the foreign arms aid hearing.

The vote came on a resolution of Senator Knowland (R-Calif) who is trying to get $175,000,000 of the proposed $1,450,000,000 arms fund earmarked for non-communist China.

Before this action, MacArthur in Tokyo made it clear he is not returning at this time. He said he is needed more where he is. He also said his command has not included China anyway."

Start Work Tuesday

Later, Chairman Connally (D-Tex) of the Senate Foreign Relations committee said the two groups will begin work of clearing the bill on Tuesday. He said witnesses who had asked to be heard will be allowed to file their statements for the record, but no more testimony will be taken. He noted that full hearings had been held by the House Foreign Affairs committee. Presumably if MacArthur decided to accept the invitation, arrangements would be changed.

In the House, forces fighting to slash the arms program retreated to the House floor where the bill is expected to arrive for debate next week.

Defeated in the committee, Reps. Richard (D-SC) and Vorys (R-Ohio) said they will drop the effort there and resume it before the House.

Meantime, Senators Vandenberg (R-Mich) and Dulles (R-NY) were working on a formula to bring distribution of the arms for Europe under control of the North Atlantic Advisory Council when it goes to work.

Dulles said they hoped to have it completed over the week end in the form of an amendment to the bill.

Dulles said the formula would not necessarily affect the size of the arms program.

"If the present arms program should fit into the recommendations which are made by the council," Dulles said, "then it would not necessarily reduce the amount of arms. But if the council's plans should conflict with the present program, it might mean a cut."

No Delay

He made it clear, however, that there is no intention to delay arms deliveries to Europe.

The New York senator said yesterday he believes the State department will accept a plan to give the advisory council control of arms distribution. He has been in conference with State department officials on this matter.

One objection to the arms bill raised by Dulles and Vandenberg is their contention it would permit allocation of the $1,160,000,000 earmarked for Europe even before the council comes into being.

They argue that the purpose of the council is to recommend a unified defense plan—and therefore it should have authority over the distribution.

Both favor only a stop-gap delivery of arms until the council makes its recommendations.

Knowland said after the vote taken in a closed session of the two Senate committees that even the official invitation may not sway MacArthur. Other senators also said the narrowly divided vote would be no encouragement to the general to return.

Party Line Vote

It was almost a party line vote with two Democrats, Byrd of Virginia and Russell of Georgia, reported to have crossed over to join the Republicans and defeat the solid Democratic opposition.

One senator said that Republicans supporting Knowland were Vandenberg of Michigan, Wiley of Wisconsin, Smith of New Jersey, Hickenlooper of Iowa, Lodge of Massachusetts, Bridges of New Hampshire, Gurney of South Dakota, Saltonstall of Massachusetts, Morse of Oregon and Baldwin of Connecticut.

Democrats he reported opposed: George of Georgia, Thomas of Utah, Pepper of Florida, Green of Rhode Island, McMahon of Connecticut, Fulbright of Arkansas, Connally, Chapman of Kentucky, Johnson of Texas, Kefauver of Tennessee, Hunt of Wyoming and Tydings of Maryland.

The vote was said to have followed lengthy, angry debate. Knowland has contended that MacArthur should return and tell his story to the two committees because the arms question is of global character. Information on the Far East is needed to round out the picture at a critical time, he said.

May Favor Move

Knowland told reporters today that the joint committee action shows a large part of the membership "wants to hear its own witnesses and doesn't want to be spoon-fed from a white paper about conditions in China."

This was reference to the State department's summary last week of relations with the China government which accompanied its decision to quit direct support of the nationalist regime in combating communist advances.

Knowland's proposal to divert part of the arms to China would require that an American mission advise the Nationalists in "effective use" of the equipment.

The House Foreign Affairs committee made no major change in the arms bill.

A Richards amendment to chop $580,495,000 off the $1,160,990,000 for western Euroepan nations in the bill lost late yesterday on a reported 8 to 8 tie vote, which automatically rejected it. Another amendment was offered today to make a percentage cut amounting to the same reduction. Chairman Kee (D-WVa) ruled it out of order on the ground it was the same thing.

May Vote Monday

The 25-member committee decided tentatively to vote Monday on the bill which would authorize appropriations for equipment to strengthen the resistance powers of non-communist nations. Besides nations in the North Atlantic Pact, the bill provides aid to Greece, Turkey, Iran, Korea and the Philippines.

It was indicated the committee would leave the total virtually intact, but there was a move to split it into 60 per cent cash and 40 per cent contract authority. This simply means that the 40 per cent would be paid for later.

Kee told reporters he is not "violently opposed" to the idea since the effect would be the same. Senator Vandenberg (R-Mich) has suggested the split be 50 per cent cash and 50 per cent contract authority.

The committee adopted an amendment calling on Administrators of the program to work for "unified direction and effort" in setting up defense plans.

This is a point which has bothered committee members. They repeatedly fired questions at witnesses about the amount of cooperation to be expected among Atlantic Alliance members in the arms program.

The committee approved unanimously an amendment reaffirming the policy of this country to achieve international peace and security through the United Nations."

Acheson Says U.S. Will Act If Reds Attack Hong Kong

AUG 13 1949

John M. Hightower

WASHINGTON, Aug. 12—(AP) Secretary of State Acheson indicated today that the United States would oppose, at least through the United Nations, any aggressive action by the Chinese communists to rest control of the great port of Hong Kong from the British.

At a news conference Acheson stopped short of saying flatly that the United States would back up the British at Hong Kong but he left the way open for such action.

Bevin Due Here

He also said in response to questions that British Foreign Secretary Ernest Bevin and he might very well discuss the whole Chinese situation when Bevin comes here for a round of conferences early next month. The primary purpose of the conferences will be to devise ways of tackling Britain's economic crisis.

Also on the Chinese situation, Acheson said that Dr. John Leighton Stuart, American ambassador who returned here from China Wednesday, will enter fully into discussions on a new Chinese policy late next week. Meantime, he said, Stuart will be out of town for a few days rest.

The question of Hong Kong arose when a reporter asked Acheson whether the United States had reached a decision to back the British at their crown colony.

Have Discussed Situation

Acheson replied that the American government has talked with the British government about the situation. But he said that the answer to the question is very difficult because it depended on what happened and the American government would have to know what it was backing up.

He added firmly, however, that any action there which violated the United Nations charter would call for action in the Security Council and the United States of course would live up fully to its obligation under the charter.

This was in line with the general policy position had taken last week when the white paper on China was issued. At that time he told President Truman that this government should rely on the United Nations to act in event of real or threatened aggression by the Chinese communists against any of the countries bordering China.

British Apprehensive

There is apprehension among some officials here that in their sweep south through China, the communists may not stop at the borders of the territory which the nationalists have ruled but may invade or threaten to invade one or more of the countries neighboring China. The British have been worried about Hong Kong, one of the world's great trading centers.

Acheson did not indicate the scope of the Chinese talks he may have with Bevin but speculation is that they will embrace a much larger territory than Hong Kong. Acheson himself had previously stated that as a matter of basic principle the United States should seek to coordinate its moves and major policies in the Far East with the plans of the other western powers having interests in that part of the world.

AIR CHIEF RAPS 'SMEAR' TACTICS IN B-36 INQUIRY

Morgan Reynolds

Symington Defends Handling of Project, Denies Politics Involved

'CHECK' ON REDS

Gen. Vandenberg Says Plane, Atomic Bomb Forestall Russian Aggression

WASHINGTON, Aug. 12—(AP) Secretary of Air Stuart Symington today pasted a "smear" label on a congressman's charges there was misconduct in the Air Force's handling of the B-36 bomber program.

He hotly denied that the multi-million dollar investment in the 10,000-mile atom bomb carrier was based on "any considerations other than national security."

Symington then gave the House Armed Services committee a point-by-point "no truth" denial to the charges first made by Rep. Van Zandt (R-Pa).

Van Zandt had told the House then that he had heard "disturbing" reports about top defense officials being involved in political and business deals relating to aircraft purchases.

Turning to Van Zandt Symington said:

Denies Any Dishonesty

"It didn't make any difference to the Air Force or me when charges were made about our intelligence with respect to the B-36. But when they say the entire high command of the Air Force is dishonest, I take very bitter exception to it."

The Pennsylvania congressman retorted that he had not claimed the charges he cited to the House were true. He said he had only told his colleagues he had "sufficient evidence" to justify a congressional investigation.

The House committee today

30.24- 5003

wound up its fourth session of public hearings aimed at determining whether or not, as Van Zandt says, there were outside influences which had a bearing on the award of the B-36 contract to Consolidated Vultee Aircraft Co.

Following his heated word exchange with Symington, Van Zandt issued a statement saying Committee Chairman Vinson (D-Ga) "is evidently engaged in a whitewash job on the B-36 bomber."

"The American people," he added, "are entitled to know the truth or falsity of the ugly and disturbing reports about the B-36 and the so-called related matters. And they will never know the truth or falsity of those reports until they are given a fair and impartial investigation."

Gen. Vandenberg on Stand

Before Symington took the stand, Gen. Hoyt Vandenberg, Air Force chief of staff, lashed out at the "false rumors and inuendoes," which he told the committee had damaged Air Force morale.

At the same time Vandenberg flatly declared that this country's possession of the atom bomb—plus the ability to "deliver it"—provides the major check on "the aggressive designs of Soviet leaders."

The tall slender air chief who has just returned from a military survey in Europe, bluntly told the lawmakers:

"There is only one major military threat to the security of the United States and the peace of the world. It is pointless to talk in riddles—this threat comes from the Soviet Union."

Vandenberg then went on to say that "for the next few years the B-36 provides the spearhead for the ready-for-combat force in being which this country must constantly have at hand."

Although he said he was not obligated professionally to defend Symington "I raise my voice, as any man might, who hears a friend unjustly accused."

Lauds Symington

The general said the air secretary "has labored tirelessly to produce effective and economical air power for the defense of this country." He added:

"That Mr. Symington could have entertained the idea of jeopardizing the security of this country by favoring inferior airplanes for the monetary advantage of a political party or because of the personal influence of any individual manufacturer is unthinkable."

When Symington took the stand in his own defense he read a statement denying point - by - point charges first made by Rep. Van Zandt last May.

At that time Van Zandt told the House he had heard reports that Symington planned to resign shortly to head an aircraft combine being formed by Floyd Odlum, head of Atlas corp., which controls Consolidated, the makers of the B-36. Van Zandt also reported that Odlum had helped Symington and Secretary of Defense Louis Johnson raise campaign funds for the Democratic party last Fall.

Symington said these charges were "not true." And he acidly remarked that Van Zandt, a committee member, "has been here hardly at all this afternoon."

Raps 'Anonymous' Paper

"I think he should stay in here and face us," Symington added.

The secretary also struck out at an "anonymous" document which was placed in the official committee records at the start of the hearings Tuesday.

That document for the most part was an expansion of Van Zandt's charges but it also said in its introduction that it was designed to show "efforts of the Atlas Corp. to take over the national military establishment."

In denying the charges contained in the paper, Symington said it was not available to Air Force officials "until it had done its insidious work of poisoning minds against one of the armed services and causing decent citizens to be sincerely troubled."

The air secretary commented that the document shows evidence of careful and long research, "some of it within the walls of the national military establishment itself." He did not elaborate on that remark but he challenged the paper's authors to "come forth with their proof x x x and establish the good faith and accuracy of these charges."

After questioning Symington at length as to whether any political or business influences swayed his decisions on the B-36 program—all of which brought flat denials—the committee recessed public hearings until Aug. 22.

World Government Impossible At Present Time, Austin Says

LENOX, Mass., Aug. 12—(AP) Warren R. Austin, U. S. delegate to the United Nations, said tonight creation of world government under present conditions is impossible.

Austin called upon advocates of the world government idea to give their support to the UN now and make their world government plan a long-range goal.

In a speech at the Berkshire Music festival, the former Vermont Senator took issue with those who feel that steps should be taken immediately toward a world government to replace the UN.

UN Best Possible

"We now have voluntary association," Austin said, "and we may continue to enjoy and develop that into what might be termed world government."

He said the UN "represents the highest degree of cooperation that is possible today in the family of nations."

"It must be clear," he said, "that, in the long run, any policy that is good for the United Nations will represent realistic congress toward world government, and that all intelligent work for world government ought to be work for the United Nations."

Austin opposed calling a world government conference now on two main grounds: first, he felt the conference would fail to get agreement among the big powers and, secondly, he felt the risks to peace were too great.

"There is scarcely a single feature of establishing a government for the whole world which does not contain risks of the peace," he said. "This should give us pause."

On the chances of getting big power agreement, Austin said:

"x x x I am persuaded by experience that we cannot at this time, or within the predictable future, have agreement among the five great powers upon such amendments of the charter as are indispensable for the transformation of the United Nations from a voluntary association into a government."

Author Mann Alarmed By Rise Of Nationalism In Germany

AUG 13 1949

New York, Aug. 12 (AP)—Author Thomas Mann came back from Europe tonight concerned, he said, because the Germans complain they were better off under Hitler than they are today.

The Nobel prize-winning novelist arrived on the liner Nieuw Amsterdam after his first visit to his German homeland since Hitler exiled him in 1933.

"The way the de-Nazifications were handled is one of the most alarming symptoms," he said.

"It seems to me that the honestly democratic forces that obviously exist but in a dangerous minority, should be better supported by the Western democracies in their struggle against nationalism and militarism in every possible way."

Speaks From Notes

In his first-hand report on Germany, Dr. Mann, summing up his observations after sixteen years in exile, spoke from notes he had made.

"I did not speak to one decent and honest German who was not deeply concerned about the increasing nationalism in his country," the 74-year-old writer said.

"Widely responsible for this state of mind is the strange fact that the Germans do not realize and do not want to realize the causes of their actual conditions.

"The great majority of the people . . . complain: 'Under Hitler we were much better off.'"

Shortly before his departure May 10, Dr. Mann said he believed Russia sincerely wants peace and understanding with America.

During a visit to the Soviet zone of Germany, the Soviet-licensed press quoted him as saying there was room in the world for Russian communism and Westtrn capitalism.

Hard Time For Liberals

However, Dr. Mann said his visit to eastern Germany was "unpolitical."

He saw no solution to the bitter suffering of the German people, he said, "until there is a final understanding between the East and West."

He said he spoke in the Soviet zone on "the indestructible value of freedom and the dignity of human relations."

This evoked great applause, he declared, from a part of his audience that was "anti-regime."

He said people in the Soviet zone are divided, with the young people backing the Russian regime and their elders opposed to it.

Liberals have a hard time bucking the Communist trend in the eastern zone, Dr. Mann added.

Dr. Mann said he and his wife would stop in New York a couple of days and then leave for their home in Pacific Palisades, Cal.

ALASKA DEFENSELESS, GOV. GRUENING WARNS

WASHINGTON, Aug. 12 (AP)—Gov. Ernest Gruening told Congress today that Alaska was defenseless and that the territory could be captured tomorrow by a minor-scale airborne invasion.

"If there is another Pearl Harbor, and this time it will be a far more serious disaster than in 1941, it shall not be said that no warning has been given," Mr. Gruening said in a telegram to Senator Lester C. Hunt, Democrat, of Wyoming.

Mr. Hunt put the communication in The Congressional Record.

The Governor gave his estimate of Alaskan defenses in appealing to Congress to act quickly on a $137,738,712 defense authorization.

"I can state categorically," Mr. Gruening said, "that Alaska is defenseless and that the territory could be taken tomorrow by a minor-scale airborne invasion."

He said a report that Congress was deferring action at this session on the territory's defense authorization "appears to us unbelievable."

Congress has voted billions to check the advance of communism in Europe, Mr. Gruening said, but "it denies less than 2.5 per cent of that sum in authorization for the long-overdue defense construction of American territory fifty-four miles across the Bering Strait from our police-state neighbor."

He said that instead of making Alaska impregnable Congress, by failure to act, "is perpetuating Alaska as America's Achilles' heel."

GEN. J. L. COLLINS NAMED ARMY HEAD

Succeeds Bradley as Chief of Staff; T.T. Handy Gets European Command

WASHINGTON, Aug. 12—(AP) The Army today got a new chief of staff and a new commander for its forces in Europe.

Gen. Joseph Lawton Collins was picked for the top spot by President Truman. He named Collins, now vice chief of staff, to succeed Gen. Omar N. Bradley whom he nominated yesterday for the highest military post in the country—chairman of the joint chiefs of staff. Both selections are subject to Senate approval.

For the European command, Gen. Thomas T. Handy was named by Secretary of Defense Johnson to fill the post held until recently by Gen. Lucius D. Clay. Handy, a 57-year-old veteran of both World Wars, has been serving as head of the Fourth Army in San Antonio, Texas. A native of Tennessee, Handy is a graduate of Virginia Military institute.

Collins was born in New Orleans, May 1, 1896. He was graduated from the military academy and was commissioned a second lieutenant, April 20, 1917.

He saw service in both World Wars.

After World War II Collins became deputy commanding general of the Army Ground Forces in Washington.

He became director of information for the old War department in 1945. On Sept. 1, 1947, he was named the army's deputy chief of staff, now known as vice chief of staff.

Distinguished Record

Collins had a distinguished record in action in the last World War. He commanded troops in Guadalcanal before going to Europe. In Europe, he commanded the 7th Army corps which landed on Utah

Beach in Normandy on D-Day. His troops captured Cherbourg.

Later the corps under Collins spearheaded the attack of the First Army which made the breakthrough east of St. Lo. After numerous engagements in France and Belgium, the 7th corps broke through the Siegfried line defenses and captured Aachen. His troops participated with the First Army in the drive to the Rhine and the capture of Cologne.

Collins finally led the corps in its drive to the Elbe river where it made a junction with the Russians advancing from the east.

It was understood that Collins was Bradley's personal choice for his successor as chief of staff. They served together in Europe.

Ilgenfritz Named Munitions Chief

Washington, Aug. 12 (AP)—President Truman today nominated Carl A. Ilgenfritz, of Pittsburgh, to be chairman of the Munitions Board.

Ilgenfritz, a United States Steel Company executive, is a member of the American Iron and Steel Institute and the National Association of Purchasing Agents. He is a native of Youngstown, Ohio.

Secretary of Defense Johnson, who recommended the appointment to Mr. Truman, described Ilgenfritz as a Republican. The nomination is subject to Senate confirmation.

Post Long Vacant

The Munitions Board post long has been vacant.

Ilgenfritz has been acting as adviser to the Federal Bureau of Supply and also served on the Hoover governmental reorganization commission. He is a member of the international tin-study group, acting as adviser to the State Department.

E.C.A. Appoints C. W. Kitchen

Washington, Aug. 12 (AP)—The Economic Co-Operation Administration announced today the appointment of C. W. Kitchen as deputy director of its food and agriculture division.

Kitchen now is executive vice-president of the United Fresh Fruit and Vegetable Association with headquarters here.

LAST U. S. WITNESS TAKES STAND IN TOKYO ROSE TRIAL

AUG 13 1949

SAN FRANCISCO, Aug. 12—(AP) The government called its final witnesses today to tell how Tokyo Rose tried to make allied troops in the Pacific jittery and homesick.

There also was sexy chatter about redheads as the prosecution neared the end of its case against Los Angeles born Mrs. Iva Toguri D'Aquino. She is charged with treason for her wartime "Zero Hour" program from Radio Tokyo.

On two occasions, Sgt. Charles F. Hall testified, the woman he knew as "Orphan Ann" broadcast in advance that his 90th bomb group was going to move to new bases in New Guinea. This was supposed to be a military secret.

Told of Movements

During the week prior to Jan. 17, 1944, Hall related, the woman who came to be called Tokyo Rose dedicated her program to "the jolly rogers of the 90th bomb group." She knew the unit was moving on Jan. 17 from Dobodura to Nadzab, New Guinea, "and would have a reception committee waiting for us."

The group moved Jan. 17, Hall continued.

"When you got to Nadzab, what happened?" asked assistant prosecutor James Knapp.

"We got the Hell strafed out of us."

In another broadcast, Hall, a 19-year-Army veteran now stationed at Fort George Wright, Wash., said Tokyo Rose declared there were 21 different reasons "why we shouldn't sleep with a redhead."

"She said nobody went to bed to sleep with a redhead in the first place," the sergeant said.

Says Troops Deserted

Robert Cowan, 34, Los Angeles television producer, testified he was on "Orange Beach" on Levte in late October 1944 when he heard this "Zero Hour" admonition:

"You have been deserted. Your ships have left you. You will be driven back into the sea. You will be annihilated by the Japanese imperial Army and Navy."

A Filipino Army veteran, Mariano Villarin, described two visits to Radio Tokyo in 1944. He said he saw Mrs. D'Aquino broadcasting. He quoted one statement:

"Hello, honorable enemy. Why do you have to stay in the foxholes of New Guinea when your girl friends are running around with other men? It's about time you fellows went home."

Villarin said he was one of a group in the Philippines chosen to go to Tokyo for indoctrination.

3 JAILED REDS APPEAL TO U.S. SUPREME COURT

WASHINGTON, Aug. 12 (AP)—Three communists jailed by Judge Harold R. Medina in New York on contempt charges today appealed to the supreme court.

The three are among the top-ranking communist officials on trial before Judge Medina on allegations that they worked for forcible overthrow of the government.

The trio—Gus Hall, Henry Winston, and Gilbert Green—were ordered to jail for the duration of the trial. They appealed to the high tribunal from a judgment of the U. S. circuit court in New York which upheld Judge Medina's action.

The supreme court is now in summer recess. Its next session will be on Oct. 3. No action on the appeals is expected before that time.

Petitions filed with the high court clerk by the three man contend that "whether or not intended," the effect of Judge Medina's action "is to pressure the petitioners, on pain of continued imprisonment, to hurry their defense to a close."

Foreign-Aid Measure Runs Into New Delay

Washington, Aug. 12 (AP)—The bill carrying billions for foreign aid ran into new delay today when Senate-House conferees trying to reach a compromise set it aside at least until Monday.

House members asked the delay because of other duties.

The bill is now six weeks behind schedule. It carries funds for the second full year of the Marshall plan beginning last July 1, together with financing for army occupation costs and aid for Greece and Turkey.

The Senate cut ten per cent from the House bill. It also tossed in amendments to complicate the task of the conferees.

SENATE APPROVES FUNDS FOR WIND TUNNEL TESTS

WASHINGTON, Aug. 12—(AP) The Senate today unanimously approved a $300,000,000 program to build wind tunnels to test faster-than-sound aircraft and guided missiles.

The bill now goes to the House, whose Armed Services committee has unanimously approved a similar measure.

Besides the wind tunnels, the bill calls for the establishment of an air engineering development center, the site of which has not been selected.

There will be nine large tunnels. Six will be constructed at the three laboratories of the National Advisory Council on Aeronautics. A seventh will be built at the David Taylor model basin, Carderock, Md. The other two will be at the new Air Engineering Center.

In addition, 13 smaller tunnels will be located at 13 universities.

The bill authorizes $4,400,000 for the 13 university-type tunnels; $6,600,000 for Carderock; $150,000,000 for the six NACA tunnels, and $150,000,000 for the development center and its two tunnels.

The budget, Tydings said, calls for an expenditure of only $30,000,000 during the current fiscal year on the program.

Harriman Wants Allies Of U.S. Well Equipped

New York, Aug. 12 (AP) — W. Averell Harriman said tonight that, in event of war, American soldiers "are entitled to have well-equipped allies."

Harriman, off for Europe as roving Marshall-plan representative, said there are millions of people in the Atlantic pact countries "who are willing to fight for the same causes as we are. . . ."

Such well-equipped allies, he said, "will be an added deterrent to war."

NIGHT

A25 CHURCHILL IMMEDIATELY ATTACKED THE
TORIES REJECTED WOULD SOMETIMES
FOUR AND OTHER TIMES TOO LITTLE.
VIA AN EYE TO SUPPORT SHALL
PERHAPS LIFE HELAND'S DESIRE TO COMPROMISE.
IRELAND--CHURCHILL SAID SHALL CONTRIBUTE
A FAR--THIS MAJORITY MIGHT HAVE POWER TO
VETO DISCUSSION. HE HAD A CAUTIOUS EYE ON HIS MAJOR
LABOR-LIK GOVERNMENT OF FOURTEEN AND HAD
HARRISON. Add Strasbourg - (Mtg) generally. x x x
EARLIER IN A COMMITTEE MEETING
SPOKESMAN'S SAID HARRISON OF SHALL
SUBJECTS FOR DRAFT. CHURCHILL
CHURCHILL CAVE UP. REJECTED FULLY AND
LATER THE ASSEMBLY ACCEPTED SPAAK'S COMPROMISE.
FOR A NO-PRESIDENTS--WOULD TRY TO
TO BE HANDED OR THE MINISTERS TOMORROW
THE ASSEMBLY FLOOR.

HIGHLIGHTS FROM CHURCHILL'S SPEECH TO THE OUTDOOR RALLY:

"WE ARE MET IN THIS ANCIENT AND WAR-SCARRED CITY TO SET UP AN ASSEMBLY WHICH WE HOPE WILL ONE DAY BECOME THE PARLIAMENT OF DROPE."

IT WAS CALLED TO SHOW THE WORLD THAT THE DEEP HOLD WHICH THE IDEA OF A UNITED EUROPE HAS UPON THE MINDS NOT ONLY OF POLITICAL THINKERS BUT ON THE BROAD MASSES.

"I AM ENCOURAGED BUT ALSO ASTONISHED BY THE PROGRESS WE HAVE MADE IN SO SHORT A TIME. IT IS LITTLE MORE THAN A YEAR AGO AT THE HAGUE THAT WE CALLED FOR THE SETTING UP OF A EUROPEAN ASSEMBLY.

WE HAD TO PERSUADE BY THE FORCE OF PUBLIC OPINION MANY POWERFUL GOVERNMENTS TO GIVE EFFECT TO OUR WISHES.

"WE HERE X X X ARE NOT THE REPRESENTATIVES OF OUR OWN COUNTRIES OR OF THE VARIOUS POLITICAL PARTIES TO WHICH WE MAY BELONG, BUT EUROPEANS WALKING FORWARD HAND IN HAND AND IF NEED BE SHOULDER TO SHOULDER TO REVIVE OLD GLORIES OF EUROPE AND ENABLE THIS FAMOUS CONTINENT TO RESUME ITS PLACE AS AN INDEPENDENT AND SELF-SUPPORTING MEMBER OF A WORLD ORGANIZATION.

"THE PRINCIPLES WHICH GOVERN US ARE SET FORTH IN THE CONSTITUTION OF THE UNITED NATIONS, OF WHICH EUROPE SHOULD BE A LEADING AND POWERFUL UNIT, AND ALSO IN GENERAL TERMS OF THE DECLARATION OF HUMAN RIGHTS FRAMED BY THE UNITED NATIONS AT GENEVA.

"WE MUST LAY ASIDE EVERY IMPEDIMENT AND CONQUER OURSELVES.

"THE EUROPEAN ASSEMBLY NOW IN SESSION HERE IN STRASBOURG HAS A FAMOUS PART TO PLAY (IN UNITING EUROPE). IT WILL ONLY PLAY THAT PART IF IT IS FOUND TO POSSESS QUALITIES OF GOOD SENSE, OF TOLERANCE, OF INDEPENDENCE, AND ABOVE ALL COURAGE X X X.

"WE HAVE IN OUR LONG HISTORY WIPED OUT THE DANGER OF RELIGIOUS WARS AND DYNASTIC WARS, AND I TRUST X X X OF NATIONALIST WARS. ARE WE TO SINK AFTER ALL OUR VICTORIES AND SUFFERINGS INTO FINAL CHAOS THROUGH IDEOLOGICAL WARS THRUST UPON US BY BARBAROUS AND WICKED OLIGARCHIES?

"I FEEL SURE WE HAVE IT IN OUR POWER, IF IT IS ALSO OUR WILL, TO COME THROUGH THE PERILS WHICH STILL CONFRONT US.

"IN ALL THIS WE ARE MOVING WITH THE SUPPORT OF THE MIGHTY REPUBLIC ACROSS THE ATLANTIC AND OF THE POWERFUL SELF-CONVENING STATES AND MEMBERS OF THE BRITISH EMPIRE X X X."

CHURCHILL, SPAAK, HENDRIK BRUGMANS OF HOLLAND, STEFANO JACINI OF ITALY, AND PAUL REYNAUD OF FRANCE ALL SPOKE FROM THE BALCONY OVERLOOKING KLEBER SQUARE IN THE HEART OF THE CITY.

REYNAUD TOLD THE RALLY THE U.S. STANDS BEHIND THE IDEA OF A UNITED EUROPE AND "WE WILL RAPIDLY LOSE ITS AID IF WE DO NOT FOLLOW ITS COUNSEL. HE CALLED ON THE GERMAN PEOPLE TO GIVE UP THEIR "POLICY OF BEATING THE FIST ON THE TABLE" IN RELATIONS WITH NEIGHBOR COUNTRIES AND BECOME A PEACEFUL MEMBER OF THE EUROPEAN FAMILY OF NATIONS.

"THE CAPITAL PROBLEM," REYNAUD SAID, "IS TO MAKE AN ECONOMICALLY LIVEABLE EUROPE. FOR THIS, IT IS NECESSARY TO GET RID OF THE DIVISION OF THE EUROPE OF TODAY" INTO SMALL NATIONAL STATES.

LS616PED BM

FIRST LEAD EUROPEAN COUNCIL

BY JOSEPH E. DYNAN

STRASBOURG, FRANCE, AUG. 12-(AP)-THE COUNCIL OF EUROPE'S FIRST ASSEMBLY WON A PARTIAL VICTORY TODAY IN ITS FIGHT FOR GREATER INDEPENDENCE FROM CONTROL BY THE 12 GOVERNMENTS ASSOCIATED WITH THE ORGANIZATION.

WINSTON CHURCHILL AND OTHER DELEGATES WHO FAVOR ESTABLISHING THE ASSEMBLY AS A FREE EUROPEAN PARLIAMENT RELUCTANTLY AGREED TO A COMPROMISE SOLUTION.

THE DISPUTE CONCERNED WAYS OF ENLARGING THE ASSEMBLY'S AGENDA, THEREBY INCREASING THE SCOPE OF ITS DISCUSSIONS. UNDER THE COUNCIL STATUTE, THE AGENDA MUST FIRST BE APPROVED BY THE MINISTERIAL COMMITTEE WITHIN THE FIRST THREE DAYS OF THE ASSEMBLY SESSION. IT IS THROUGH THE MINISTERIAL COMMITTEE THAT THE 12 MEMBER GOVERNMENTS EXERCISE THEIR CONTROL OF THE COUNCIL OF EUROPE.

PRESIDENT PAUL-HENRI SPAAK OF BELGIUM PROMISED THE 101 MEMBERS OF THE ASSEMBLY THAT HE WILL "MAKE AN EFFORT AT CONCILIATION." HE HIMSELF INTRODUCED THE COMPROMISE PLAN AFTER SPENDING TWO HOURS IN DISCUSSIONS WITH THE MINISTERS.

UNDER THE COMPROMISE, ISSUES NOT ON THE ASSEMBLY'S ORIGINAL PROGRAM WILL BE REFERRED TO THE MINISTERS LATER IF BACKED BY TWO-THIRDS OF THE ASSEMBLY MEMBERS. THE MINISTERIAL COMMITTEE IS PLEDGED TO REPLY IN FIVE DAYS.

CHURCHILL BITTERLY ASSAILED THE TWO-THIRDS PROVISION SAYING: "WHY ALL THIS INTERFERENCE WITH THE FREEDOM OF DISCUSSION?"

SPAAK CITED THE ASSEMBLY'S PROVISIONAL PROCEDURE RULES, AS DRAFTED BY THE MINISTERIAL COMMITTEE, TO SHOW THAT A TWO-THIRDS MAJORITY IN NEEDED ON ANY RESOLUTION ANYWAY.

UNDER THE ASSEMBLY-MINISTERIAL AGREEMENT, THE ASSEMBLY IS TO COMPLETE THE ADOPTION OF AN AGENDA BY TOMORROW NIGHT FOR SUBMISSION TO THE MINISTERS. THE MINISTERS, IN TURN, WILL REPLY BY MONDAY OR TUESDAY MORNING.

SPAAK SAID THE MINISTERS ALSO HAD AGREED TO A WIDE INTERPRETATION OF A RULE WHEREBY SPAAK, AS ASSEMBLY PRESIDENT, CAN ADD A SUBJECT TO THE ASSEMBLY AGENDA AFTER CONSULTATION WITH THE CHAIRMAN OF THE MINISTERIAL COMMITTEE.

THE ASSEMBLY'S DRIVE FOR MORE POWER GOT UNDER WAY YESTERDAY. IT WAS LED BY CHURCHILL.

IN ONE OF HIS FIRST SPEECHES TO THE 101-MEMBER ASSEMBLY YESTERDAY, CHURCHILL RAPPED WHAT HE CALLED "CRIPPLING LIMITATION" ON ASSEMBLY DEBATE IMPOSED BY THE COUNCIL'S COMMITTEE OF FOREIGN MINISTERS.

THE COMMITTEE OF MINISTERS, REPRESENTING THE 12 GOVERNMENTS WHICH FORMED THE COUNCIL OF EUROPE, IS THE GUIDING BODY OF THE NEW EUROPEAN ORGANIZATION. THE COMMITTEE HAS THE POWER TO DECREE WHAT SUBJECTS SHALL BE DEBATED BY THE CONSULTATIVE ASSEMBLY.

CHURCHILL AND OTHER ADVOCATES OF SOME FORM OF EUROPEAN FEDERATION HOPE THE ASSEMBLY MAY BE THE FORERUNNER TO A GENUINE PARLIAMENT OF EUROPE, WITH LEGISLATIVE POWERS CUTTING ACROSS NATIONAL BOUNDARIES. AT PRESENT THE COUNCIL--DIVIDED INTO A CONSULTATIVE ASSEMBLY AND A COMMITTEE OF MINISTERS--HAS ONLY ADVISORY POWERS TO PROMOTE GREATER EUROPEAN UNITY.

INSPIRED BY CHURCHILL'S ORATORY, THE ASSEMBLY DELEGATES CLEARLY INDICATED THEY WILL SEEK GREATER AUTHORITY THAN THE MINISTERIAL COMMITTEE INTEND THEY SHALL HAVE.

FIRST INDICATION OF THE REVOLT CAME WHEN CHURCHILL AND OTHER DELEGATES OBJECTED TO WHAT THEY CALLED A THREE-DAY GAG RULE. UNDER THE RULE, NOTHING CAN BE ADDED TO THE ASSEMBLY'S AGENDA WITHOUT THE MINISTERIAL COMMITTEE'S APPROVAL. REQUESTS FOR SUCH ADDITIONS MUST BE MADE WITHIN THREE DAYS OF THE ASSEMBLY'S OPENING.

A10

CHURCHILL CALLED THE RULE A "CRIPPLING LIMITATION WHICH HAS NEVER

BEEN ACCEPTED BY ANY ASSEMBLY WORTHY OF THE NAME FREE."

"WHY SHOULD THIS ARBITRARY LIMIT OF THREE DAYS BE THRUST DOWN OUR THROATS?" CHURCHILL DEMANDED. "THE ASSEMBLY MUST AT ITS OUTSET SHOW THAT IT HAS THE KIND OF SPIRIT UPON WHICH THE LIFE OF PARLIAMENTS HAVE BEEN BORN."

THE APPLAUSE WHICH GREETED THE BRITISH WARTIME PRIME MINISTER'S CHALLENGE SHOWED THE BULK OF THE ASSEMBLY--REPRESENTING ALL DIFFERENT POLITICAL GROUPS EXCEPT THE EXTREMES OF COMMUNISM AND FASCISM--DID INDEED HAVE THIS SPIRIT.

SOME MEMBERS LED BY FRANCE'S PIERRE-HENRI TEITGEN VERGED ON OPEN REVOLT WHEN TEITGEN MOVED AN AMENDMENT TO STRIKE OUT THE THREE-DAY GAG RULE. SPAAK RULED, HOWEVER, THAT SUCH A MOTION WAS OUT OF ORDER.

SPAAK, ALSO REGARDED AS AN ARDENT SUPPORTER OF EUROPEAN FEDERATION, WARNED THE DELEGATES AGAINST TRYING TO MOVE TOO SWIFTLY.

"IT IS NOT POSSIBLE TO REMAKE EUROPE TO OUR HEART'S DESIRE IN ONE MONTH," SPAAK DECLARED. "YOU MUST MAKE A CHOICE AMONG PROBLEMS. AFTER THIS SESSION, THERE WILL BE OTHERS. IT IS INDISPENSABLE THAT SOMETHING REAL AND PRAVTICAL RESULT 59. 974 294(."

MK314AED

SOVIET-YUGOSLAV (240)

LONDON, AUG 12-(AP)-RUSSIA TODAY CALLED MARSHAL TITO'S YUGOSLAV GOVERNMENT AN "ENEMY AND FOE OF THE SOVIET UNION."

IT WAS THE FIRST TIME THE KREMLIN HAS HURLED THE TERM "ENEMY" AGAINST TITO, ALTHOUGH IT HAS BITTERLY DENOUNCED THE YUGOSLAV REGIME FOR THE LAST YEAR.

DIPLOMATIC OBSERVERS WERE WONDERING WHETHER THE LATEST OUTBREAK OF NAME CALLING SIGNALED A SHARPER SOVIET POLICY AGAINST THE TITO GOVERNMENT. MARSHAL TITO LAST WEEK ALERTED HIS TROOPS IN YUGOSLAV MACEDONIA, BETWEEN COMMUNIST BULGARIA AND ALBANIA, AND SAID HIS SOVIET-DOMINATED NEIGHBORS WERE SPREADING RUMORS OF A POSSIBLE RED ARMY INVASION THERE.

TITO WAS QUOTED BY HIS OFFICIAL NEWS AGENCY AS DISMISSING THE REPORTS AS ATTEMPTED INTIMIDATION BUT WARNED HE WAS READY TO FIGHT ANY INVADER.

THE SOVIET ATTACK WAS CONTAINED IN A RUSSIAN NOTE TO YUGOSLAVIA AND BROADCAST BY MOSCOW RADIO TODAY. IT WAS THE FOURTH IN A SERIES OF BITTER DIPLOMATIC EXCHANGES OVER RUSSIA'S ABANDONMENT OF YUGOSLAV CLAIMS TO A PORTION OF SOUTHERN AUSTRIA.

THE SOVIET NOTE ACCUSED THE YUGOSLAV GOVERNMENT OF "MERGING ITSELF . . WITH IMPERIALIST CIRCLES (THE WEST) AGAINST THE SOVIET UNION AND ENTERING INTO BLOCS WITH THEM."

IN AN APPARENT MOVE TO STIR UP OPPOSITION TO TITO INSIDE YUGOSLAVIA, THE SOVIET NOTE ADDED:

"LET THE YUGOSLAV PEOPLE KNOW THE SOVIET GOVERNMENT DOES NOT REGARD THE PRESENT YUGOSLAV GOVERNMENT AS A FRIEND AND ALLY BUT AS AN ENEMY AND FOE OF THE SOVIET UNION."

YUGOSLAV WAS EXPELLED FROM THE SOVIET-DOMINATED COMINFORM (COMMUNIST INTERNATIONAL INFORMATION BUREAU) LAST SUMMER FOR REFUSING TO FOLLOW KREMLIN POLICY.

MK338AED

LONDON, AUG. 12-(AP)-BRITAIN ANNOUNCED TODAY SHE IS RESUMING THE SALE OF ARMS TO ARAB COUNTRIES.

THE FOREIGN OFFICE SAID ALL ORDERS FOR ARMS BY ARAB NATIONS WHICH WERE OUTSTANDING WHEN THE UNITED NATIONS EMBARGO WAS IMPOSED IN 1948 WILL NOW BE CARRIED OUT.

A SPOKESMAN TOLD A NEWS CONFERENCE, HOWEVER, THIS COUNTRY WILL GIVE NO CREDIT FACILITIES TO ARAB STATES WHICH WANT WAR EQUIPMENT.

DAY

EGYPT, HASHEMITE JORDAN (TRANS-JORDAN) AND IRAQ--THREE COUNTRIES WITH WHICH BRITAIN IS BOUND BY TREATY--ARE KNOWN TO BE AMONG THOSE WITH ORDERS OUSTANDING. THEY WANT FIGHTER PLANES.

THE U.N.EMBARGO, IMPOSED AT THE START OF THE PALESTINE WAR, WAS LIFTED YESTERDAY.

BRITAIN HAS BEEN DISCUSSING OVERALL MIDEASTERN SECURITY AND STRATEGIC ARRANGEMENTS WITH THE UNITED STATES AND FRANCE IN THE PAST FEW WEEKS. SHE CALLED HOME ALL HER MIDEASTERN ENVOYS LAST MONTH FOR TALKS ON--AMONG OTHER THINGS--STREAMLINING ANTI-COMMUNIST DEFENSE PLANS IN THE REGION.

AUG 13 1949

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LONDON, AUG. 12-(AP)-BURMESE FOREIGN MINISTER U MAUNG, WHO HAS BEEN DISCUSSING FINANCIAL MATTERS WITH BRITISH OFFICIALS, LEFT BY PLANE TODAY FOR NEW YORK.

FD1105AED

LONDON, AUG. 12-(AP)-ONE AMERICAN OFFICIAL HAD A KIND WORD TODAY FOR BRITAIN'S RECOVERY EFFORTS.

AUG 13 1949

HE IS DR. DENNIS A. FITZGERALD, CHIEF OF ECA'S FOOD AND AGRICULTURE DIVISION AND VISITING HEAD OF THE INTERNATIONAL EMERGENCY FOOD COMMISSION.

"THE UNITED KINGDOM HAS DONE MORE TO MEET ITS PRODUCTION GOALS IN AGRICULTURE THAN ANY OTHER PART OF EUROPE," FITZGERALD TOLD A NEWS CONFERENCE HERE. HE IS MIDWAY THROUGH A SIX WEEKS INSPECTION TOUR OF CROP AND FOOD PRODUCTION AREAS.

"THE UNITED KINGDOM IS PRODUCING ABOUT ONE THIRD MORE FROM AGRICULTURE THAN IN PRE WAR-PERIODS. THAT IS JUST ABOUT ON A PAR WITH

THE INCREASED PRODUCTION IN THE UNITED STATES SINCE THE WAR."

THE UNRRA OFFICIAL SAID THERE WAS NO CHANCE THAT BRITAIN WOULD BECOME SELF SUFFICIENT IN FOOD.

"EVEN IF IT ACHIEVES ITS HIGHEST LONG-TERM GOALS THE UNITED KINGDOM WILL REMAIN THE LARGEST FOOD IMPORTER IN THE WORLD," HE SAID. BRITAIN NOW IMPORTS ABOUT TWO-THIRDS OF HER FOOD.

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GENEVA, SWITZERLAND, SATURDAY, AUG.13-(AP)-A UNITED NATIONS COMMITTEE VOTED EARLY TODAY TO CALL AN INTERNATIONAL CONFERENCE THIS FALL TO SEE JUST HOW MUCH TECHNICAL HELP CAN BE GIVEN BACKWARD COUNTRIES.

IF FINALLY APPROVED LATER TODAY BY THE FULL U.N. ECONOMIC AND SOCIAL COUNCIL, THE MEETING WILL BE HELD DURING THE NEXT SESSION OF THE U.N. GENERAL ASSEMBLY IN NEW YORK.

PARTICIPATING GOVERNMENTS WILL BE ASKED TO PUT UP AS MUCH MONEY AS POSSIBLE TO SEND SCIENTISTS, FARM EXPERTS, ENGINEERS, DOCTORS AND OTHER TECHNICIANS INTO UNDEVELOPED COUNTRIES. THE IDEA IS TO INCREASE PRODUCTION, IMPROVE HEALTH AND RAISE STANDARDS OF LIVING.

BD1100PED

THE FOUR AGREEMENTS WERE DRAWN UP BY A 60-NATION CONFERENCE HERE AND WERE APPROVED YESTERDAY, ALTHOUGH MANY DELEGATES GAVE NOTICE OF RESERVATIONS ON THE TEXTS AS ADOPTED. NOT ONE DELEGATION CAST A NEGATIVE VOTE. **Geneva - (War convention) x x x ratify them.**

ALL FOUR CONVENTIONS WERE BASED ON DRAFTS MADE AT A RED CROSS CONFERENCE IN STOCKHOLM LAST YEAR. ONLY THE CIVILIAN CONVENTION IS ENTIRELY NEW. THE OTHER THREE ARE REVISIONS OF RULES OF WAR WHICH WERE ADOPTED AT GENEVA IN 1929 AND WERE IN FORCE THROUGHOUT WORLD WAR II.

WHEN GENERALLY RATIFIED, THE CIVILIAN CONVENTION WILL FORMALLY OUTLAW OCCUPATION MEASURES SUCH AS THOSE USED BY THE NAZIS. IT WILL BAN THE TAKING OF HOSTAGES, REPRISALS, TORTURE AND MASS DEPORTATIONS.

THE CONFERENCE CHAIRMAN, SWISS FOREIGN MINISTER MAX PETITPIERRE, TOLD TODAY'S CLOSING SESSION THAT IT HAS "BECOME URGENT FOR CIVILIANS TO HAVE THEIR OWN CHARTER, LIKE THE WOUNDED AND THE PRISONERS OF WAR." HE DESCRIBED MODERN TOTAL WAR AS "BLIND AND DEVOURING."

OTHER PROVISIONS IN THE FOUR AGREEMENTS RECOGNIZE FOR THE FIRST TIME PRISONER-OF-WAR STATUS FOR PARTISANS AND GRANT CAPTIVE MILITARY MEDICAL PERSONNEL FREEDOM TO CARE FOR THEIR CAPTURED COMPATRIOTS. THEY ALSO PROVIDE FOR NEUTRALIZED SECURITY ZONES NEAR THE FIGHTING FRONTS TO SHELTER THE WOUNDED AND CIVILIANS.

(NO PICKUP)

BJ-KA1138AED

THE MOUNTING CRITICISM OF WESTERN ALLIES ON ALL SIDES DREW A BITTER COMMENT FROM A U.S. MILITARY GOVERNMENT SPOKESMAN LAST NIGHT.

THE SPOKESMAN DECLARED IN A GERMAN-LANGUAGE BROADCAST THAT "NOT A SINGLE PARTY HAS A GOOD WORD FOR THE POSITIVE WORK OF THE WESTERN ALLIES." **Add Frankfurt (Elections) x x x the elections.**

"ONE IS FORCED TO MAKE COMPARISONS WITH THE PAST AND TO LOOK WITH SOME ANXIETY TO THE FUTURE, WHICH IS BEING ENTRUSTED TO SUCH A FORGETFUL, NATIONALISTIC PEOPLE," HE SAID.

THE SPOKESMAN DECLARED GERMAN POLITICIANS AGREE ON ONLY ONE POINT: "A PRONOUNCED NATIONALISM WHICH SEES ALL RIGHT ON ONE SIDE AND ALL INJUSTICE AND BAD WILL ON THE OTHER SIDE."

HE WARNED THAT "OPINION ABROAD HAS NOT OVERLOOKED THE AWAKENED NATIONALISM NOR THE SUDDEN FORGETFULNESS OF GERMAN POLITICIANS CONCERNING THE ASSISTANCE THE WESTERN ALLIES HAVE RENDERED."

EVEN AS HE SPOKE CANDIDATES FOR THE NEW PARLIAMENT CARRIED ON THEIR HEATED ATTACKS ON THE ALLIES.

BOTH AMERICAN AND BRITISH OBSERVERS CLAIM THESE ANTI-ALLIED REMARKS HAVE RESULTED IN A GENERAL APATHY AMONG THE GERMANY VOTERS. THESE OBSERVERS PREDICT A GROWING DISTRUST OF GERMAN POLITICAL LEADERS WILL RESULT IN A COMPARATIVELY LIGHT VOTE IN SUNDAY'S ELECTIONS.

WEST GERMANS CHOOSE A 400-MEMBER PARLIAMENT FOR AN 11-STATE REPUBLIC IN THE U.S., BRITISH AND FRENCH ZONES. THIS PARLIAMENT THEN WILL NAME A PRESIDENT AND A PRIME MINISTER (CHANCELLOR) WHO WILL ORGANIZE THE GOVERNMENT.

A14

ONE BRITISH OBSERVER SAID: "THE GERMANS SIMPLY DON'T HAVE ANY FAITH IN THEIR PARTIES. THEY HAVE BEEN OFFERED NO CONSTRUCTIVE PROGRAMS--ONLY ATTACKS AGAINST THE ALLIES. YOUTHS ESPECIALLY ARE DISTRUSTFUL. FEW OF THEM WILL VOTE."

LEFT-WING SOCIAT

LEFT-WING SOCIAL DEMOCRATS ARE GIVEN A SLIGHT EDGE OVER THEIR CONSERVATIVE RIVALS THE CHRISTIAN DEMOCRATS, IN MOST FORECASTS, BUT THE SAME FORECASTS PREDICT FORMATION OF A RIGHT-WING GOVERNMENT.

RESPONSIBLE WESTERN ALLIED OFFICIALS EXPLAINED THE ODD SITUATION LIKE THIS:

NEITHER PARTY IS EXPECTED TO WIN A MAJORITY OF THE SEATS IN PARLIAMENT. TO DO SO ONE WOULD HAVE TO POLL AT LEAST 51 PER CENT OF THE TOTAL VOTE.

ALLIED OFFICIALS SAID EITHER THE SOCIAL DEMOCRATS OR THE CHRISTIAN DEMOCRATS WILL BE LUCKY TO POLL 40 PER CENT. EACH PARTY IS MORE LIKELY TO GARNER 30 TO 35 PER CENT.

THIS WOULD FORCE THE FORMATION OF A COALITION GOVERNMENT. FOR THE CONSTITUTION REQUIRES THAT THE PRIME MINISTER BE APPROVED BY A MAJORITY VOTE OF PARLIAMENT, JUST AS IN BRITAIN.

IF NEITHER OF THE BIG PARTIES WINS A PARLIAMENTARY MAJORITY, IT MUST JOIN FORCES WITH ONE OR MORE MINOR PARTIES TO WIN ENOUGH SUPPORT IN PARLIAMENT TO FORM A GOVERNMENT.

ALLIED OFFICIALS SAID THE CHRISTIAN DEMOCRATS HAVE A BETTER CHANCE OF DOING THIS THAN THE SOCIAL DEMOCRATS.

MK333AED

WITH FRANKFURT ELECTIONS (Q1)

BERLIN,AUG.12-(AP)-THE AMERICAN MILITARY GOVERNMENT'S CIVIL DIVISION TODAY BANNED A GERMAN COMMUNIST ELECTION PAMPHLET THAT DEPICTED A UNITED STATES ARMY SERGEANT AS A BLACK MARKETEER.

CIVIL ADMINISTRATION DIRECTOR E.H.LITCHFIELD SAID THE PAMPHLET WAS DISTRIBUTED BY THE THOUSANDS IN THE AMERICAN AND FRENCH ZONES. HE ORDERED ALL COPIES CONFISCATED.

"THIS IS ANOTHER EXAMPLE," SAID LITCHFIELD, "OF THE COMMUNIST PARTY'S EFFORTS TO CONFUSE THE DOMESTIC ISSUES, WHICH SHOULD BE UPPERMOST IN THE CAMPAIGN AND TO INCITE BITTERNESS AGAINST THE AMERICAN OCCUPATION."

THE PAMPHLET, ENTITLED "JIMMY'S LUCKY DAYS" DESCRIBED THE SALE BY AN ARMY SERGEANT OF CIGARETTES FOR JEWELRY AND OTHER VALUABLES. IT CONCLUDES WITH A CALL FOR VOTES AGAINST "THE TOADIES OF WALL STREET," AND FOR THE COMMUNISTS.

BJ849AED

AUG 13 1949

RUSSIANS CLAMPED DOWN A "LITTLE BLOCKADE" ON TRUCK TRAFFIC TO BERLIN FOR 12 DAYS IN JULY, CLOSING MOST BORDER CROSSING POINTS AND RESTRICTING TRUCK TRAFFIC AT HELMSTEDT.

A BRITISH MILITARY SPOKESMAN SAID THE SOVIET SLOWDOWN AT HELMSTEDT BEGAN BECAUSE RUSSIAN GUARDS "DIDN'T LIKE THE LOOK" OF PASSES CARRIED BY GERMAN TRUCKERS FROM THE AMERICAN ZONE. THEY SLOWED DOWN TRAFFIC UNTIL HIGHER SOVIET HEADQUARTERS APPROVED THE QUESTIONED PASSES, THE SPOKESMAN SAID. add- Berlin Slowdown xxx explanation

JR750AED

BERLIN, AUG. 12-(AP)-AN EDITOR IN HOF SAID TODAY THREE WEST GERMAN JOURNALISTS WERE ARRESTED BY RUSSIAN SOLDIERS AS THEY LEFT BERLIN YESTERDAY. ALLIED MILITARY GOVERNMENT AUTHORITIES HERE SAID THEY HAVE "NOT BEEN INFORMED" OF ANY SUCH ARRESTS.

THE EDITOR, H.TREUKE OF THE HOF NEWSPAPER FRANKENHOF, SAID HE AND THE OTHER THREE JOURNALISTS TOOK A STUTTGART-BOUND BUS.

AT THE BERLIN SECTOR BORDER CROSSING POINT AT BABELSBERG, HE SAID, RUSSIAN SOLDIERS SEIZED EDITOR REINHOLD APPEL OF THE STUTTGARTER ZEITUNG, REPORTER KARL STEINHAUSEN OF THE WEST GERMAN NEWS AGENCY DENA, AND A WOMAN PHOTOGRAPHER, LOTTE KILIAN OF STUTTGART. HE SAID THE RUSSIANS OFFERED NO EXPLANATION.

DENA, THE AMERICAN-LICENSED AGENCY, SAID THE THREE WERE ARRESTED FOR TAKING PICTURES OF A RUSSIAN SENTRY.

POLICE OFFICIALS OF BOTH THE EAST AND WEST BERLIN SECTORS DENIED KNOWLEDGE OF SHCH AN INCIDENT.

GH1035AED

BERLIN, AUG. 12-(AP)-LT.COL.MILTON L.OGDEN OF CHEVY CHASE, MD., HAS BEEN APPOINTED ACTING CHIEF OF STAFF OF THE AMERICAN MILITARY GOVERNMENT IN GERMANY, IT WAS ANNOUNCED TODAY.

HE SUCCEEDS BRIG.GEN.CHARLES K.GAILEY, WHO HAS BEEN ASSIGNED TO DUTY WITH THE 2ND ARMORED DIVISION AT CAMP HOOD, TEXAS. OGDEN HAS BEEN SECRETARY-GENERAL OF THE AMG SINCE HE CAME TO BERLIN LAST APRIL.

JS837AED

FRANKFURT, GERMANY, AUG. 12-(AP)-THE U.S. ARMY ANNOUNCED TODAY THE DEATH OF FIVE SOLDIERS IN RECENT ACCIDENTS. THE LIST:

SGT. CARL R. BOWERO OF 807 UNION AVE., BALTIMORE, MD., WAS KILLED AUG. 5 WHEN AN ARMY TRUCK IN WHICH HE WAS RIDING OVERTURNED. NICHOLS

CPL. LEROY CLARK OF ~~DUQUOIN~~, ILL., AND PFC. WILLIAM E. ~~NICHOLSON~~ NICHOLSON, PA., WERE KILLED AUG. 7 WHEN THEIR CAR WAS STRUCK BY A TRUCK. DUQUOIN

PVT. ELZIE WHITE OF 1328 GILMORE ST., BALTIMORE, MD., WAS KILLED AUG. 7 IN A FALL FROM A FENCE IN MUNICH.

PVT. TIM TAYLOR OF 13 BELL ST., LAWTON, OKLA., DIED AUG. 3 FROM BULLET WOUNDS.

RP108PED

AUG 13 1949

FRANKFURT, GERMANY, AUG (11)-(AP)-WESTERN GERMANY MUST BUY MORE FOOD AND FEED FROM EUROPEAN COUNTRIES TO AVERT A LARGE DOLLAR DEFICIT WHEN THE EUROPEAN RECOVERY PROGRAM ENDS, BRITISH AND AMERICAN AUTHORITIES SAID TODAY.

THEY ALSO CALLED FOR THE APPLICATION OF MODERN SCIENCE TO GERMAN AGRICULTURE TO RAISE PRODUCTION.

THESE RECOMMENDATIONS WERE MADE IN A REPORT ON GERMAN AGRICULTURE PREPARED BY THE ANGLO-AMERICAN FOOD GROUP.

"FOOD IMPORTS FOR WESTERN GERMANY WILL COST MORE THAN $1,000,000,000 ($) IN THE CURRENT FISCAL YEAR", THE REPORT SAID. "TWO THIRDS OF THIS TOTAL, REPRESENTING MORE THAN A THIRD OF ALL THE FOOD EATEN IN WESTERN GERMANY, IS PAID OUT OF AMERICAN AND BRITISH DOLLAR AID.

"AS THE GERMAN EXPORT-IMPORT PROGRAM EXPANDS, THE TOTAL FOOD AND FEED IMPORTS SHOULD REACH $1,250,000,000 TO $1,500,000,000 A YEAR, EQUALLING HALF OF THE ENTIRE WEST GERMAN IMPORT PROGRAM. U.S.DOLLAR AID MUST BE ELIMINATED BY 1952."

AUG 13 1949

THE REPORT FORECAST "A VERY SHARP CONTRACTION OF FUTURE GERMAN FOOD LEVELS" UNLESS THE GERMANS DO THESE THINGS:

1. SHOW FARMERS HOW TO PROFIT FINANCIALLY FROM ADOPTING NEW AND

30.24- 5009

PROGRESSIVE FARMING METHODS.

2. STEP UP EFFORTS TO OBTAIN MORE CEREALS, FATS AND SUGAR FROM NON-DOLLAR COUNTRIES.

DA1SAPED

Hannover, Germany, Aug. 12—(AP)—Dr. Kurt Schumacher, leader of Western Germany's Social Democratic Party, today asked all three Western zone high commissioners for Germany to halt immediately all plant dismantling.

In telegrams sent to the commissioners, Schumacher referred to opinions expressed by some United States senators that all plants useful in the reconstruction of Europe not be dismantled.

AUG 13 1949

Schumacher told the American, British and French officials that all German plants still on the dismantling list are useful in reconstruction. He pointed out he meant not only plants on the reparations list but also those which fall under the category of prohibited industries.

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Frankfurt, Germany, Aug. 1[illegible]—(AP)— Pfc. Clarence Hollomon of 1 north court, New Haven, Conn., died of natural causes in Munich Wednesday, the U.S. army announced today.

#

BELGRADE, AUG.12-(AP)-YUGOSLAVIA'S COMMUNIST-LED GOVERNMENT PUT ON TRIAL TODAY TWO MEMBERS OF THE OLD REGENCY COUNCIL WHO HELPED GUIDE THE COUNTRY'S DESTINY FROM THE DAY OF KING ALEXANDER'S DEATH IN 1934 UNTIL THE GERMAN CONQUEST.

THEY ARE IVAN PEROVIC AND RADENKO STANKOVIC. ON TRIAL WITH THEM ARE MILAN ANTIC, A FORMER MINISTER TO THE COURT, AND GEN.DANILO GREGORIC, A FORMER NEWSPAPERMAN.

THE DEFENDANTS ARE CHARGED WITH SUPPORTING "ANTI-PEOPLES" GOVERNMENTS BEFORE THE WAR AND WITH SO DIRECTING YUGOSLAVIA'S ECONOMY THAT THE NATION BECAME THE VICTIM OF THE EXPLOITATION POLICIES OF GERMANY "AND OTHER CAPITALISTS."

STANKOVIC, PEROVIC AND ANTIC HAVE BEEN IN PRISON SINCE 1945.

AUG 13 1949

WW433PED

PRAGUE,AUG.12-(AP)-THE VATICAN HAS APPOINTED TWO NEW BISHOPS IN SLOVAKIA IN AN ACTION WHICH MAY CAUSE A NEW CLASH BETWEEN CHURCH AND STATE HERE, IT WAS DISCLOSED TODAY.

THE NEW APPOINTEES ARE MONSIGNOR AMBROSIUS LAZIK, WHO HAS BEEN SERVING AS APOSTOLIC ADMINISTRATOR OF TRNAVA, AND MONSIGNOR ROBERT POBOZNY, WHO HAS BEEN CAPITULAR VICAR OF ROZNAVA.

THEY ARE TO BE CONSECRATED NEXT SUNDAY. BOTH HAVE EXPRESSED THEIR LOYALTY TO THE NATION'S PRIMATE, ARCHBISHOP JOSEF BERAN, BY SIGNING HIS LAST PASTORAL LETTER. THE LETTER WAS ISSUED JUNE 28, AND IT

ACCUSED THE CZECHOSLOVAK GOVERNMENT OF PERSECUTING THE CHURCH AND ATTEMPTING TO CRUSH RELIGIOUS LIBERTY.

THIS PASTORAL LETTER HAS BEEN DENOUNCED BY THE GOVERNMENT AS A "SUBVERSIVE AND ANTI-STATE DOCUMENT" AND IT WAS HARDLY LIKELY THAT ANY MONSIGNORI WHO SIGNED IT WOULD BE ACCEPTABLE TO THE GOVERNMENT.

THE POSSIBILITY OF A NEW STATE-CHURCH CLASH OVER THESE APPOINTMENTS ARISES OUT OF THE UNOFFICIAL AGREEMENT WHICH HAS EXISTED BETWEEN THE CZECH GOVERNMENT AND THE VATICAN SINCE BEFORE THE LAST WAR.

UNDER THIS, THE STATE MAINTAINS THE RIGHT TO REJECT OR APPROVE ANY CANDIDATE FOR BISHOP PROPOSED BY THE VATICAN.

HOWEVER, THE VATICAN DIPLOMATIC REPRESENTATIVE HERE CLAIMED THIS ISSUE HAD BEEN CIRCUMVENTED. HE SAID THAT THE TWO NEW SLOVAKIAN BISHOPS WERE NOT NAMED BISHOPS IN RESIDENCE BUT MERELY TITULAR BISHOPS. HE CLAIMED THAT BY THIS PROCESS PRIOR APPROVAL OF THE GOVERNMENT WAS NOT REQUIRED.

ASKED WHETHER HE THOUGHT THE GOVERNMENT WOULD BE SATISFIED WITH THIS ARGUMENT, THE VATICAN REPRESENTATIVE SAID THIS REMAINED TO BE SEEN BUT HE FELT CERTAIN THE CHURCH WAS LEGALLY RIGHT IN THE MATTER. NO COMMENT WAS AVAILABLE FROM GOVERNMENT SOURCES AND THE CONTROLLED CZECH PRESS AND RADIO HAD MADE NO MENTION OF THE NEW CHURCH APPOINTMENTS.

A70

UNDER A CHURCH CONTROL BILL COMING UP FOR PARLIAMENTARY ACTION THIS FALL THE CZECH GOVERNMENT DEMANDS NOT ONLY PRIOR APPROVAL--ON POLITICAL GROUNDS-- OF ARCHBISHOPS AND BISHOPS BUT OF ALL CHURCH APPOINTMENTS, INCLUDING VILLAGE PRIESTS.

HOWEVER, THE VATICAN REPRESENTATIVE HERE DENIED REPORTS GIVEN OUT BY PRAGUE DIPLOMATIC SOURCES WHICH CLAIMED THE TWO NEW BISHOPS WERE APPOINTED "BISHOPS IN PARTIBUS INFIDELIUM." THEY EXPLAINED THIS TERM TO MEAN THAT THE VATICAN NOW CONSIDERED CZECHOSLOVAKIA AS RULED BY UNBELIEVERS.

(MSGR.LAZIK WAS APPOINTED TITULAR BISHOP OF APPIA AND MSGR.POBOZNY TITULAR BISHOP OF NEILA BY THE VATICAN JULY 26. VATICAN SOURCES SAID THE APPOINTMENTS WERE MADE BY THE CONSISTORIAL CONGREGATION.

(THESE VATICAN SOURCES SAID THE LATIN TERM "EPISCOPUS IN PARTIBUS INFIDELIUM" HAS BEEN REPLACED BY THE TERM "TITULAR BISHOP." THE VATICAN'S PONTIFICAL ANNUAL SAYS THE TERM "IN PARTIBUS INFIDELIUM" WAS ABOLISHED IN 1882 BY POPE LEO XIII IN FAVOR OF TITULAR BISHOP.

(THE TWO SLOVAK MONSIGNORS WERE NAMED TITULAR BISHOPS OF PLACES WHICH EXISTED IN THE EARLY CHRISTIAN ERA IN ASIA MINOR. THIS DID NOT MEAN THE CHURCH CONSIDERED CZECHOSLOVAKIA TO BE ADMINISTERED BY INFIEDLES, THE SOURCES SAID. FOR EXAMPLE, THEY SAID, BISHOP BERNARD SHEIL OF CHICAGO, ILL., IS TITULAR BISHOP OF PEGE IN THE HELLESPONT, BUT OBVIOUSLY CHICAGO IS NOT CONSIDERED UNDER INF

INFIDELS, THE SOURCES SAID. FOR EXAMPLE, THEY SAID, BISHOP BERNARD SHEIL OF CHICAGO, ILL., IS TITULAR BISHOP OF PEGE IN THE HELLESPONT, BUT OBVIOUSLY CHICAGO IS NOT CONSIDERED UNDER INFIDEL ADMINISTRATION.

MEANWHILE, THE OFFICIAL SLOVAK PRESS AGENCY REPORTED THAT DELEGATIONS FROM THE GOVERNMENT-SPONSORED CATHOLIC ACTION MOVEMENT WERE CALLING UPON SLOVAKIAN GISHOPS AND DEMANDING THAT THEY TRY ANEW TO REACH AGREEMENT WITH THE GOVERNMENT ON A NEW STATE-CHURCH ACCORD.

THESE REPORTS DESCRIBED THE DELEGATIONS AS COMPOSED OF CATHOLIC WORKERS, PEASANTS AND "WORKING INTELLIGENTSIA" WHO DESIRED TO COOPERATE WITH THE GOVERNMENT "ON OUR PATH TOWARDS SOCIALISM."

THE TRANSLATION OF "EPISCOPUS IN PARTIBUS INFIDELIUM" IS "BISHOP OF INFIDEL COUNTRIES."

N923AED

STOCKHOLM, SWEDEN, AUG 12-(AP)-U.N. SECRETARY GENERAL TRYGVE LIE SAYS ALL STATESMEN REALIZE THERE WOULD BE "NO VICTORS, ONLY LOSERS" IN A THIRD WORLD WAR. HENCE, HE FORECAST WORLD TENSION WILL REMAIN RELAXED FOR SOME TIME.

"IT IS MY IMPRESSION," LIE SAID IN A YPEECH AT THE SKANSEN OPEN AIR MUSEUM LAST NIGHT, "THAT RESPONSIBLE STATESMEN ALL OVER THE WORLD ARE FIRMLY RESOLVED TO PREVENT A NEW AR, AND THAT THEY WILL GO A VERY LONG WAY TO PRESERVE THE PEACE.

"I THINK THAT THE RELAXATION OF THE INTERNATIONAL TENSION, OBSERVED DURING THE LAST FEW MONTHS, WILL CONTINUE," LIE SAID.

LIE SAID THE STRENGTHENED INFLUENCE OF THE UNITED NATIONS WAS A FACTOR IN MAINTAINING INTERNATIONAL CALM.

"OFTEN THE U.N. ALONE HAS BEEN STANDING BETWEEN THE PROVISIONAL PEACE WE ARE LIVING IN AND THE THREAT OF A THIRD WORLD WAR," HE SAID.

MK522AED

WARSAW, AUG.12-(AP)-CARMELITE PRIEST JAN RAMONOWSKI WAS SENTENCED TO EIGHT YEARS YESTERDAY FOR AIDING THE OUTLAWED ORGANIZATION "WIN" (FREEDOM AND INDEPENDENCE). A MILITARY COURT SENTENCED TWO OTHERS TO 12 YEARS EACH.

THE OFFICIAL AGENCY PAP SAID RAMONOWSKI WOULD BE TRIED AT TARNOW SHORTY ON CHARGES OF SEXUAL OFFENSES AND MISTREATMENT OF FARM WORKERS.

PS721PED

DEALING WITH THE CURRENT STATUS OF RUSSIAN-YUGOSLAV RELATIONS, THE NEW SOVIET NOTE SAID:

"THE YUGOSLAV GOVERNMENT MORE AND MORE IS JOINING UP WITH THE IMPERIALIST CIRCLES (THE WEST) AGAINST THE U.S.S.R. AND IS IN A BLOC WITH THEM.

"THAT CERTAIN STRONG TIES BIND THE YUGOSLAV GOVERNMENT OR CHIEF PERSONS IN THE YUGOSLAV GOVERNMENT WITH THE CAMP OF FOREIGN CAPITALISTS. **Add Moscow - (Nite - Russ-Yugoslav) - x x x cominform).**

"THAT THE SOVIET GOVERNMENT CAN NO LONGER CONSIDER THE YUGOSLAV GOVERNMENT AS AN ALLY.

"THAT THE SOVIET GOVERNMENT CAN NO LONGER SUPPORT CLAIMS OF THE YUGOSLAV GOVERNMENT, ESPECIALLY THOSE CLAIMS WHICH THE YUGOSLAV GOVERNMENT HAS RENOUNCED, ALTHOUGH IT HIDES IT FROM THE YUGOSLAV PEOPLE.

"THAT IF THE YUGOSLAV GOVERNMENT PREFERS A UNITED FRONT WITH THE IMPERIALISTS TO A UNITED FRONT WITH THE U.S.S.R., THEN LET THESE CIRCLES (THE IMPERIALISTS) SUPPORT ITS CLAIMS."

MOSCOW PUBLISHED A LETTER FROM EDWARD KARDELJ, YUGOSLAV FOREIGN MINISTER, DATED APRIL 20, 1947, IN WHICH HE OFFERED VARIATIONS ON THE MINIMUM YUGOSLAV DEMANDS ON AUSTRIA. IN EFFECT, IT REDUCED YUGOSLAVIA'S CLAIMS TO A SMALL STRIP OF TERRITORY CONTAINING TWO ELECTRIC POWER STATIONS.

RUSSIA CHARGED IN ITS NOTE YUGOSLAVIA WAS AFRAID TO BEAR THE RESPONSIBILITY FOR SACRIFICING NATIONAL INTERESTS AND WANTED TO HAVE THE SOVIET UNION PLAY THAT ROLE. THE NOTE ADDED THAT RUSSIA REFUSED TO PLAY THE PART OF A "POLITICAL SWINDLER."

--DASH--

A165

AFTER YUGOSLAVIA WAS OUSTED FROM THE COMINFORM, RUSSIA AND HER

30.24- 5011

EASTERN ALLIES APPLIED AN ECONOMIC SQUEEZE TO THE BALKAN NATION. EARLIER THIS MONTH YUGOSLAVIA AND ITALY SIGNED A ONE-YEAR TRADE AGREEMENT CALLING FOR AN EXCHANGE OF $93,000,000 OWRTH OF GOODS. THERE ALSO HAVE BEEN OTHER SIGNS THAT TITO IS SEEKING WESTERN TRADE TIES TO HELP HIM OVERCOME THE PRESSURE OF THE EASTERN BOYCOTT.

THE LATEST RUSSIAN NOTE WAS IN REPLY TO A PROTEST ON AUG.3 BY THE BELGRADE GOVERNMENT THAT RUSSIA WAS SELLING OUT AUSTRIA'S SLOVENES AND CARINTHIANS AND TRYING TO "COVER UP" THE DEAL WITH SLANDERS. MOSCOW TOOK THE STAND THAT TITO HAS BEEN CARRYING ON SECRET NEGOTIATIONS WITH BRITAIN ON THE AUSTRIAN INDEPENDENCE TREATY "BEHIND THE BACK OF THE SOVIET GOVERNMENT."

JM231PED

AUG 13 1949

Add Moscow (Day - Russ-Yugoslav) x x x Soviet Union."

A36

YUGOSLAVIA'S COMMUNIST GOVERNMENT, WHICH WAS INTIMATELY ASSOCIATED WITH THE OTHER COMMUNIST REGIMES OF EASTERN EUROPE IN THE IMMEDIATE POSTWAR PERIOD, WAS EXPELLED FROM THE MOSCOW-DIRECTED COMINFORM (COMMUNIST INTERNATIONAL INFORMATION BUREAU) A LITTLE MORE THAN A YEAR AGO. THE KREMLIN ACCUSED TITO AND HIS FOLLOWERS OF NATIONALISTIC DEVIATIONS FROM ORTHODOX COMMUNISM.

RUSSIA AND THE COUNTRIES IN HER SPHERE THEN PUT AN ECONOMIC SQUEEZE ON YUGOSLAVIA. EARLIER THIS MONTH YUGOSLAVIA AND ITALY SIGNED A ONE-YEAR TRADE TREATY CALLING FOR AN EXCHANGE OF $93,000,000 WORTH OF GOODS AND THERE HAVE BEEN OTHER SIGNS THAT TITO IS LOOKING FOR TRADE FROM THE WEST TO HELP HIM BEAT EASTERN EUROPE'S ECONOMIC BOYCOTT.

A FURTHER STRAIN ON YUGOSLAV-RUSSIAN RELATIONS RESULTED LAST JUNE WHEN THE BIG FOUR FOREIGN MINISTERS REJECTED YUGOSLAV'S DEMANDS FOR A SLICE OF AUSTRIAN TERRITORY. IN EARLIER FOUR POWER MEETINGS, RUSSIA HAD SUPPORTED THE YUGOSLAV DEMAND.

THE LATEST SOVIET NOTE WAS IN REPLY TO BELGRADE'S FORMAL PROTEST OF AUG. 3 THAT RUSSIA WAS SELLING OUT AUSTRIA'S SLOVENES AND CARINTHIANS AND ATTEMPTING "TO COVER UP" THE DEAL WITH SLANDERS. MOSCOW IN TURN ACCUSED TITO OF CARRYING ON SECRET NEGOTIATIONS WITH BRITAIN ON THE AUSTRIAN INDEPENDENCE TREATY "BEHIND THE BACK OF THE SOVIET GOVERNMENT."

KA1009AED

MOSCOW,AUG.12-(AP)-PRAVDA SAID TODAY THE AMERICAN GOVERNMENT AND BUSINESS LEADERS HAVE REACHED A "NEW PHASE IN THE COLD WAR."

THE COMMUNIST PARTY ORGAN SAID THE NEW PHASE CONSISTS OF A RACE AGAINST TIME BY THESE LEADERS TO SEIZE KEY MILITARY, ECONOMIC AND POLITICAL POSITIONS IN WESTERN EUROPE AND THE REST OF THE WORLD BEFORE THE FULL WEIGHT OF THE ECONOMIC CRISIS IS FELT IN THE U.S. AND ABROAD.

THE ARTICLE, BY FOREIGN AFFAIRS COMMENTATOR M. MARININ, SAID RECENT STATEMENTS BY PRESIDENT TRUMAN AND OTHER AMERICAN STATESMEN WERE DIRECTED AT FANNING ANTI-SOVIET WAR HYSTERIA TO A PEAK IN THE FACE OF POPULAR LETHARGY IN ORDER TO ENABLE THE U.S. TO:

1: TAKE OVER THE ORGANIZATIONAL APPARATUS BEING SET UP UNDER THE NORTH ATLANTIC PACT.

2: TAKE INTO AMERICAN HANDS THE LEADERSHIP OF ALL WESTERN EUROPE'S ARMED FORCES.

3: FORCE BRITAIN AND OTHER NATIONS TO DEVALUE THEIR CURRENCIES.

4: REMOVE OTHER BARRIERS IN THE PATH OF DOLLAR EXPANSION.

5: THUS TO SEIZE CAPITALIST MARKETS THROUGHOUT THE WORLD IN ORDER TO LESSEN THE BLOW UPON THE U.S. OF THE "RAPIDLY ADVANCING CRISIS" AND TRANSFER IT TO OTHER NATIONS.

TU835AED

MANY OF THE REFUGEES LEAVING LANCHOW FEEL ANY FUTURE CHANGEOVER MIGHT BE EASIER IN THE COUNTRYSIDE VILLAGES THAN IN THE PROVINCIAL CAPITAL.

THERE WAS MUCH UNCERTAINTY WITHIN LANCHOW AS TO WHAT THE CITY'S MOSLEM MINORITY AND MA'S TROOPS WILL DO IN CASE OF FIGHTING FOR LANCHOW OR IN THE EVENT OF A SUDDEN RETREAT.

THE ONLY PASSAGE FOR RETREAT IS A NARROW BRIDGE OVER THE SWIFT, FLOOD SWOLLEN YELLOW RIVER. **Add Canton (Day) x x x Ma's retreat.**

LAST WEEK, THESE TRAVELERS SAID, THERE WAS PANIC IN LANCHOW AND MANY MERCHANTS CLOSED THEIR SHOPS. THEY REOPENED THEM, HOWEVER, WHEN ONE MERCHANT WAS PARADED THROUGH THE STREETS AND EXECUTED. HE WAS CHARGED WITH RUMOR MONGERING.

AL503APSNM

AUG 13 1949

TOKYO, AUG. 12-(AP)-GENERAL MACARTHUR TODAY DECLINED A SENATE INVITATION TO RETURN TO WASHINGTON AND TESTIFY ON THE FOREIGN ARMS AID BILL.

THE OCCUPATION COMMANDER IN A STATEMENT GAVE THESE TWO MAIN REASONS:

1. HE'S NEEDED IN TOKYO "DURING THIS MOMENT OF CRITICAL EVENTS IN THE FAR EAST."

2. THE TESTIMONY WANTED FROM HIM CONCERNS CHINA, "WHICH HAS NEVER BEEN WITHIN THE AREA OF MY COMMAND RESPONSIBILITY."

ON TOP OF THAT, MACARTHUR SAID THAT "MY SPECIFIC VIEWS WITH RESPECT TO THE STRATEGIC POTENTIALITIES OF THE AREA EMBRACING MY FAR EAST COMMAND ARE FULLY ON FILE WITH THE DEPARTMENT OF THE ARMY."

THERE WAS QUITE AN UPSURGE OF DEMAND FOR HIS RETURN AMONG SENATORS IN WASHINGTON THIS WEEK. TEN SENATORS "URGENTLY REQUESTED" SECRETARY OF DEFENSE JOHNSON TO GET MACARTHUR HOME FOR HIS VIEWS ON THE ARMS MEASURE.

SENATOR KNOWLAND (R-CALIF) INTRODUCED A RESOLUTION TO THE SAME EFFECT. PRESIDENT TRUMAN SAID YESTERDAY HE WOULD SIGN AN ORDER FOR MACARTHUR TO RETURN ANY TIME THE OCCUPATION COMMANDER WANTED TO.

NO ONE WAS PARTICULARLY SURPRISED THAT MACARTHUR DECIDED TO PUT OFF A VISIT TO THE UNITED STATES. HIS CLOSE FRIENDS PREDICTED IT WHEN THE QUESTION FIRST WAS RAISED IN WASHINGTON THIS WEEK.

MACARTHUR'S STATEMENT SAID HE WAS EAGER TO RETURN BUT "THE INTERESTS OF THE AMERICAN PEOPLE ARE BETTER SERVED BY MY REMAINING AT MY POST HERE."

THE LAST TIME MACARTHUR WAS IN THE UNITED STATES WAS IN THE SPRING OF 1937.

JL2APS

AUG 13 1949

TOKYO,SATURDAY,AUG.13-(AP)-THE JAPANESE GOVERNMENT DISMISSED 11,000 COMMUNICATIONS WORKERS IN AN ECONOMY MOVE YESTERDAY, AND THEREBY GOT RID OF MOST OF THE STRIKE COMMITTEE OF THE LEFTIST COMMUNICATIONS WORKERS UNION.

AMONG THOSE DISMISSED WAS CHAIRMAN KANJI YAMAGUCHI OF THE COMMITTEE, 27 COMMUNIST COMMITTEEMEN AND FOUR OTHER MEMBERS OF THE COMMITTEE. THAT LEFT ONLY EIGHT MEMBERS OF THE 40-MAN STRIKE COMMITTEE ON THE PAYROLLS. YAMAGUCHI REFUSED TO ACCEPT HIS DISMISSAL NOTICE.

THE COMMUNICATIONS MINISTRY IN ANNOUNCING THE DISMISSALS CHARGED THE UNION BY FORCE AND OTHER ILLEGAL METHODS HAD DEFIED BOTH THE GOVERNMENT AND OCCUPATION AUTHORITIES AND HAD OBSTRUCTED THE REBUILDING OF JAPAN'S COMMUNICATIONS.

CK926PPS

SEOUL, AUG12-(AP)-BRIG. GEN. WILLIAM L. ROBERTS, COMMANDER OF THE U.S. MILITARY ADVISORY MISSION TO KOREA, MISLAID HIS 35-FOOT CABIN BOAT.

HA, HA, WE SWIPED IT, THE COMMUNIST RADIO IN NORTHERN KOREA CHORTLED TODAY. THAT IS, THE BOAT WENT OVER TO THE COMMUNISTS. AND WHO ARE COMMUNISTS TO LOOK A GIFT HORSE, OR BOAT, IN THE MOUTH?

ROBERTS LEFT THE BOAT IN CHARGE OF A KOREAN CREW OF THREE AT NEARBY INCHON SUNDAY. THE REDS SAY THE BOAT SAILED IN MONDAY AND SURRENDERED AT MONGGOMPORI, A PORT 10 MILES INSIDE RED TERRITORY.

THE GENERAL WAS WITH U.S. AMBASSADOR JOHN J. MUCCIO WHEN HE LEARNED ABOUT THE COMMUNIST BROADCAST.

"THAT BOAT IS AMERICAN PROPERTY," ROBERTS EXCLAIMED. "IT CARRIES MY FLAG. CAN'T WE GET IT BACK?"

WELL, THE AMBASSADOR SAID, REPRESENTATIONS CAN BE MADE THROUGH MOSCOW.

BUT DON'T HOLD YOUR BREATH UNTIL MOSCOW MAKES THE KOREAN COMRADES DISGORGE IT, GENERAL.

AL206APS

AUG 13 1949

OF COL.JOHN C.MACARTHUR, OFFICIAL REPORT: "ONE OF THE MOST VALUABLE OFFICERS ON WHOM I RELY GREATLY X X X ." WAITT-VAUGHAN MEMO: "X X X EXTREMELY CAPABLE AND FINE FELLOW. HE IS EXTREMELY NERVOUS, X X X AND IT IS VERY DOUBTFUL WHETHER HE COULD ABSORB THE PUNISHMENT OF THE OFFICE."

BRIG.GEN.EGBERT F.BULLENE, OFFICIAL REPORT: "A HIGHLY INTELLIGENT OFFICER X X X . UOULD MAKE AN EXCELLENT DIVISION COMMANDER." WAITT-VAUGHAN MEMO: "HE HAS NO TECHNICAL TRAINING X X X . HIS HEALTH RECORD SHOULD BE LOOKED INTO." Add Washn (5 per centers) x x x finish them."

ROGERS EMPHASIZED THAT THE COMMENTS MADE BY WAITT "SHOULD NOT REFLECT" ON THE OFFICERS NAMED.

THE MEMORANDUM ON WAITT--IN WHICH HE WAS REFERRED TO HIMSELF IN THE THIRD PERSON THROUGHOUT--WAS DICTATED BY WAITT ON THE SAME DAY, ACCORDING TO MISS ORTMEYER. SHE DID NOT APPEAR TODAY; ROGERS READ TESTIMONY SHE GAVE ON JULY 7 BEFORE ARMY AND COMMITTEE INVESTIGATORS.

THIS MEMO SAID:

"GENERAL WAITT IS RECOGNIZED AS ONE OF THE LEADING AUTHORITIES IN THE WORLD ON THE SUBJECT OF TOXICOLOGICAL WARFARE. X X X

"THIS COMES, NOT BECAUSE OF HIS POSITION AS CHIEF OF THE CHEMICAL CORPS, BUT BECAUSE OF HIS LONG AND VARIED EXPERIENCE IN CHEMICAL WARFARE IN WAR AND PEACE, HIS MANY YEARS OF STUDY AND HIS PUBLICATIONS AND WRITING ON THE SUBJECT."

IT REFERRED TO THE 1946 CONGRESSIONAL INQUIRY INTO THE GARSSON CONTRACT FRAUD CASE AS THE "UNFORTUNATE GARSSON AFFAIR."

AT THE TIME, WAITT DREW OFFICIAL CRITICISM FOR HAVING SOCIAL RELATIONS WITH THE GARSSON BROTHERS. THE NEW MEMO SAID:

"THE GARSSON CASE WAS SOMETHING GENERAL WAITT INHERITED AS HE HAD NOTHING TO DO WITH PROCUREMENT OR PRODUCTION DURING THE WAR."

A14WX

WAITT'S MILITARY AND SCIENTIFIC CAREER WAS RECORDED IN APPRECIATIVE DETAIL, WINDING UP WITH THE COMMENT THAT THE "HEADS OF THE CANADIAN AND BRITISH RESEARCH STAFFS WOULD BE VERY HAPPY TO SEE GENERAL WAITT REAPPOINTED."

ROGERS SAID GENERAL WAITT, WHILE ADMITTING HE DICTATED THE MEMO IN HUNT'S OFFICE, DENIES THAT HUNT KNEW WHAT WAS IN IT. HUNT MAKES THE SAME DENIAL, HE STATED. AT THIS MUNDT OBSERVED:

"WE ARE EXPECTED TO BELIEVE THAT WAITT DICTATED FIVE PAGES OF MATERIAL IN HUNT'S OFFICE WITHOUT HUNT KNOWING ABOUT IT."

MISS ORTMEYER TESTIFIED THAT WAITT ENTERED THE OFFICE, SPOKE BRIEFLY TO HUNT, AND THEN ACCOMPANIED HER INTO ANOTHER ROOM TO GIVE THE DICTATION. ASKED WHY THE MEMO WAS MADE, SHE REPLIED:

"TO THE BEST OF MY KNOWLEDGE IT WAS INFORMATION IN WHICH GENERAL VAUGHAN WAS INTERESTED."

SHE SAID SHE TOOK THE ORIGINAL OF THE MEMO TO VAUGHAN'S OFFICE PERSONALLY BECAUSE SHE KNEW VAUGHAN "WAS IN A HURRY" FOR THE PAPERS; THAT HE HAD AN APPOINTMENT WITH WAITT AND WANTED THE INFORMATION.

THE ACTIVITIES OF HUNT, A FORMER QUARTERMASTER OFFICER AND SURPLUS DISPOSAL OFFICIAL, TOUCHED OFF THE SENATE INVESTIGATION, AN INQUIRY BY THE ARMY INSPECTOR GENERAL, AND THE RESULTANT TEMPORARY SUSPENSION OF GENERALS WAITT AND FELDMAN LAST MONTH.

FELDMAN'S NAME WAS LINKED TO HUNT TODAY IN TESTIMONY BY FRANCIS D. FLANAGAN, A COMMITTEE INVESTIGATOR. HE TOLD THE SENATORS THAT DR. NORMAN ARMITAGE, VICE PRESIDENT OF THE DEERING MILLIKEN RESEARCH TRUST, GREENWICH,CONN., MADE CONTACT WITH HUNT LAST FALL AFTER HEARING THAT HUNT COULD HELP HIM OBTAIN FEDERAL RESEARCH CONTRACTS.

FLANAGAN EXHIBITED A LETTER FROM HUNT TO ARMITAGE, DATED FEB. 28, 1949. IT CONTAINED THESE SENTENCES:

"FOR YOUR INFORMATION, IT IS POSSIBLE THAT WITHIN A WEEK OR TWO OUR FRIEND GEN.FELDMAN MAY BECOME THE QUARTERMASTER GENERAL, AND THAT MOVE, IF IT OCCURS, WILL NOT HARM US IN THE LEAST.

"SO, WE HAVE OUR FINGERS CROSSED."

AUG 13 1949

ANOTHER HUNT LETTER, THREE DAYS LATER, TOLD ARMITAGE THAT GEN.WAITT SAID HE "FEELS SURE HE COULD EXPEDITE A CHEMICAL RESEARCH CONTRACT FOR THE DEERING MILLIKEN TRUST IN TWO MONTHS INSTEAD OF THE CUSTOMARY THREE OR FOUR MONTHS."

AT THAT TIME, COMMITTEE INVESTIGATORS SAID, A CONTRACT EVALUATION BOARD HAD RECOMMENDED THAT THREE OR FOUR FIRMS BE CONSIDERED FOR THE CONTRACT--BUT DEERING MILLIKEN WAS NOT ON THE LIST.

PRESIDENTIAL ASSISTANT JOHN R.STEELMAN WAS AMONG THE PERSONS TO WHOM HUNT REFERRED ARMITAGE FOR REFERENCES. STEELMAN GAVE HUNT AN "O.K.", THE SENATORS WERE TOLD.

OTHER REFERENCES HUNT GAVE INCLUDED GEN.FELDMAN, THEN DEPUTY QUARTERMASTER GENERAL; GEN.WAITT; STUART SYMINGTON, SECRETARY FOR AIR; EUGENE ZUCKERT, ASSISTANT SECRETARY OF AIR; SENATOR STYLES BRIDGES (R-NH), AND COL.PAUL YOUNG, VICE PRESIDENT OF AIR CRAFT ENGINE AND PARTS CORP.

FLANAGAN SAID ARMITAGE SOUNDED OUT SEVERAL OF THESE, THEN MADE A NOTATION THAT STEELMAN SAID HUNT WAS "O.K." ZUCKERT ALSO WAS NOTED AS GIVING APPROVAL.

ARMITAGE DID NOT SEE EITHER FELDMAN OR WAITT, BUT LATER ON FLANAGAN EXHIBITED MEMORANDA FROM HUNT'S FILES INDICATING HE HAD PERSONALLY INTRODUCED ARMITAGE TO THE TWO OFFICERS.

ONE LETTER READ INTO THE RECORD SHOWED HUNT WAS TO RECEIVE $800 A MONTH AND EXPENSES FROM THE RESEARCH TRUST, WHICH WAS IDENTIFIED AS A CHARITABLE FOUNDATION "SET UP BY TEXTILE MILLS OWNED BY DEERING MILLIKEN CORP."

IN ADDITION HUNT WAS TO RECEIVE A BONUS OF 25 PERCENT A YEAR IF HIS WORK WAS "MODESTLY" SATISFACTORY AND 50 PERCENT IF IT WAS "EXCELLENT."

SENATOR BRIDGES, LISTED BY HUNT AS ONE OF THOSE WHO COULD GIVE REFERENCES FOR HIM, TOLD REPORTERS HE KNEW HUNT ONLY AS A REPRESENTATIVE OF THE QUARTERMASTER CORPS WHO FREQUENTLY VISITED THE CAPITOL. HUNT WAS FORMERLY WITH THE QUARTERMASTER CORPS. BRIDGES SAID HE KNEW NOTHING OF HUNT'S ACTIVITIES SINCE HE LEFT THE ARMY.

HY1033PED

30.24- 5013

NIGHT LEAD GERMAN (280)
WASHINGTON,AUG 12-(AP)-THE UNITED STATES ACTED TO STRENGTHEN THE WEST'S POSITION IN BERLIN TODAY BY MAKING THE THREE WESTERN ZONES OF THE CITY ELIGIBLE FOR MARSHALL PLAN AID.
JOHN J.MCCLOY, U.S. HIGH COMMISSIONER FOR GERMANY, ANNOUNCED THE GOVERNMENT'S DECISION AT A NEWS CONFERENCE WHICH CLIMAXED HIS TEN DAYS OF DISCUSSIONS WITH TOP ADMINISTRATION OFFICIALS.
MCCLOY SAID HIS VISIT HAS CLARIFIED THE WEST BERLIN ECONOMIC PICTURE AND THAT THE ECONOMIC COOPERATION ADMINISTRATION SHORTLY WOULD ANNOUNCE DIRECT ALLOCATIONS FOR THE RUSSIAN-SURROUNDED CITY.
WESTERN BERLIN IS NOT CONSIDERED A PART OF WESTERN GERMANY AND NEVER HAS RECEIVED ANY OF THE MILLIONS THE UNITED STATES HAS POURED INTO THE WESTERN OCCUPATION ZONES TO BETTER LIVING CONDITIONS THERE.
GOVERNMENT OFFICIALS SAID MARSHALL PLAN GRANTS WOULD MAKE IT EASIER FOR THE 2,400,000 INHABITANTS OF WEST BERLIN TO RESIST COMMUNIST PRESSURE.
IN MAKING THE ANNOUNCEMENT, MCCLOY EMPHASIZED THE UNITED STATES GOVERNMENT DOES NOT INTEND TO SHOULDER BERLIN'S FINANCIAL BURDEN ALONE--A CLEAR INDICATION HE EXPECTS BRITAIN AND FRANCE TO HELP OUT.
IMMEDIATELY AFTER HIS CONFERENCE, MCCLOY AND HIS ADVISERS LEFT BY PLANE FOR GERMANY TO BE ON HAND FOR THE ELECTIONS SCHEDULED FOR SUNDAY IN ALL THREE ZONES. THIS BALLOTING WILL PAVE THE WAY FOR SETTING UP A WEST GERMAN GOVERNMENT BY SEPT. 15.
MCCLOY ALSO SAID IN ANSWER TO REPORTERS' QUESTIONS THAT THERE WILL BE A SUBSTANTIAL REDUCTION IN THE AMERICAN OCCUPATION STAFF AFTER THE WEST GERMAN REPUBLIC IS FORMED.
HE SAID AN INCREASING NUMBER OF FORMER NAZI FOLLOWERS OF SECONDARY IMPORTANCE ARE ASSUMING KEY POSITIONS IN WEST GERMAN ECONOMIC AND POLITICAL LIFE. BUT AS LONG AS THEY WERE NOT NAZIS GUILTY OF SERIOUS CRIMES THIS WILL BE ALLOWED, HE SAID, SINCE IT WOULD BE BETTER THAN BARRING A BIG GROUP FROM COMMUNITY ACTIVITIES ENTIRELY. WHAT IS IMPORTANT NOW, HE ADDED, IS NOT WHAT THEY THOUGHT 10 OR 15 YEARS AGO BUT WHAT THEIR VIEWS ARE NOW.
HY1044PED
AUG 13 1949

SECOND NIGHT LEAD TOKYO ROSE
SAN FRANCISCO, AUG. 12-(AP)-THE GOVERNMENT LATE TODAY RESTED ITS CASE AGAINST LOS ANGELES-BORN IVA TOGURI (TOKYO ROSE) D'AQUINO, ON TRIAL FOR TREASON FOR HER WARTIME BROADCASTS FROM RADIO TOKYO TO AMERICAN TROOPS IN THE PACIFIC AREAS.
THE PROSECUTION RESTED AT THE END OF THE 26TH DAY OF THE TRIAL AFTER PRESENTING 46 OF THE 71 WITNESSES IT HAD CALLED. THE TRIAL STARTED JULY 5.
DEFENSE COUNSEL PROMPTLY MOVED FOR A JUDGMENT OF ACQUITTAL. FEDERAL JUDGE MICHAEL J. ROCHE SET TOMORROW MORNING FOR HEARING ARGUMENTS ON THE MOTION.
THE DEFENSE ALSO TRIED TO GET A LOOK AT SOME RECORDINGS OF THE DEFENDANT'S "ZERO HOUR" PROGRAM. THESE RECORDS WERE NOT INTRODUCED BY THE PROSECUTION BUT WITNESSES HAVE REFERRED TO THEM.
THE GOVERNMENT'S LAST WITNESS WAS RICHARD L. HENSCHEL OF (42 WEST 88TH ST) NEW YORK, A FREE LANCE NEWSPAPER WRITER. HE IDENTIFIED THE DEFENDANT'S VOICE AS THAT WHICH HE HEARD BROADCAST TWO REMARKS WHILE HE WAS A SIGNAL CORPS OFFICER IN THE SOUTH PACIFIC.
ABOUT SEPTEMBER 14, 1944, JUST BEFORE THE ALLIES' INVASION OF MOROTAI, HE SAID HE HEARD HER BROADCAST THAT THE JAPANESE IMPERIAL COMMAND KNEW A LARGE CONVOY OF SHIPS WAS STEAMING NORTHWEST FROM NEW GUINEA, KNEW WHERE THEY WERE GOING AND THAT THE JAPANESE HAD A BIG SURPRISE IN STORE.
ABOUT OCTOBER 24 OR 25, 1944, OF TACLOBAN, LEYTE, HENSCHEL SAID, SHE BROADCAST THE AMERICANS HAD LOST ALL THEIR SHIPS IN THE BATTLE OF LEYTE GULF, "THAT WE WERE STRANDED IN THE PHILIPPINES AND DIDN'T KNOW HOW WE WOULD GET HOME."
THE GOVERNMENT'S LAST WITNESSES TOLD AGAIN HOW TOKYO ROSE TRIED TO MAKE THE ALLIED TROOPS JITTERY AND HOMESICK. THE TRIAL ALSO PRODUCED A LITTLE SEXY CHATTER ABOUT REDHEADS.
ON TWO OCCASIONS X X X ETC 3RD PGH NIGHT LEAD (A82KX)
AUG 13 1949
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(550) CHINA
(ADVANCE)..(WX) LARAMIE, WYOMING,AUG.12-(AP)-A STATE DEPARTMENT SPOKESMAN DECLARED HERE TONIGHT THAT "THE OPEN DOOR IS IN DANGER OF BEING CLOSED" IN CHINA--"BUT WE MUST SEE THAT IT DOES NOT REMAIN CLOSED."
FRANCIS H.RUSSELL, DIRECTOR OF THE STATE DEPARTMENT'S OFFICE OF PUBLIC AFFAIRS, SAID THAT CHINA'S COMMUNIST CONQUERORS "ARE FACED WITH MANY GRAVE PROBLEMS" WHICH MAKES IT UNCERTAIN HOW COMPLETELY AND HOW LONG THEY CAN DOMINATE THE COUNTRY.
UNITED STATES POLICY, HE DECLARED, MUST BE CONDUCTED IN SUCH A MANNER THAT THE "CLOSED DOOR" WILL BE REOPENED "BY THE CHINESE PEOPLE THEMSELVES IN A RENEWED ASSERTION OF THEIR INALIENABLE RIGHT TO CHOOSE FRIENDSHIP INSTEAD OF IMPERIALISM, ASSISTANCE INSTEAD OF EXPLOITATION, AND FREEDOM INSTEAD OF SUBJECTION TO A FOREIGN POWER."
RUSSELL [redacted] BEFORE THE INSTITUTE OF INTERNATIONAL AFFAIRS AT THE UNIVERSITY OF WYOMING.
RUSSELL REVIEWED THE HISTORY OF AMERICAN EFFORTS TO HELP SAVE CHINA FROM COMMUNISM AS THE STORY WAS TOLD IN THE WHITE PAPER WHICH THE STATE DEPARTMENT PUBLISHED IN WASHINGTON LAST WEEK.
"THERE IS NOTHING APPARENT," HE SAID, "BEYOND THE STEPS THAT WERE TAKEN WHICH THE UNITED STATES COULD HAVE DONE TO PREVENT THE DEBACLE SHORT OF UNLIMITED AID AND INTERVENTION WITH AMERICAN TROOPS IN COMBAT."
BUT NOW THAT "THE ENGULFMENT OF CHINA BY COMMUNIST FORCES" HAS TO BE DEALT WITH, RUSSELL SAID, THE COMMUNISTS THEMSELVES FACE GREAT DIFFICULTIES.
THEY HAVE PROMISED THE CHINESE PEOPLE LONG DESIRED CHANGES AND REFORMS AND THE PROBLEM IS WHETHER THEY CAN MAKE GOOD ON THEIR PROMISES, HE SAID, ADDING:
"IF THE COMMUNISTS, HAVING EXPLOITED THE POLITICS OF THE RICE BOWL, PROVE UNABLE TO FILL THE BOWL ANY HIGHER THAN THE KUOMINTANG DID IT WILL BE A QUESTION HOW LONG THEY CAN RETAIN POPULAR SUPPORT."
(THE KUOMINTANG IS CHIANG KAI SHEK'S POLITICAL PARTY WHICH RULES NATIONALIST CHINA.)
RUSSELL SUMMED UP OTHER COMMUNIST PROBLEMS IN THESE WORDS:
"THERE ARE INSUFFICIENT TRAINED ADMINISTRATORS AND WORKERS TO CARRY OUT THE TASK OF BUILDING A STRONG INDUSTRIAL NATION. THE COMMUNIST COMPULSION TO RAPID SOCIALIZATION RUNS COUNTER TO THE INHERENT CHINESE DISPOSITION TOWARD GRADUALISM. THE COMMUNIST INSISTENCE ON RIGID IDEOLOGICAL CONFORMITY IS LIKELY TO AROUSE THE RESENTMENT OF THE

CHINESE INTELLECTUALS."

RUSSELL SAID THE CHINESE PEOPLE HAVE WON A REPUTATION FOR "ABSORBING THEIR CONQUERORS."

"THIS RECORD, HOWEVER, MAY NOT BE A SURE GUIDE IN THIS INSTANCE," HE CONTINUED, "SINCE CHINESE COMMUNISM IS OSTENSIBLY AN INDIGENOUS MOVEMENT. MOREOVER, THE SAME SCIENCE THAT HAS MADE POSSIBLE PROGRESS IN MANY HUMAN ENDEAVORS HAS ALSO MADE POSSIBLE THE FORGING OF NEW CHAINS TO SERVE TOTALITARIAN REGIMES."

THE PRESENT SITUATION IN CHINA, HE SAID, "IS A SITUATION FRAUGHT WITH THE GRAVEST CONSEQUENCES FOR ALL MANKIND."

HE REMINDED HIS AUDIENCE THAT SECRETARY OF STATE ACHESON AND A STAFF OF HANDPICKED ADVISERS ARE NOW TRYING TO DETERMINE WHAT THE UNITED STATES SHOULD DO IN THE CIRCUMSTANCES. BUT AT THIS TIME "WE CANNOT BLUEPRINT THE FUTURE," HE ADDED.

ONE BASIC FACT WHICH RUSSELL SAID SHOULD BE BORNE IN MIND IS "THAT THE LONG STANDING FRIENDSHIP OF THE UNITED STATES FOR THE CHINESE PEOPLE WILL NOT BE QUIAKLY FORGOTTEN (BY THEM) OR OBSCURED BY HOSTILE PROPAGANDA."

"THE UNITED STATES," HE SAID, "HAS MUCH TO OFFER THE CHINESE PEOPLE, IN BOTH MATERIAL AND INTANGIBLE TERMS, AS THEY CONTINUE THEIR STRUGGLE FOR FREEDOM AND A BETTER LIFE. THE CHINESE WILL UNDOUBTEDLY PONDER THIS FACT INCREASINGLY AS GLIB COMMUNIST PROMISES PROVE FALSE AND BRIGHT SLOGANS BECOME THREADBARE." #.

NIGHT LEAD QUIRINO

NEW YORK, AUG. 12-(AP)-PHILIPPINE PRESIDENT ELIPIDO QUIRINO TODAY SAID HIS NATION IS LEADING THE BATTLE AGAINST COMMUNISM IN ASIA JUST AS AMERICA IS DOING AMONG NATIONS OF THE WEST.

HIS ISLAND REPUBLIC, QUIRINO SAID, HAS TAKEN THE INITIATIVE TO DEVELOP COMMON ACTION IN THE FAR EAST AGAINST "THIS TOTALITARIAN ADVANCE."

HE LIKENED THIS TO ACTION BY THE UNITED STATES IN AIDING WESTERN EUROPEAN NATIONS AGAINST COMMUNIST EXPANSION.

QUIRINO, IN AMERICA AT PRESIDENT TRUMAN'S INVITATION, IS CRUSADING FOR A PACIFIC UNION OF ANTI-COMMUNIST NATIONS SIMILAR TO THE ATLANTIC

FOR A PACIFIC UNION OF ANTI-COMMUNIST NATIONS SIMILAR TO THE ATLANTIC PACT.

HE SPOKE DURING CEREMONIES AT FORDHAM UNIVERSITY, WHERE HE WAS AWARDED AN HONORARY DEGREE OF DOCTOR OF LAWS.

QUIRINO REAFFIRMED "MY PEOPLE'S GRATITUDE TO THE PEOPLE OF AMERICA AND OUR WARM FRATERNAL REGARD FOR THOSE OF THIS COUNTRY WITH WHOM WE ARE BOUND BY THE TIES OF OUR COMMON RELIGION."

"THE BEST HOPE OF CONQUERING COMMUNISM LIES IN THE INTERNAL RENEWAL OF CHRISTIANITY AND DEMOCRACY," QUIRINO SAID, ADDING THAT ONLY BY ESTABLISHING THE SUPERIORITY OF THE DEMOCRATIC WAY OF LIFE CAN THE FALLACY OF COMMUNISM BE PROVEN CONCLUSIVELY.

"IN THIS GREAT TASK OF REFORM AND RENEWAL," HE SAID, "AMERICA AND THE PHILIPPINES HAVE A SPECIAL RESPONSIBILITY--AMERICA AS THE LEADER OF THE CHRISTIAN STATES OF THE WEST, THE PHILIPPINES BY VIRTUE OF ITS STATUS AS THE ONLY CHRISTIAN NATION IN THE FAR EAST."

EARLIER IN THE DAY QUIRINO EXPLAINED AT A NEWS CONFERENCE HIS CONCEPTION OF A PACIFIC UNION OF NATIONS.

THE PROJECT, HE SAID, WOULD NOT CONTEMPLATE MILITARY COMMITMENTS FOR THE MOMENT. THAT QUESTION, HE ADDED, WOULD HAVE TO BE TAKEN UP BY MEMBER NATIONS AFTER THEY HAD JOINED TOGETHER.

HE SAID HE WAS VERY HAPPY TO HEAR THAT AUSTRALIA "WILL JOIN THE UNION." EARLY REPORTS WERE THAT AUSTRALIA WAS COOL TO THE IDEA.

QUIRINO PLANS TO LEAVE TOMORROW BY AIR FOR LOS ANGELES AND THEN TO SAN FRANCISCO. HE HAS BEEN HERE SINCE YESTERDAY.

THE PRESIDENT SAID HE HAS TO RETURN TO THE PHILIPPINES BY AUG. 19, THE BIRTHDATE OF LATE PRESIDENT MANUEL QUEZON.

MORE THAN 500 PERSONS, INCLUDING 70 FILIPINO CADETS FROM THE U.S.MERCHANT MARINE ACADEMY AT KINGS POINT,N.Y., ATTENDED THE CEREMONIES. THE REV.LAURENCE J.MC GINLEY, S.J., PRESIDENT OF FORDHAM UNIVERSITY, CONFERRED THE HONORARY DEGREE.

AT THE END OF THE CEREMONIES, WHICH WERE OPENED BY THE SINGING OF THE AMERICAN NATIONAL ANTHEM AND THAT OF THE PHILIPPINE REPUBLIC, "LAND OF THE MORNING," FRANCIS CARDINAL SPELLMAN, ROMAN CATHOLIC ARCHBISHOP OF NEW YORK, OFFERED A PRAYER THAT GOD GUARD THE TWO COUNTRIES.

PRESIDENT QUIRINO SAID THE PHILIPPINE PEOPLE, LIKE THEIR SISTER DEMOCRACIES IN ASIA AND OTHER PARTS OF THE WORLD, FIND THEIR "HARD-WON FREEDOM INCREASINGLY MENACED" BY COMMUNISM. HE POINTED OUT THAT JUST AS THE UNITED STATES HAD AIDED THE WESTERN EUROPEAN COUNTRIES AND GIVEN THEM LEADERSHIP TO COUNTERACT THE DANGERS OF FURTHER WESTWARD EXPANSION OF COMMUNISM, THE PHILIPPINE REPUBLIC IN ASIA AND THE FAR EAST HAD TAKEN THE INITIATIVE TO DEVELOP COMMON ACTION AGAINST "THIS TOTALITARIAN ADVANCE."

HE DESCRIBED COMMUNISM AS "THE AGGRESSIVE AND VIOLENT EXPANSION OF A RUTHLESS, FANATICAL POLITICAL FAITH." HE SAID THE TASK OF COMBATING IT REQUIRED "THE HIGHEST VISION AND STATESMANSHIP AND THE GREATEST MEASURE OF COURAGE, ENTERPRISE AND SELF-SACRIFICE." HE CONTINUED:

"IT BEHOOVES US TO MEET THE URGENCY OF STRENGTHENING THE SPIRITUAL VALUES THAT LIE AT THE FOUNDATION OF A BETTER WORLD ORDER WHICH SHOULD BE INCREASINGLY RESPONSIVE TO OUR COMMON ASPIRATIONS. WE HAVE THEM ALL IN OUR RICH CHRISTIAN HERITAGE--HUMILITY AND PENITENCE, GOOD WILL AND CHARITY AND A COURAGEOUS FAITH."

HE SAID THE PEOPLE OF THE DEMOCRACIES MUST LOOK TO THEIR FAITH. HE ADDED THAT IT COULD LEVEL THE "MOUNTAINS OF HATE AND VIOLENCE THAT A TOTALITARIAN SYSTEM NOW ON THE RAMPAGE" HAD RAISED UP IN THE WORLD. HE DECLARED IT WAS THIS FAITH WHICH COULD BECOME THE FOUNDATION FOR HUMAN FREEDOM AND ENDURING PEACE.

FATHER MC GINLEY, IN HIS ADDRESS, SAID THAT QUIRINO BY PROPOSING THE PACIFIC PACT, HAD DARED COMMUNISM "WHEN COMMUNISM IS ON THE MARCH, WHEN BETWEEN YOUR COUNTRY AND THE SOVIET HORDE STANDS NOTHING BUT THE CHINA SEA."

B48

FATHER MC GINLEY CALLED THE POSITION TAKEN BY PRESIDENT QUIRINO AND THE PHILIPPINE REPUBLIC "THE ONLY CHOICE OPEN TO A CATHOLIC NATION" AND "THE ONLY POSITION YOUR FREE PEOPLE COULD ASSUME WITH HONOR." HE ADDED "WE FIRMLY BELIEVE THAT CHRISTIANITY AND COMMUNISM ARE IRRECONCILABLE WAYS OF LIFE."

THE FORDHAM PRESIDENT EXPRESSED THE HOPE THAT THE HEARTS OF THE

PHILIPPINE PEOPLE REMAIN "STRONG IN PEACE AS THEY DID IN WAR XXXX IT IS TO HONOR THEM, BY HONORING YOU, THAT WE HAVE GATHERED HERE TODAY."

THE CITATION ACCOMPANYING THE DEGREE SAID PRESIDENT QUIRINO STOOD AS A SYMBOL OF INTERNATIONAL FIDELITY AND THE FULFILMENT OF SOLEMN PROMISES BETWEEN SOVEREIGN STATES "IN A WORLD WHERE THE PLEDGED WORD WOULD SEEM TO HAVE LOST ITS SANCTITY AND ITS DIGNITY."

PRESIDENT QUIRINO LATER WAS GUEST OF HONOR AT A DINNER AT THE WALDORF-ASTORIA HOTEL TENDERED BY THE NATIONAL FOREIGN TRADE COUNCIL, INC., OF NEW YORK, AND THE PHILIPPINE AMERICAN CHAMBER OF COMMERCE.

WELCOMING THE PRESIDENT AT THIS FUNCTION, EUGENE P.THOMAS, PRESIDENT OF THE FOREIGN TRADE COUNCIL SAID "YOUR STATESMANSHIP IS HELD IN HIGH ESTEEM AND YOUR INFLUENCE IS EXTENDING IN WIDENING CIRCLES BEYOND THE ISLANDS OF THE PHILIPPINES."

AUG 13 1949

MR. THOMAS NOTED THAT EARLIER THIS YEAR THE COUNCIL AND THE PHILIPPINE AMERICAN CHAMBER OF COMMERCE HAD PROPOSED CO-OPERATION BY THE BUSINESS COMMUNITIES WITH THE GOVERNMENTS OF THE TWO COUNTRIES TO DEVELOP "A VIGOROUS PROGRAM FOR ACCLERATING PHILIPPINE ECONOMIC RECOVERY AND SUSTAINED DEVELOPMENT."

"ACTION BY THE TWO GOVERNMENTS WAS SUGGESTED," HE SAID, "TO REMOVE OBSTACLES TO PRIVATE INVESTMENT AND COMMERCE, BECAUSE WE BELIEVE THAT WELL-FOUNDED ECONOMIC PROGRESS CAN BEST BE ATTAINED THROUGH THE INITIATIVE AND WELL-TESTED METHODS OF PRIVATE ENTERPRISE.

"THIS MEETING TONIGHT, WE ARE CONFIDENT, WILL PROVE TO HAVE BEEN PROPITIOUS TO THE CONTINUED ADVANCEMENT OF THE PHILIPPINE ECONOMY AND TO RISING STANDARDS OF LIFE AMONG OUR FRIENDS AND ALLIES, THE COURAGEOUS PHILIPPINE PEOPLE."

FREDERIC M.STEVENS, PRESIDENT OF THE AMERICAN CHAMBER OF COMMERCE OF THE PHILIPPINES, PRESENTED PRESIDENT QUIRINO WITH A MEMORANDUM OUTLINE THE VIEWS OF THE ORGANIZATION ON THE FUTURE OF ECONOMIC DEVELOPMENT OF THE ISLANDS

IN IT, THE CHAMBER OF COMMERCE EXPRESSED ITS ENDORSATION OF THE PROGRAM OF CO-OPERATION ANNOUNCED BY THE FOREIGN TRADE COUNCIL.

IT REFERRED TO THE SUGGESTIONS THAT DOUBLE TAXATION BE ELIMINATED; FOR INCREASED APPROPRIATIONS UNDER THE PHILIPPINE REHABILITATION ACT FOR WAR DAMAGES TO PRIVATE AND PUBLIC PROPERTY; APPLICATION TO THE PHILIPPINES OF PRESIDENT TRUMAN'S "POINT FOUR" IN AIDING PHILIPPINE DEVELOPMENT OF ITS RESOURCES; EARLY CONCLUSION OF NEGOTIATIONS FOR A TREATY OF FRIENDSHIP, COMMERCE AND NAVIGATION BETWEEN THE TWO COUNTRIES TO ESTABLISH BASIC RECIPROCAL RIGHTS; AND REMOVAL OF OBSTACLES WITHIN THE PHILIPPINES TO FURTHER PRIVATE INVESTMENTS IN INDUSTRY AND TRADE.

THE MEMORANDUM SAID "WE CANNOT DISAGREE WITH IMPORT CONTROL AS A MEANS OF BALANCING FOREIGN EXCHANGE," BUT ADDS:

AUG 13 1949

"HOWEVER, ITS ALARMING INCREASE IN THE SCOPE OF THE ITEMS CONTROLLED AND THE EXTRAMEOUS USE MADE OF THE IMPORT CONTROL LAW CAUSE ALARM TO POTENTIAL INVESTORS AND SERVE AS A SYMBOL OF MANY MORE CONTROLS TO COME."

IT SAID "WE FEEL VERY DEFINITELY THAT IMPORT CONTROL SHOULD BE LIMITED STRICTLY TO ITS PURPOSE OF CONSERVING EXCHANGE XXX."

THE MEMORANDUM ALSO SAID THAT THE PRESENT COST OF HANDLING MERCHANDISE THROUGH THE MANILA PORT TERMINAL "IS VERY HIGH AND PREVENTS THE USE OF MANILA AS A DISTRIBUTION POINT IN FAR EASTERN TRADE," THAT "CONDITIONS WHICH OBTAIN WITH RESPECT TO THE SETTLING

OF LABOR DISPUTES ARE EMINENTLY UNSATISFACTORY"; AND FINALLY, THAT "WE OURSELVES PLEDGE OUT FULL CO-OPERATION WITH THE PRESIDENT IN THE EFFORT HE IS ENGAGED UPON TO IMPROVE THE PRESENT SITUATION AND TO STRENGTHEN THE MUTUALLY ADVANTAGEOUS BONDS WHICH STILL UNITE THE TWO NATIONS."

AUG 13 1949

END (BBI) STARTING "THE MEMORANDUM" AND ENDING "TWO NATIONS."

PRESIDENT QUIRINO TOLD THE DINNER GUESTS THE WAR IN THE PACIFIC WAS "A BLESSING IN DISGUISE," SINCE IT TORE DOWN AND DESTROYED AN UNBALANCED ECONOMY IN HIS COUNTRY.

BEFORE THE WAR, HE SAID, THE PHILIPPINES IMITATED AMERICAN BUSINESS METHODS WHICH CREATED "AN UNBLANCED, UNCOORDINATED DEVELOPMENT OF OUR NATIONAL ECONOMY."

THE NEW NATION, SINCE RECEIVING ITS INDEPENDENCE IN 1946, SEEKS TO CREATE AN ECONOMY BASED ON GOVERNMENT CAPITAL PROVIDING AID TO NEW INDUSTRIES AND FURTHER FARM PRODUCTION, HE SAID.

HE ADDED THAT ESSENTIAL INDUSTRIES NOW BEING FOSTERED BY THE GOVERNMENT EVENTUALLY WILL BE TURNED OVER TO PRIVATE ENTERPRISE.

ONE OF THE FIRST STEPS TOWARD STABILIZING THE ECONOMY, PRESIDENT QUIRINO SAID, WAS GOVERNMENT SUPERVISION OF THE RICE CROP.

"THE PRICE OF RICE IS THE YARDSTICK OF PRICES IN THE PHILIPPINES," HE SAID.

BEFORE THE WAR, HE ASSERTED, HIS NATION BOUGHT MUCH OF ITS RICE FROM OTHER COUNTRIES. INCREASED RICE PRODUCTION IN THE PHILIPPINES HAS LOWERED THE PRICE OF RICE BY ONE-THIRD, HE SAID, WITH FUTURE CUTS EXPECTED.

PRESIDENT QUIRINO ALSO POINTED TO THE UPSWING IN HIS NATION'S FINANCES. IN 1945, HE SAID, THE GOVERNMENT COLLECTED 30,000,000 (M) PESOS IN TAXES. HE ESTIMATED THIS YEAR'S INCOME FROM TAXES WOULD BE ABOUT 300,000,000 (M) PESOS.

AUG 13 1949

A PESO IS WORTH ABOUT 50 AMERICAN CENTS.

AT THE END OF THIS YEAR, HE ADDED, THE PHILIPPINE CENTRAL BANK EXPECTS TO INVEST 50,000,000 (M) PESOS OF SURPLUS FUNDS TO SPUR DEVELOPMENT OF NEW INDUSTRIES.

FURTHERMORE, HE SAID, HIS NATION POSSESSED MANY NATURAL RESOURCES WHICH WILL LEND THEMSELVES TO INDUSTRIALIZATION, INCLUDING ORES AND UNHARNESSED WATER POWER.

TOMORROW, (SATURDAY), PRESIDENT QUIRINO WILL ATTEND A LUNCHEON IN HIS HONOR GIVEN BY ROY W.HOWARD, PRESIDENT AND EDITOR OF THE NEW YORK WORLD-TELEGRAM. MANY OF THE PRESIDENT'S ENTOURAGE WILL BE AMONG THE GUESTS WHO WILL INCLUDE MAYOR WILLIAM O'DWYER OF NEW YORK AND CARDINAL SPELLMAN.

LATER IN THE AFTERNOON THE PRESIDENT WILL LEAVE BY PLANE FROM LA GUARDIA FIELD FOR SAN FRANCISCO.

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30.24- 5017

MIGHT LEAD COMMUNISTS

NEW YORK, AUG.12-(AP)-THE NEW YORK STATE COMMUNIST PARTY CHAIRMAN TOLD A FEDERAL COURT JURY TODAY THAT RUSSIA DID NOT INVADE POLAND IN 1939.

INSTEAD, HE SAID, THE SOVIET FORCES LIBERATED MUCH OF THAT NATION AND "SAVED TENS OF MILLIONS OF POLISH AND JEWISH PEOPLE FROM DEATH UNDER THE NAZIS."

THE CHAIRMAN, ROBERT G.THOMPSON, ONE OF THE 11 TOP COMMUNISTS ON TRIAL ON CONSPIRACY CHARGES, ALSO DENIED THAT GERMANY AND RUSSIA DIVIDED POLAND.

THOMPSON MADE HIS STATEMENTS UNDER CROSS-EXAMINATION BY GOVERNMENT ATTORNEY FRANK H.GORDON, SHORTLY BEFORE LEAVING THE WITNESS STAND. HE WAS THE FOURTH DEFENDANT TO TESTIFY, AND THE 17TH WITNESS CALLED BY THE DEFENSE IN THE TRIAL WHICH COMPLETED ITS 30TH WEEK TODAY.

THE STATE CHAIRMAN TESTIFIED THAT BETWEEN SEPTEMBER, 1939, WHEN WORLD WAR 11 BEGAN, AND JUNE 22, 1941, WHEN THE NAZIS INVADED RUSSIA, HE SPOKE MANY TIMES AGAINST UNITED STATES PARTICIPATION IN THE WAR.

HE SAID IT WAS "VERY POSSIBLE" THAT HE ADVANCED THE SLOGAN "THE YANKS ARE NOT COMING," AS IT WAS "CONSISTENT WITH THE GENERAL POSITION OF THE COMMUNIST PARTY OF 'NO U.S.INVOLVEMENT IN THE WAR.'"

ASKED WHETHER HE MADE RADIO ADDRESSES IN WHICH HE CALLED FOR NO U.S.PARTICIPATION IN THE WAR, THOMPSON ANSWERED THAT HE MAY HAVE BUT THAT HE DID NOT RECALL.

"THAT'S A REGULAR FORMULA OF HIS," JUDGE HAROLD R.MEDINA REMARKED. "HE KNOWS VERY WELL WHETHER HE USED IT (THE SLOGAN) OR NOT. HE SAYS 'MAYBE' THIS AND "POSSIBLY' THAT."

THE QUESTIONING TURNED TO THE COMMUNIST POSITION REGARDING POLAND. THOMPSON, REPLYING TO A QUESTION, SAID:

"I CERTAINLY DO DENY THAT RUSSIA INVADED POLAND."

EARLIER, THOMPSON ADMITTED HE MADE A NUMBER OF INCORRECT STATEMENTS IN ORDER TO GET A PASSPORT FOR A TRIP TO MOSCOW IN 1935. THE TRIP WAS MADE TO ATTEND A CONGRESS OF THE YOUNG COMMUNIST INTERNATIONAL.

HE SAID HE GAVE HIS OCCUPATION AS A STUDENT, ALTHOUGH HE ACTUALLY WAS WORKING IN A SANTA FE RAILROAD SHOP IN CALIFORNIA.

THE DEFENSE CALLED ITS 18TH WITNESS JUST BEFORE THE TRIAL WAS ADJOURNED FOR THE WEEKEND. HE WAS HOWARD JOHNSON, NEGRO, WHO IDENTIFIED HIMSELF AS STATE EDUCATIONAL DIRECTOR OF THE COMMUNIST PARTY IN NEW YORK.

PS756PED

AUG 13 1949

WASHINGTON,AUG.12-(AP)-GEN.THOMAS T.HANDY, COMMANDING GENERAL OF THE FOURTH ARMY AT SAN ANTONIO, TEX., HAS BEEN NAMED COMMANDER-IN-CHIEF OF THE EUROPEAN COMMAND. HE SUCCEEDS GEN.LUCIUS D.CLAY, WHO RETIRED RECENTLY.

DEFENSE SECRETARY JOHNSON MADE THE APPOINTMENT ON THE RECOMMENDATION OF ARMY SECRETARY GRAY.

IN HIS NEW POSITION GEN.HANDY WILL COMMAND ALL U.S.MILITARY FORCES IN EUROPE EXCEPT THOSE IN AUSTRIA, AND TRIESTE.

LT.GEN.CLARENCE R.HUEBNER, WHO HAS BEEN ACTING COMMANDER IN CHIEF SINCE CLAY RETURNED HOME, WILL REMAIN AS COMMANDING GENERAL OF U.S. ARMY FORCES IN GERMANY.

NO DECISION HAS AS YET BEEN MADE AS TO WHO WILL SUCCEED GEN. HANDY AS COMMANDING GENERAL OF THE FOURTH ARMY.

HANDY, 57 YEARS OLD, IS A VETERAN OF BOTH WORLD WARS. HE SERVED AS DEPUTY CHIEF OF STAFF OF THE ARMY FROM OCT. 22, 1944 TO AUG.31, 1947.

SINCE THEN HE HAS HEADED THE FOURTH ARMY.

AB630PED

A156WX

WASHINGTON,AUG.12-(AP)-SECRETARY OF DEFENSE JOHNSON REPORTED TO PRESIDENT TRUMAN AND THE CABINET TODAY ON HIS DISCUSSIONS AT OTTAWA THIS WEEK WITH THE CANADIAN PRIME MINISTER AND THE MINISTER OF DEFENSE.

HE TOLD REPORTERS AFTERWARDS THAT HE DISCUSSED "ALL MATTERS" CONCERNING THE DEFENSE OF THE TWO COUNTRIES.

HE SAID THAT THERE WERE NO CONTROVERSIAL MATTERS SINCE "THE TWO COUNTRIES ARE LIKE TWINS."

ASKED IF ATOMIC MATTERS WERE BROACHED HE REPLIED YES.

AB159PED

AUG 13 1949

SAN DIEGO,CALIF.,AUG.12-(AP)-REAR ADM.BERTRAM A.RODGERS, COMMANDER OF PACIFIC AMPHIBIOUS FORCES, DECLARED TODAY THE NAVY "HAS A BEAR BY THE TAIL" IN ITS BIG ALASKAN PETROLEUM RESERVE.

RODGERS, WHO RETURNED YESTERDAY FROM A 10,000-MILE AIR TRIP TO POINT BARROW, ALASKA, TO OBSERVE THE 1949 RE-SUPPLY EXPEDITION TO BARTER ISLAND, ALASKA, AND POINT BARROW, SAID HE WOULD RECOMMEND APPROPRIATION OF NEW FUNDS TO CONTINUE OIL EXPLORATION IN THE AREA.

UNLESS CONGRESS VOTES MORE MONEY BY THE END OF THE NEXT FISCAL YEAR, THE PROGRAM WILL HAVE TO BE ABANDONED, ROGERS SAID AT A NEWS CONFERENCE.

THE RE-SUPPLY EXPEDITION, RODGERS DECLARED, WAS AN OUTSTANDING SUCCESS. SHIPS OF THE FLOTILLA UNLOADED 40,000 TONS OF SUPPLIES OVER THE FROZEN BEACHES IN LESS THAN FIVE DAYS, AND THE ONLY "CASUALTY" WAS THE ICEBREAKER BURTON ISLAND, WHICH BROKE ONE OF HER PROPELLER SHAFTS. SHE WAS REPLACED 24 HOURS AFTER THE ACCIDENT, HOWEVER, BY THE COAST GUARD ICEBREAKER NORTHWIND, AND UNLOADING PROCEEDED ON SCHEDULE.

JM936PCS NM

WASHINGTON,AUG.12-(AP)-THE ECONOMIC COOPERATION ADMINISTRATION TODAY FORMALLY ABSOLVED BRITAIN, HOLLAND AND BELGIUM OF "IMPROPRIETIES" IN SHIPMENTS LAST WINTER OF THEN-SCARCE ALUMINUM AND LEAD SCRAP TO THE UNITED STATES.

THE AGENCY, HOWEVER, STRONGLY RECOMMENDED THAT NATIONS RECEIVING FUTURE MARSHALL PLAN FINANCING FOR THE METALS "ECONOMIZE" ON THE IMPORTS BY USING MORE OF THEIR OWN SCRAP.

ECA RELEASED A SUMMARY OF FINDINGS MADE BY A SPECIAL INVESTIGATING TEAM. IT LOOKED INTO CHARGES THAT THE COUNTRIES HAD GREATLY INCREASED THEIR SHIPMENTS OF SCRAP TO THIS COUNTRY, FOR SALE AT THE HIGH PRICES THEN PREVAILING, WHILE INCREASING THEIR OWN IMPORTS OF THE VIRGIN METALS WITH ECA DOLLARS.

THE CHARGES WERE MADE ORIGINALLY BY HOWARD BRUCE, FORMER DEPUTY ECA ADMINISTRATOR. THE COUNTRIES ISSUED DENIALS, AND TWO AMERICAN

ALUMINUM EXPERTS WERE ASSIGNED TO INVESTIGATE IN EUROPE. THEY WERE DONALD L.COWELL, CHICAGO, AND ALBERT BUTLER, DENVER.

ECA SAID PART OF THEIR SURVEY WILL BE KEPT "CONFIDENTIAL," SINCE IT INCLUDES "INFORMATION MADE AVAILABLE TO THE SPECIAL MISSION ON THE UNDERSTANDING THAT IT WOULD NOT BE PUBLISHED."

THE AGENCY STATED THAT ITS MISSION "FOUND NO IMPROPRIETIES ON THE PART OF PARTICIPATING COUNTRIES," DESPITE COMMERCE DEPARTMENT FIGURES WHICH SHOWED A SHARP INCREASE IN THEIR SCRAP SHIPMENTS.

IT RECOMMENDED THAT THE MARSHALL PLAN COUNTRIES SET UP A UNIFORM REPORTING SYSTEM ON PRODUCTION AND USE OF ALL TYPES OF ALUMINUM. THE THREE COUNTRIES DIRECTLY INVOLVED CONTENDED THAT "MISUNDERSTANDINGS" ABOUT THEIR SHIPMENTS AROSE FROM THE ABSENCE OF SUCH A SYSTEM.

THE MISSION SUGGESTED FURTHER THAT ALL MARSHALL PLAN COUNTRIES INSTITUTE TIGHTER CONTROLS TO "LIMIT OR STOP EXPORTS OF PRIMARY METAL" AS LONG AS EUROPE IMPORTS THE SAME METALS WITH MARSHALL PLAN DOLLARS.

MD1207AED

BY WILLIAM E.LOWELL
AP SPECIAL WASHINGTON SERVICE

WASHINGTON, AUG.12-(AP)-REP.MANSFIELD (D-MONT) WAS ASSURED BY THE STATE DEPARTMENT TODAY THAT EVERY EFFORT IS BEING MADE TO OBTAIN INFORMATION ABOUT A MONTANA SAILOR HELD BY CHINESE COMMUNISTS.

THE SAILOR IS WILLIAM C.SMITH, SON OF MRS.WILLIAM C.SMITH OF COLUMBIA FALLS, MONT.

MANSFIELD MADE PUBLIC A LETTER FROM ERNEST A.GROSS, ASSISTANT SECRETARY OF STATE, SAYING THAT ALL EFFORTS THUS FAR TO MAKE A DIRECT CONTACT WITH SMITH HAVE BEEN UNSUCCESSFUL. MANSFIELD TOLD A REPORTER HE WILL CONTINUE HIS EFFORTS IN BEHALF OF SMITH.

LAST WORD OF SMITH WAS ON JULY 27, GROSS SAID. AT THAT TIME THE AMERICAN CONSUL AT TSINGTAO REPORTED HE HAD PERSONAL ASSURANCES FROM A MEMBER OF THE LOCAL GOVERNMENT THAT SMITH WAS IN TSINGTAO AND WAS ALIVE AND WELL.

"IT SHOULD BE NOTED," GROSS WROTE, "THAT THE CHANNELS OF COMMUNICATION BETWEEN AMERICAN OFFICIAL REPRESENTATIVES AND THE LOCAL CHINESE COMMUNIST AUTHORITIES (IN CERTAIN CITIES) ARE EXTREMELY TENUOUS.

"THE CHINESE COMMUNIST AUTHORITIES DO NOT RECOGNIZE THE OFFICIAL STATUS OF OUR CONSULAR OFFICIALS AND STATE THAT, IN THE ABSENCE OF 'DIPLOMATIC RELATIONS' FOREIGN CONSULAR OFFICIALS ARE REGARDED AS PRIVATE CITIZENS.

"WRITTEN COMMUNICATIONS ADDRESSED BY AMERICAN OFFICIALS TO THE COMMUNIST AUTHORITIES ARE NOT ACKNOWLEDGED AND IT HAS BEEN IMPOSSIBLE TO ESTABLISH DIRECT PERSONAL CONTACT WITH RESPONSIBLE CHINESE COMMUNIST AUTHORITIES FOR THE PURPOSE OF ARRANGING FOR THE RELEASE OF MR.SMITH."

GROSS SAID THE CONSUL AT TSINGTAO WILL CONTINUE TO FLLOW THE CASE CLOSELY AND STATE DEPARTMENT OFFICERS AT NANKING AND PEIPING WILL MAKE EVERY EFFORT TO OBTAIN SMITH'S RELEASE.

VH448AED

DENVER,AUG.12-(AP)-RUSSIA'S ECONOMIC RECOVERY SINCE THE END OF THE GERMAN INVASION IS MUCH FARTHER ADVANCED THAN MOST EXPERTS BELIEVE, A COLUMBIA UNIVERSITY PROFESSOR DECLARED LAST NIGHT.

DR.ABRAM BERGSON, SPEAKING AT THE UNIVERSITY OF DENVER INSTITUTE FOR THE STUDY OF THE SOVIET UNION, DECLARED THAT THE SOVIETS HAD REGAINED OR EXCEEDED 1940 PRODUCTION LEVELS.

BUT THE AVERAGE RUSSIAN, HE SAID, IS FAR FROM HAPPY OVER HIS GOVERNMENT'S EXTREME PREOCCUPATION WITH HEAVY INDUSTRY.

"THE FACT THAT THE SOVIET GOVERNMENT IS INVESTING SO MUCH IN BASIC INDUSTRY AT THE EXPENSE OF CONSUMER GOODS," HE ASSERTED, "IS ONE OF THE REASONS THE RUSSIANS HAVE SUCH A LARGE POLICE FORCE. THEY NEED IT TO KEEP THE PEOPLE QUIET."

DR.BERGSON SAID UNITED STATES NATIONAL INCOME AND PRODUCTION OF MOST BASIC MATERIALS EXCEEDS RUSSIA'S THREE OR FOUR TIMES. BUT HE ADDED THAT AN OVERALL COMPARISON OF THE STRENGTH OF THE TWO COUNTRIES DOES NOT ENTIRELY FAVOR THE U.S.

"RUSSIA OCCUPIES A SUPERIOR STRATEGIC POSITION IN EUROPE," HE POINTED OUT, "AND COULD OCCUPY THE WHOLE CONTINENT IN A SHORT TIME IN AN EMERGENCY.

"THE QUESTION AT PRESENT IS WHETHER WESTERN EUROPE CAN BE REARMED ENOUGH TO MAKE POSSIBLE A HOLDING OPERATION THERE IN CASE OF WAR."

JM1240PCS

SAN FRANCISCO, AUG. 12-(AP)-ARCHBISHOP JOHN OF SHANGHAI, SPIRITUAL LEADER OF FAR EASTERN WHITE RUSSIANS, ARRIVED HERE TODAY ON BOARD THE S. S. DONA NATI FROM THE ORIENT.

THE ARCHBISHOP LEFT SHANGHAI A WEEK AHEAD OF CHINESE COMMUNIST TROOPS.

AT LEAST A THOUSAND WHITE RUSSIANS ARE STILL IN RED-OCCUPIED SHANGHAI, HE SAID. ANOTHER 5,000 FLED TO THE ISLAND OF SAMAR IN THE PHILIPPINES.

THE ARCHBISHOP SAID HE PLANS TO REMAIN HERE FOR ONE WEEK, THEN WILL GO TO NEW YORK AND WASHINGTON WHERE HE HOPES TO SECURE ASSISTANCE FOR HIS SHANGHAI PARISHIONERS. THOSE WHO REMAINED IN SHANGHAI ARE NOT MISTREATED, HE SAID, BUT ECONOMIC CONDITIONS ARE SUCH THAT THEY MUST LEAVE THE CITY IN ORDER TO SURVIVE.

FJ113PCS

30.24- 5019

(AX) ROLLA,MO.,AUG.12-(AP)-RADIOACTIVE (A-BOMB) ROCK HAS BEEN DISCOVERED IN NORTH CENTRAL ARKANSAS, AN OFFICIAL OF THE U.S.BUREAU OF MINES DISCLOSED HERE TODAY.

THE OFFICIAL, LEON DUPUY, WAS RELUCTANT WHEN QUESTIONED ABOUT IT. BUT HE ADMITTED THE FIND WAS MADE ABOUT TWO MONTHS AGO.

"WE WERE LOOKING FOR OTHER MINERALS WHEN WE HIT ONE WE COULDN'T IDENTIFY," HE SAID. "A GEIGER COUNTER POINTED OUT THE STUFF.

"WE'RE NOT AT LIBERTY TO DISCLOSE WHERE THE DISCOVERY WAS MADE. ANY RELEASE OF THAT SORT WOULD HAVE TO COME FROM THE ATOMIC ENERGY COMMISSION."

DUPUY HEDGED WHEN ASKED IF THE FIND WAS SIGNIFICANT.

"BUT YOU CAN SAY IT ISN'T URANIUM," HE TOLD REPORTERS.

AT HARRISON, ARK., FRANK THOMAS, A PRIVATE MINING ENGINEER, SAID A SMALL QUANTITY OF AN UNIDENTIFIED RADIOACTIVE ORE WAS DISCOVERED IN THE OZARK MOUNTAIN COUNTRY NEAR THAT CITY THIS WEEK.

THE FIND WAS SENT TO THE U.S.BUREAU OF MINES AT ROLLA FOR LABORATORY TESTS.

THOMAS SAID THE DISCOVERY WAS MADE NEAR HERE BY MILES HUTCHINSON OF NEVADA, MO.

"IT MAY NOT BE URANIUM AT ALL, BUT IT IS LIVE, RADIANT MATERIAL," THOMAS SAID. PICKED OUT OF THE EARTH WAS ABOUT A TEASPOONFUL OF TINY, RUSTY CHIPS. THEY LOOK LIKE CRUDE IRON ORE OR PITCHBLENDE.

MK1158PES NM

NEW YORK, AUG. 12-(AP)-A SIAMESE MILITARY MISSION SAILED TODAY ON THE S.S.GRIPSHOLM FOR SWEDEN TO INSPECT THE BOFORS MUNITIONS WORKS. THE GROUP, WHICH HAS TOURED AMERICAN MILITARY ESTABLISHMENTS, INCLUDES LT. GEN. DEJA PRADIYUTH, CHIEF OF STAFF OF THE SIAMESE ARMY; MAJ.GEN.CHAMNONG BLUMIVET, MAJ.GEN. VICHIEN SUTAN AND COLONEL THANOM UPATHOM.

TA909PED

AUG 13 1949

BRITISH ECONOMIC

(ADVANCE)-WASHINGTON,AUG.10-(AP)-TOP BRITISH CABINET OFFICERS WILL COME TO WASHINGTON NEXT MONTH TO DISCUSS BRITAIN'S LONG-RANGE PLANS FOR DEALING WITH HER CRITICAL FINANCIAL SITUATION.

AUG 13 1949

BRITISH FOREIGN MINISTER BEVIN AND SIR STAFFORD CRIPPS, CHANCELLOR OF THE EXCHEQUER, ARE SCHEDULED TO PRESENT BRITAIN'S PROPOSALS TO HIGH-RANKING AMERICAN AND CANADIAN OFFICIALS AT SECRET FINANCIAL TALKS BEGINNING SEPT. 7.

GOVERNMENT OFFICIALS SAID SECRETARY OF STATE ACHESON, AND SECRETARY OF THE TREASURY SNYDER WILL HEAD THE AMERICAN SIDE. PAUL HOFFMAN, ECA ADMINISTRATOR, ALSO MAY SIT IN.

SNYDER, WHO BEGAN TALKS ON THE SAME TOPIC IN LONDON LAST MONTH, WAS ASKED AT A NEWS CONFERENCE IF THE U.S. WOULD HAVE ANY PROPOSALS.

"NO PROPOSALS," HE REPLIED. "WE'RE GOING TO HAVE DISCUSSIONS AND SEE WHAT COMES OF IT."

HE WAS ASKED IF HE EXPECTS THE MEETINGS HERE TO BE "MORE SUCCESSFUL" THAN THOSE HE HAD IN LONDON.

AUG-13 1949

"I ALWAYS LOOK FORWARD TO ANY DISCUSSIONS WITH A GREAT DEAL OF HOPE THAT THEY WILL BE FRUITFUL," HE REPLIED.

CANADA'S FINANCE MINISTER, DOUGLAS ABBOTT, IS SCHEDULED TO ATTEND THE WASHINGTON TALKS. FOREIGN MINISTER L.P.PEARSON MAY ALSO BE HERE.

THE LINEUP REFLECTS THE IMPORTANCE ALL THREE COUNTRIES ATTACH TO THE DISCUSSIONS. THEIR NUMBER ONE PROBLEM IS TO DEVISE A MUTUALLY-ACCEPTABLE PLAN FOR INCREASING BRITAIN'S DOLLAR INCOME AND BOOSTING WORLD TRADE GENERALLY.

GOVERNMENT OFFICIALS IN A POSITION TO KNOW SAID SNYDER'S TALKS IN LONDON WERE "INCONCLUSIVE" AND THAT THE LABOR GOVERNMENT ADVANCED NO DEFINITE PROPOSALS FOR COPING WITH THE MONEY CRISIS.

PREPARATIONS FOR THE SEPTEMBER SESSIONS AROUSED NEW SPECULATION THAT BRITAIN MAY BE PREPARED TO DEVALUE THE POUND STERLING.

SOME TOP-RANKING AMERICAN OFFICIALS ARE KNOWN TO FAVOR THIS STEP AS PART OF A GENERAL CUT IN EUROPEAN CURRENCY VALUES. BUT CRIPPS IS VIGOROUSLY OPPOSED TO SUCH A MOVE.

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End August 12 1949

30.24- 5021

Europe Council Refuses To Debate On Ireland

AUG 14 1949

Strasbourg, France, Aug. 13 (AP). By an overwhelming show of hands, the Council of Europe's Assembly today rejected Ireland's attempt to call up the Irish partition problem for debate.

Ireland had sought to have the newly created assembly take a hand in its long-standing demands for union of Northern Ireland with the 26-county Republic to the south.

Strong opposition to the controversial proposal came from most British delegates to the 101-member assembly. Since 1921 the six counties of Northern Ireland have been part of the United Kingdom, along with England, Scotland and Wales.

Point Of Procedure

Rejection of the Irish bid came on a point of procedure—whether proposals backed by less than ten deputies could be considered for the assembly's agenda. The assembly indorsed its special agenda committee's recommendation to throw out such minority proposals.

Ireland's four deputies had asked the assembly to discuss "best methods for eliminating causes of disputes between member states."

Previously Irish Foreign Minister Sean MacBride made it clear the proposal was aimed at getting assembly discussion of Ireland's dispute with Britain over partition.

Germany Omitted

The Assembly adopted an eight-point agenda and sent it to the council's Committee of Foreign Ministers, which must give its approval before debate can begin.

One notable omission from the agenda was thte question of Germany. Associates of Britain's Winston Churchill said he intends to bring this up in the assembly next week, after the German parliamentary elections Sunday.

Spaak "Desolate"

These sources said Churchill wants the assembly to invite Western Germany into council membership, presumably as an associate having seats in the assembly but not in the council's "upper house," the ministerial committee.

The assembly adjourned until Tuesday to allow time for naming and organizing various committees.

Ireland's former Prime Minister Eamon de Valera, now an assemblyman, tried to get the Irish partition question before the assembly again after it had approved the agenda offered by the ministers.

Assembly President Baul-Henri Spaak of Belgium once more ruled the move was out of order. Spaak said he was desolate over the decision, but he had to apply the rules. De Valera nodded his head and gave up.

Growing Revolt

The Irish move was part of a growing revolt of assembly members seeking greater freedom in its debates.

Under Council of Europe rules, the agenda for assembly debates is determined by the Committee of Ministers, representing the twelve member governments. Assembly delegates, led by Churchill, have been fighting for the right to debate any subject they please.

The Committee of Ministers earlier this week rejected Ireland's proposal to debate Irish partition.

Agenda Submitted

It submitted an agenda which would limit the first assembly's debates to three broad points:

1. The council's role in economic matters, taking into account the Marshall-plan organization already set up.

2. The council's role in social security.

3. Cultural co-operation among the member nations.

In addition to the three general items proposed by the ministerial committee, the assembly voted to add the following points to the chamber's order of business:

Consideration of necessary changes in Europe's political structure to achieve greater unity among council members; measures to maintain human rights and fundamental freedoms; proposals to establish a common European nationality and single passport; joint public works programs, and measures to pool materials and techniques in scientific research.

COUNCIL SETS UP PROGRAM

AUG 15 1949

9 Points In Work Agenda; Irish Partition Debate Ruled Out

Strasbourg, France, Aug. 13 (AP). The Council of Europe adopted tonight a nine-point work program for its drive to pull the war-battered countries of the Old World closer together. At the same time it ruled out any specific discussion of Irish partition.

The council's Committee of Ministers approved an agenda which was drawn up earlier by the Consulative Assembly's 101 delegates, and which will keep them busy for at least several weeks.

The nine-point agenda provides for debate on such items as political changes necessary in Europe to bring about greater unity of member nations, and human rights and fundamental freedoms.

Victory For Churchill

These were among six points added today by the Consultative Assembly to three points originally proposed by the ministers' committee.

The addition of the six points was a victory for Winston Churchill and the majority in the assembly. None of the points covers military subjects, since the committee and the assembly agreed this was not within the competence of the Council of Europe.

The touchy nationalistic issue over Ireland was ruled out as a problem for debate during today's talk on possible agenda items. Eamon de Valera, former Prime Minister of Ireland, made two determined efforts to put the dispute with Britain over Northern Ireland on the program. The assembly rejected de Valera's suggestion by an overwhelming show of hands.

Strong opposition to the Irishman's proposal came from most of the British delegates. The six counties of Northern Ireland have since 1921 been part of the United Kingdom along with England, Scotland and Wales.

Motion Ruled Out Of Order

The Irish proposal was for the assembly to discuss the best way to eliminate causes of disputes between member states. Previously, Sean MacBride, Ireland's Foreign Minister, had made it clear he considered the partition of Northern Ireland a cause of dispute between Britain and the Irish Republic.

Paul-Henri Spaak, of Belgium, assembly president, ruled the proposal out of order because it had not been offered the night before with the signatures of ten assembly delegates, which the rules of procedure require.

De Valera had another try at it later and said, in resubmitting the motion:

"The United Nations and other organizations have been ineffective because they have been unable to find effective means for settling disputes between nations. Any association will break up if it does not provide from the outset for settling disputes between nations. This is a matter of the utmost importance."

Spaak again ruled the motion out of order. He said he was desolate over making such a decision, but he had to abide by the rules. De Valera nodded and gave up.

Nine Agenda Topics

The agenda topics are:

1. The council's role in economic matters, taking into account the Marshall plan organization already set up.

2. The council's role in social security.

3. Cultural co-operation among the twelve member nations. (These first three points were proposed by the ministerial committee.)

4. Political changes necessary to greater unity among council members.

5. Measures to maintain human rights and fundamental freedoms.

6. Proposals to create a common European nationality and a European passport.

7. A common patent office.

8. A joint public works program (which might include a tunnel under the English Channel).

9. Measures to pool material resources and technical manpower in scientific research.

The assembly adjourned until Tuesday to allow time for appointing and organizing various committees.

A communiqué issued after the ministers' meeting announced that Italy, Britain and the Netherlands will name from their own governmental organizations a committee of budget experts for the Council of Europe.

American Jury Gives Verdict On Britain

AUG 14 1949

London, Aug. 13 (AP)—A group of young Americans who have been making what they called "an inquest on Britain" came up with a verdict today—the socialized medicine plan is wonderful, but the beer is "deathly warm."

They are 27 members of Americans for Democratic Action. Two of them, not identified, had first-hand contact with Britain's National Health Service. They received some of its medical treatment, which is paid for by British taxes and assessments.

Price Of Sweaters

The group also liked the provision of State-built homes for elderly persons, the low price of sweaters, and the British Broadcasting Corporation—its programs are "so educational and cultural compared to our (American) commercials."

Aside from the beer, they didn't care much for the price of tweed suits or cricket. Alice Loeb, of Chicago, sat through a cricket match "for educational purposes."

They also said they found it hard to make both ends meet in Britain.

Quick As Dollar

"Our experience is that once you break into a £1 note ($4) it vanishes about as quickly as a dollar," commented Mrs. Frances Adams, of Washington.

"Some of us came here prepared to be critical, but I think that most of us would qualify that," said Richard M. Hays, of Norwalk, Conn. "We all think Britain represents the biggest experiment today—whether democracy can plan for people to do things which make sense for the country as a whole and remain free.

"I don't think anybody is prepared to quarrel with the general desirability of the goal the Labor party (which controls the Government) has set. The only question is whether it is the right way of achieving it."

A Few "Bugs"

Fritz Mondale, of Washington, D.C., said many in the group considered the trade-union leadership might be open to criticism because the size of many of the unions had gone beyond the extent to which the rank and file could play their full part in the organization.

"There are a few 'bugs' to be ironed out, but it is doing a fairly good job," he said.

What is the Americans for Democratic Action organization?

"We are not Socialists," Mrs. Adams explained to British newsmen. "We just believe in progress. We're kind of Liberals really, but we don't call ourselves that in America because it makes people think of Henry Wallace and all that stuff."

Candy Goes Back On Weekly Ration In Britain Today

London, Aug. 13 (AP)—Candy goes back on ration tomorrow in Britain after nearly four months of unrestricted selling.

Thousands thronged sweetshops today in a feverish buying spree to beat the ration deadline. Stocks quickly vanished from many shop shelves, and keepers dusted off old "sorry—no sweets" signs.

But a spokesman for the Federation of Wholesale Confectioners said he does not think stores would have "any difficulty in meeting the ration next week."

"Most patrons have been building up their stocks and, generally speaking, they should be in a position to honor it," he said.

The weekly ration is four ounces per person.

Sweets were derationed April 24. It soon became evident there wasn't enough for everybody to get his fair share. Then, July 14, Sir Stafford Cripps, Chancellor of the Exchequer, announced he was lowering the sugar ration from ten to eight ounces weekly and putting candy back on rationing to save Britain some $14,000,000.

Briton Backed, Romania Told

London, Aug. 13 (AP)—The Foreign Office told Romania tonight it did not believe that the British charge d'affaires in Bucharest had aided black marketeers and smugglers.

Romania asked Britain August 2 to recall Roderick Sarell, 36-year-old British charge d'affaires, "for activity contrary to the laws of the Romanian Popular Republic and diplomatic custom."

At that time the Romanian news agency said the recall request followed the arrest of a gang of black marketeers and smugglers whom Sarell was helping escape from Romania.

The Foreign Office said it told Romania in a note that although the British Government would recall Sarell in accordance with international practice, "they categorically reject the grounds on which it has been advanced."

"They are satisfied," the note continued, "that there is no truth in the allegation that Mr. Sarell was implicated in the activities of a 'band of black marketeers and smugglers'. . ."

Britain To Import Sardines

London, Aug. 6 (AP)—Britain will import 8,000,000 tins of sardines from this year's Yugoslav pack.

3 Western Zones Of Germany Electing A Parliament Today

AUG 14 1949

Voters Today Will Choose Parliament To Set Up New Republic

Frankfurt, Germany, Aug. 13 (AP). A German election campaign spiced with violence and anti-Allied oratory ended tonight with a sober radio appeal from all parties for a vote for freedom.

Tomorrow the 45,000,000 inhabitants of Germany's three western zones will choose a 400-member parliament to set up their new West German republic. It will be the first federal election since Hitler seized power.

With numerous parties in the race and a total of more than 2,000 candidates, forecasts were that no party will win a majority and it will take a coalition of two or more parties to form the cabinet.

The campaign has been so bitterly anti-Allied that occupation authorities and many German newspapers and politicians have expressed alarm.

Criticism Avoided

Tonight, however, in a joint radio broadcast, rival party leaders largely avoided criticizing the Allies. Instead, they appealed to the voters on German domestic issues.

All of them stressed a desire for a free, democratic and united Germany. They differed widely, however, on how they proposed to achieve that goal.

Dr. Konrad Adenauer, leader of the powerful conservative party, the Christian Democratic Union, said: "Your votes can decide whether the rights of the individual will be respected by the state, or whether the people will be defenseless at the whim of an all-powerful state and its bureaucracy."

Kurt Schumacher, head of the Social Democrat party, said: "You cannot make a capatilistic preserve out of West Germany in the manner of 1850."

Communist's Appeal

Max Reimann, the Communist leader, appealed for a government for all of Germany instead of just the western zones. He also demanded the removal of occupation troops and controls as well as the signing of a German peace treaty.

These contrasting arguments summed up the real domestic issues of the campaign. The outcome of the election may show which way Germany will go—toward socialism or free private enterprise. Most observers feel that if the total vote is too split to be decisive the showdown on socialism might be delayed.

Union Of Three Zones

The new federal republic is a union of the three Western zones of occupation—American, British and French. It leaves outside the Russian zone, where German Communists run a People's Congress and a People's Council—but no central government. All higher authority there is retained by the Soviet Army.

The Communists charge the Western Allies are splitting Germany by sponsoring the trizonal republic. They call it an economic colony of Western imperialism.

The republic's 45,000,000 population and its industrial heart—the Ruhr—make West Germany one of Europe's most powerful states even without the Russian zone.

Because of that, and also because of its strategic position next to the iron curtain, tomorrow's vote will be closely watched.

But the Germans themselves don't seem excited. Most predictions are that less than 70 per cent of the 31,000,000 eligible voters will go to the polls. Previous state election turnouts ran 75 per cent or better.

Interest abroad has been whetted by the strident note of nationalism struck by some Right-wing speakers during the campaign.

Foreign nations will be on the watch for a German swing back toward Nazi-style militarism and nationalism—or a surge toward communism. But most Military Government observers predict there will be neither.

Both the Communists and the extreme nationalists are rated among the minor parties.

Closer To The Middle

Two parties closer to the middle are the chief contenders.

One is the Social Democratic party, which preaches a socialistic program of breaking up big industrial combines and bringing them partly under state control through semi-public management.

The other party, the Christian Democratic Union, defends private enterprise and has many church attachments.

Together, these two parties may win two thirds of the total vote.

But Germany again is facing the curse which helped wreck its Weimar Republic and brought Hitler to power—the multiplicity of minor parties.

15 Parties In Campaign

There are fifteen parties in the campaign. They probably will garner enough votes among them to keep any one party from carrying out its program without major compromises.

The Communists—despite their nearness to Red-ruled eastern Europe and their noisy campaign—are not reckoned as a real threat to win federal power. But their vote will be of interest to show whether communism is gaining or losing ground.

Allied Military Government observers predict the Communists will get less than the ten per cent of the total vote which they got in state elections in 1946. That, however, would place them fourth in party rankings.

Third place is expected to go to the Free Democrats, a recent merger of several conservative groups. Like the Christian Democrats, with whom they might form a postelection coalition, the Free Democrats support free enterprise. They also favor a strong central government.

Right-Wingers Watched

A focal point of Allied interest will be the showing made by a small cluster of extreme Right-wing parties—which former Nazis might be expected to support. Chief of these are the German (Deutsche) party and the Rightist (Rechts) party.

Another factor in the campaign is the fight for economic security by German refugees expelled from Poland, Czechoslovakia and other Eastern countries.

There are about 5,000,000 of these. Lacking any strong party of their own, the refugees have entered numerous independent candidats.

With so many parties, there are 2,297 candidates—including 97 independents—vying for the 400 seats. There will be 242 seats decided by direct district contests. The remainder will be allotted by proportional representation.

Sixty per cent of the voters are women, and so are 202 of the candidates.

Minor Parties Listed

Among the minor parties are:

Center Party—Economically Left-wing but otherwise conservative.

Bavarian Party—A Right-wing group demanding an independent Bavaria in a German commonwealth.

Economic Reconstruction Party—A Bavarian group urging a government by experts guided by plebiscites of the people instead of parliaments.

Radical Socialist Freedom Party—With a social-credit program.

South Schleswig Association—A pro-Danish group along Denmark's border.

People's Party—Seeking an independent Rhineland.

"Sammlung Zur Tar" (Rally for Action)—A French zone Right-wing group including many refugees.

Association of Refugees and Bombed-Out Homeless—Whose name explains its interests.

There are also a few small independent groups attacking all parties and urging voters to boycott the election.

W. German Vote Boycott Urged In Leaflets

AUG 14 1949

Frankfurt, Germany, Aug. 13 (AP). Leaflets continued to circulate in West Germany today urging the voters to boycott tomorrow's election for a federal parliament.

Most of the pamphlets were signed by small independent groups regarded by Allied observers as of little consequence. Some were unsigned.

Ignoring these attempts to discourage the voters, the major political parties made last-minute appeals to the 31,000,000 eligible West Germans to go to the polls and "do their duty."

First Since Hitler

It will be the first Federal election since Hitler seized power.

These calls were echoed by the last newspaper editions to appear before the elections.

The Augsburg *Tagespost* in the United States zone said: "Germany, venturing her first step toward forming a nation (is the) focal point of world events."

The paper said: "Germany will decide between barbed wire and freedom."

"They Must Vote"

The *Frankfurter Rundschau* said it is of "secondary importance" for whom the Germans vote. "The point is they must vote anyway."

The new federal republic is a union of the three Western zones of occupation—American, British and French. It leaves outside the Russian zone, where German Communists run a people's congress, and a people's council, but no central government. All higher authority is retained by the Russian Army.

Russians Release 3 German Journalists

Berlin, Aug. 13 (AP)—Soviet authorities last night released three West German journalists who were arrested Thursday as they were leaving the city.

Reinhold Apfel, editor of the *Stuttgarter Zeitung*, said Russian sentries took the trio off a bus at a border point after a Stuttgart woman photographer, Lottie Killian, had taken a picture of a Soviet soldier.

Apfel said a sentry demanded that the woman hand over the camera. When she requested a receipt for it, the Russian placed her under arrest. Apfel said he and Karl Steinhausen, of Dena, the West German news agency, volunteered to go with her and also were arrested.

Tear-Gas Bomb Silences Reimann

Frankfurt, Germany, Aug 13 (AP). A tear-gas bomb was hurled tonight at Max Reimann, western Germany's No. 1 Communist, during a political rally at Recklinghausen in the Ruhr.

Tears streamed from the eyes of the silver-haired Communist leader and he was compelled to end a campaign speech before 7,000 persons. Police at Recklinghausen said he escaped injury.

Fifty police had attended the meeting to maintain order. They directed the crowd to stand still while they searched for the bomb thrower. They did not find him. Communists attributed the bomb tossing to "political opponents."

Estimate On Russ Deserters Made

AUG 14 1949

Munich, Germany, Aug. 13 (AP)—About 5,000 Soviet officers and soldiers desert the Soviet Army of Occupation monthly and flee to the western zones of Germany, the Munich *Abend Zietung* declared today.

It quoted a Russian named Sabik Voguloy, who said he deserted the Russian Army several months ago after serving as a lieutenant colonel.

United States Intelligence officers said they were unable to confirm the report.

The newspaper quoted Vogulov as saying roughly 30,000 former Soviet Army members are living in western Germany and are partly organized in a resistance movement which will take up arms against communism when the opportunity arises.

He identified himself as one of the organizers of that movement.

According to Vogulov, several thousand soldiers were executed for treason in recent months and more than 10,000 are in a disciplinary camp near Bautzen, in East Germany.

30.24- 5023

Thousands to Honor 2 Slovakian Bishops

PRAGUE, Aug. 13 (AP).—Thousands of Slovak Catholics converged on the town of Trnava today to witness the consecration tomorrow of two bishops in a ceremony denounced by the Communist Government as "provocative."

A spokesman for the Slovak Commission of Education, which has jurisdiction over all church affairs, indicated the government would take no steps to stop the Sunday ceremony. But he called it a "provocative act by the Vatican" because the two appointments had not received prior government approval.

RITES CALLED 'ILLEGAL'

The spokesman said the Ministry of Education had received no formal notification from church officials of the consecration and that the ceremony would be "illegal."

Under a 1928 church-State agreement, it was explained, the church is prohibited from appointing bishops without the prior consent of the Government. Therefore, a spokesman said, tomorrow's consecration would be "illegal."

NAMED BY HOLY SEE

Many Slovak Catholics were said to be treating it as a dual occasion—an opportunity to show their loyalty to the church hierarchy and a chance to show their opposition to the Communist regime.

The bishops-to-be were appointed by the Holy See a few weeks ago. They are Msgr. Ambrose Lazik, now Apostolic Administrator of Trnava, and Msgr. Robert Pobozny, now Dean of Roznava.

GROUPS VISIT BISHOP

Meanwhile a church source revealed that groups of vicars had visited 82-year-old Bishop Moric Picha, of Hradec Kralove, over the protests of a Government "trustee" placed in his office.

The source said the vicars had been ordered to attend a government-sponsored meeting on July 31 and that they went to the bishop's home first. The trustee tried to prevent their seeing him but they brushed past, the source said.

POLICE MOVED TO SLOVAKIA

Catholics Plan Ceremony For Consecrating 2 Bishops

Prague, Czechoslovakia, Aug. 13 (AP)—The official Prague radio reported tonight a Polish court had sentenced Jesuit Priest Wladyslaw Gurgacz to death.

He went on trial before a Krakow district military court last Monday, charged with organizing and being a member of an illegal armed band.

The radio's version was that the priest admitted his guilt but claimed he "didn't feel guilty because his band was founded on Catholic principles."

Prague, Czechoslovakia, Aug. 13 (AP)—Czechoslovakia's Communist-led government moved extra police today into strongly Roman Catholic Slovakia, where a big church celebration is scheduled tomorrow.

Some Catholic sources here expressed fear the police might try to interfere in the consecration of two new titular bishops at Trnava, Slovakia, and thereby bring on a new clash in this country's months-long church-state struggle. There was no official comment, however, and no direct indication of such intentions by the government.

The new bishops are Msgr. Ambrosius Lazik, who has been serving as apostolic administrator of Trnava, and Msgr. Robert Pobozny, who has been capitular vicar of Roznava.

Catholic sources here said a "great gathering of the faithful" was expected and the government might hold the celebration violated its ban on holding big church meetings without prior state approval.

Named Titular Bishops

The Catholic hierachy also did not obtain government approval of the new bishops, as required under an unofficial church-state agreement dating back to before the last war. Church officials contend that was not necessary, however, because the new prelates were named by the Vatican only as titular bishops, not as bishops in residence.

Earlier today the Czechoslovak press blamed Marshal Tito of Yugoslavia for reverses being suffered by Greek Communist guerrillas.

At the same time the Czech Government announced it had expelled two officials of the Yugoslav Embassy here and a secretary on charges of distributing bundles of propaganda leaflets in the country.

The newspaper *Lidove Noviny*, organ of the Czech Writers Union, said Tito "opened his territory for the transit of Greek Monarchist troops, negotiated with the Athens Government and, what is most dangerous, is trying to disintegrate the ranks of the Greek (guerrilla) fighters."

"Tito holds the banner of the Czechoslovak reactionaries," said the paper, declaring he had become a rallying symbol for those opposed to the Czech Government.

The Yugoslavs expelled were Zdenko Stambuk, counselor of embassy; Ivo Barbalich, chief of the embassy's commercial section, and A. Popova, secretary to Barbalich.

The official press bureau said these officials "have been systematically conducting nondiplomatic activities constituting an unheard-of interference with internal affairs of this country."

While traveling through the country, the bureau said, they tossed out bundles of pamphlets containing "propaganda against the Soviet Union, Czechoslovakia and other people's democracies.

"These pamphlets were printed in Yugoslavia in the Czech language and imported into this country clandestinely in tremendous quantities. They have also been sent in illegally in masses to different private addresses. To do this, often envelopes bearing the imprint of certain Czechoslovak ministries were used."

3 Slavs Expelled

Prague, Czechoslovakia, Aug. 13 (AP)—The Czechoslovak Government disclosed today it has expelled two officials and a secretary of the Yugoslav Embassy here. They were accused by the Government of "gross interference in internal affairs" and misuse of diplomatic privileges to spread anti-Soviet and anti-Czech propaganda.

The Czechs said part of their action represented reprisals for expulsion of ten members of the Czech commercial staff from Yugoslavia.

The Government charged Premier Marshal Tito's Yugoslav secret police in Belgrade were molesting Czech diplomats and their families. The Czech Foreign Ministry said a protest had been ignored by the Tito Government.

The press also attacked Yugoslavia, blaming Marshal Tito for recent Greek guerrilla setbacks.

Pravda Asserts Tito Stands 'Unmasked'

Moscow, Aug. 13 (AP)—The Communist party newspaper *Pravda* today accused Yugoslav Premier Marshal Tito of conducting a "double-dealing, traitorous policy."

The newspaper comment followed yesterday's Soviet note to Yugoslavia calling the Tito regime an "enemy and foe of the Soviet Union."

"The mask has been torn away," *Pravda* declared.

The Soviet note, harshest blast in the year-long feud between Tito and the Cominform countries, accused Yugoslavia of siding with the western anti-Communist countries.

Five-Year Plan Rests On Trash

Prague, Czechoslovakia, Aug. 13 (AP)—Communist-run Czechoslovakia is collecting rags, bottles and bones to salvage raw materials for its five-year plan, beset by shortages of genuine raw materials. This is reported by the same controlled press which daily gibes at the economic difficulties of "brink-of-bankruptcy Britian" and other "Marshallized countries."

The official Communist Party organ *Rude Pravo* recently urged that the nation's industry could use "all kinds of rubbish" for salvage. It said, however, that the trash pickers shouldn't be "capitalists", in their business for profit, but people really interested in cooperation for the five-year plan.

U. S. Envoy Featured In Soviet Newsreels

MOSCOW, Aug. 13 (AP).—American Ambassador Alan G. Kirk is featured in a Soviet newsreel which is being shown at Moscow and throughout the Soviet Union. Closeup shots taken at the Kremlin show him presenting his credentials to President Nikolai Shvernik.

Ambassador Kirk arrived at Moscow June 28. The Russians hurried up the credentials proceedings so that he would be in time to be host at the American Embassy's Independence Day party on July 4.

Mr. Kirk repeatedly has expressed pleasure over his reception here.

Moscow Plans Party Courses

Moscow, Aug. 13 (AP)—*Culture and Life* has announced the organization of summer schools for the preparation of Communist party propagandist. About 25,000 persons will take the three-month course provided this summer.

Bulgarian Minister Resigns

SOFIA, Bulgaria, Aug. 13 (AP)—The Bulgarian Government announced tonight that Manol Sekelarov had resigned as Minister of Road Construction due to poor health. He was succeeded by Blagoy Ivanov. Seven Deputy Ministers also were named to replace seven others released from service. Among the new deputies is Ivan Raikov, a member of the Communist party central committee, who was named Deputy Interior Minister.

AMG Moving Berlin Offices To Frankfurt

Berlin, Aug. 13 (AP)—Headquarters of the Office of United States Military Government in Germany will be established at Frankfurt at midnight Sunday.

Elements of the offices remaining in Berlin will be in charge of the acting director of administration, Lieut. Col. Milton L. Ogden, of Chevy Chase, Md. Authorities estimated about 400 would be involved in the shift.

Altoona Pilot Killed In German Crackup

Frankfurt, Germany, Aug. 13 (AP). Lieut. Robert Miller, of Altoona, Pa., was killed August 10 when his F-47 fighter plane crashed in Germany, the United States Air Force announced today.

Miller is survived by his wife, Louise, and his father, D. O. Miller, of Washington, Pa.

Masked Robbers Get Gems From Castle

Darmstadt, Germany, Aug. 13 (A. P.).—Two masked robbers cut the telephone line into Kraehberg Castle last night and robbed the Count and Countess of Erbach-Fuerstenau of more than $10,000 worth of jewels and silver. They stripped rings from the Countess's fingers, ransacked the castle's cupboards and escaped.

MediationonU.S.,CubaFails

Geneva Tariff Pact Nations Find No Solution to Textile Issue

ANNECY, France, Aug. 12. (AP)—The signatories to the 1947 Geneva tariff agreement reported failure today in an effort to mediate a dispute between Cuba and the United States over Cuban protective tariffs on textile imports.

Cuba was absent yesterday from a private meeting of the signatories to the agreement which decided that no solution could be reached in the textile dispute "unless substantial agreement were arrived at between the United States and Cuba."

The Cuban delegation walked out of the current session earlier this week after failing in an effort to use the Geneva agreement to prevent a reduction of its tariff preferences by the United States.

POLISH CHILDREN TO GO TO CANADA

AUG 1 1949

Warsaw, Aug. 13 (A. P.)—The Foreign Ministry said today that 150 polish children are in the United States sector of Bremen, Germany, waiting for a ship going to Canada. Without elaboration, a Ministry spokesman said intentions of the International Refugee Organization to use the children for "cheap labor" had been frustrated.

[An I. R. O. spokesman in Geneva said the Polish charges were not worthy of comment. All refugees resettled, he said, are advised of conditions under which they are being sent to a new country. The Bremen group is part of 4,000 Poles evacuated from Russia during the war.

[The I. R. O. also said that the opportunity to return to Poland is still open to the young refugees, but the choice of repatriation must be made by them.

["The have shown no desire for repatriation although the I. R. O. believes that would be a good solution," the spokesman said.]

British War Hero Sells Papers In Poland

Wroclaw, Poland, Aug. 13 (AP)—A young Pole who says he won Britain's Victoria Cross is finding things a bit tough in the new Poland.

He's Jan Botczakowski, 24, and he sells newspapers on the streets and in the cafés of this former German city of Breslau "to earn a living." Botczakowski said he served with British Commandos during the raid on Narvik and personally captured two German generals.

Polish Priest Sentenced

Warsaw, Aug. 13 (AP)—Carmelite Priest Jan Ramonowski has been sentenced to eight years for aiding the outlawed organization "Win" (Freedom and Independence). A military court sentenced two others to twelve years each.

U.N. Group Finishes Arab-Refugee Survey

Lausanne, Switzerland, Aug. 13 (AP)—A three-member investigating committee of the United Nations Palestine Conciliation Commission reported privately today on a six-week tour surveying Arab refugee conditions.

The report of W. Kuhnde, United States; Jean Lucas, France, and E. Zoglu, Turkey, will be published next week. They went to Syria, Lebanon, Egypt, Hashemite Jordan (Trans-Jordan) and Israel to take a refugee census. Jews estimate the total of refugees around 500,000. Arabs say it's more than 1,000,000.

GREEKS CUT OFF REBEL SUPPLY

AUG 1 1949

Sever Main Route To Albania; Commandos Close Pincers

Kastoria, Greece, Aug. 13 (AP)—Greek troops cut off the main supply route from Albania for 8,000 guerrillas in the Vitsi mountain redoubt today.

At the same time Greek commandos drove from two directions in an effort to close off the northern half of the frontier while the air force plastered thousands of guerrillas attempting to escape into Albania.

[The Greek General Staff in Athens said national forces also had cut the Vitsi mountains in two, reaching the shore of Lake Prespa at the village of Mikrolimni. The thrust cut off retreat for guerrillas in the north into Albania, the General Staff said.]

Army troops entered Vatohorion, in the heart of the redoubt, cutting the main supply road to the Albanian border on the west side of the Communist mountain area. This left only a causeway across Lake Prespa on the north side of the redoubt as a major escape route.

Another unit driving up from the south to cut the road at Kroustalopiyi at the frontier on the west, fought off heavy counterattacks.

Planes Wipe Out Convoy

Early this morning reconnaissance planes sighted a long column of several thousand guerrillas slipping along a mule path in the forest south of Lake Prespa.

In that vicinity the air force reported destroying one 45-mule convoy in the open.

Commandos were pressing north from Vatohorion toward that area, while others drove in from the east. Both escape routes were being hit hard by the air force, using bombs, rockets and machine guns.

One reconnaissance plane reported heavy firing from the southwest corner of Yugoslavia. It was not established whether this was directed by the Yugoslavs to discourage the guerrillas from entering Yugoslavia or by guerrilla detachments firing on Greek forces from Yugoslav territory.

Rebels Keep Two Pockets

A Greek communiqué said the main guerrilla resistance in the southeast pocket of the redoubt was "annihilated" after day and night attacks.

Two guerrilla pockets remained in the central part of the Vitsi area. The guerrillas fired artillery into Phlorina from these positions last night.

The Albanian radio quoted an official announcement Saturday as saying two more Greek land and air attacks on Albanian territory had been repulsed. It was the second Albanian complaint in a week that her territory was invaded by the Greeks. The Greeks have denied any such invasion.

The Greek communiqué said guerrilla casualties yesterday were 118 killed and 330 captured, while the army lost 22 killed and 253 wounded.

Rebels Fleeing Into Albania, Greeks Say

London, Aug. 13 (AP)—Albania complained today for the second time this week of large-scale Greek invasions of her frontier. A Tirana broadcast monitored here said an Albanian Ministery of Armed Forces communique announced the repulse of two Greek land and air attacks on Albanian territory yesterday.

With the Greek Army at Kozane, Greece, Aug. 13 (AP)—Communist-led guerrillas were reported last night to be fleeing into Albania as Government troops pounded into the rebels' Vitzi mountain stronghold.

Official dispatches said a Greek Army column had pushed to within a mile of a guerrilla supply-route junction with the Phlorina-Kastoria highway. Government sources said the guerrillas have been bringing food and ammunition from Albania over the supply route.

Grammos Drive Continues

The Vitzi offensive, against an estimated 8,000 guerrillas, began Thursday in the mountainous area in Northwest Greece where the Albanian and Yugoslav borders meet.

Meanwhile, Government troops were continuing another offensive started last week against guerrilla fortifications in the Grammos mountains, about 70 miles southwest of the Vitzi triangle.

Sector "Annihilated"

A Government communiqué today said the main guerilla resistance in the southeastern area of the Vitzi mountains was "annihilated after quick and decisive attacks during the day and night."

The Greek regulars crossed the Andartikon-Gavros road, moving westward to Prespa, it said.

The Government said 118 Communist fighters were killed and 330 captured and Greek Army losses were 22 killed and 253 wounded. The army also reported capturing eight artillery pieces, six anti-tank guns and many mortars and rifles.

Fortified Heights Bombed

The air force hammered all the fortified heights with bombs and rockets and machinegun fire. The points under attack included Kroustalopiyi and Kotochori, along the guerrilla supply road from Albania.

[A Greek liaison officer of the United Nations Special Commission on the Balkans reported in Athens that 60 guerrillas who attempted to cross the Greek-Yugoslav border into Yugoslavia near the village of Korona were arrested, disarmed and imprisoned by the Yugoslavs. Korona is north of Salonika.]

Lie Assails Talk Of 3d World War

AUG 1 1949

COPENHAGEN, Denmark, Aug. 13 (AP).—Trygve Lie, Secretary-General of the United Nations, said tonight "there has been too much loose talk about a third world war and it is time that this talk stopped."

In a speech at an outdoor rally here, he said he did not believe in the possibility of a new war.

"I am not a fortune-teller," Lie said, "but it is my opinion—which is based upon sober considerations—that we have come through the worst postwar political crisis, and that we are facing brighter times."

'STORMY SHOWDOWNS'

This does not mean the world will not witness any stormy political showdowns in the future, he remarked. He added that he did not think "the threat of armed force in the big Powers' dealing with each other would show up as openly and directly as during the Berlin crisis."

Lie is returning to New York by air tomorrow from his European vacation.

HAS U. N. INFLUENCE

Lie said United Nations influence made possible the solution of the Berlin crisis and that "the highest circles among the great Powers saw how dangerous it could be to play with fire."

Lie asserted that in a third world war there would be neither winner nor loser and that every responsible statesman in every country would do his utmost to avert such a catastrophe.

The idea that regional pacts are more important than the work of the United Nations was called "just a short-sighted, confusing valuation." He admitted that "regional or local cooperation may be useful, but no regional agreements or bilateral setups can ever replace the U.N."

WARNING TO WORLD

The Secretary-General said the Palestine crisis could hardly have been solved without the U.N. and that the Indonesian conflict was a warning to the world, especially to western Europe, that the world is nearing the end of the old colonial system.

He said the Indonesian Republic would be welcome as an independent member state of the United Nations.

Lie also credited the U.N. with stopping warfare in the Kashmir area of India, saving 400,000,000 from a great war.

Italians Outdistance Natives On Dam Job

Edea, French Cameroons, Aug. 13 (AP)—A group of Italians working on the construction of a power dam in the French Cameroons may revolutionize the use of white labor in central Africa. The 180 men, working for a French firm at Edea, are the first white men to be employed in this part of Africa. Native labor had previously been used on the construction of the dam, but proved so slow that the firm decided to experiment with white labor.

In six months the Italians have built a 1,000-foot-long provisional dam which the management reckons would have taken eighteen months to construct with native labor. The speed of building has covered the higher cost of labor and more elaborate living quarters which included running water, a community refrigerator and a small hospital.

Beirut Papers Back American University

Beirut, Lebanon, Aug. 13 (AP)—A number of Beirut newspapers have sprung to the defense of American University of Beirut, attacked recently by one Phalangist publication as "a hotbed of intrigue against the Lebanon." As a result the attack has died out.

University officials, including Dr. Stephen B. L. Penrose, A.U.B. president, have remained on the sidelines during the battle of the editorials. The United States Legation at Beirut, likewise has declined to take part in the quarrel.

Pakistan Workers Parade For Water

Dacca, East Pakistan, Aug. 13 (AP). Some Government employés recently paraded before the Prime Minister's room carrying empty vessels. They shouted slogans demanding water, scarce in the city.

Dacca's water works were originally built to serve 80,000 people.

30.24- 5025

India and Pakistan Set Kashmir Talks

To Confer on Implementing Truce Agreement

NEW DELHI, Aug. 13 (AP).—The United Nations Kashmir Commission announced today at Srinagar, the capital of Kashmir, that India and Pakistan have agreed to confer on carrying out a Kashmir truce agreement, the government radio said here tonight.

A provisional program for the conference would include discussion of proposals for Pakistan to withdraw from Kashmir her army, tribesmen and other Pakistani nationals and for India to withdraw all her troops except those needed for policing.

India suggested the conference meet Aug. 22, instead of Aug. 17 as proposed by the commission.

The U. N. hopes to hold a plebiscite to determine whether the Kashmiris want to join Moslem Pakistan or Hindu India. The princely state, with a big Moslem majority, has been ruled by a Hindu Maharajah.

India, Pakistan Agree On Truce

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The United Nations hopes to hold a plebiscite to determine whether the Kashmiris want to join Moslem Pakistan or Hindu India. The princely state, with a big Moslem majority, has been ruled by a Hindu maharajah.

Israeli Blast Plan Is Threat To Church

London, Aug. 13 (AP)—The Foreign Office said today it is concerned over a possibility that the Church of the Holy Sepulchre in Jerusalem might be damaged when an Israeli ammunition dump is blown up nearby, Monday.

A spokesman read a statement at a news conference saying the dump holds 3½ tons of explosives to be destroyed on the spot because moving it would be too dangerous. The scene of the scheduled blast, he said, is 350 yards from the church in tunnels between Damascus gate and the new gate.

AIRLINE CURBS HONG KONG

CNAC Gets Injunction Against Occupation of Repair Plant

HONG KONG, Aug. 13 (AP)—The China National Aviation Corporation obtained an injunction today against occupation of its maintenance plant at Kaitak Airport. The field is wanted for use by the Royal Air Force.

The Hong Kong Government notified the airline yesterday that its shops had been requisitioned for the RAF. CNAC was ordered to get its personnel out of the plant before 9 A. M. Monday.

The injunction was obtained by the airline's legal adviser, who instituted a suit over the Government order. The RAF has been asked not to take over the plant pending judgment of the Supreme Court here, and the outcome of negotiations on the matter in London.

Japanese To Teach Trades

New Delhi, India, Aug. 13 (AP)—Six Japanese are due in India this month to help popularize "cottage industries," such as toy-making and the processing of bamboo to be pressed into sheets.

Karen Rebels Seize 2 Stations

Rangoon, Burma, Aug. 13 (AP)—Rebel Karen tribesmen were reported here today to have regarded control of two stations on the Bassein-Henzada railway which had been held by other rebels, the White Band People's Volunteer Organization.

Reds Pressing 2 Strong Drives Toward Canton

AUG 14 1949

Nationalists Say Nearer One Is Held in Check 215 Miles to Northeast

CANTON, Aug. 13 (AP).—The Communists pushed two increasingly strong drives southward towards this refugee Nationalist capital today.

Official Nationalist reports said the nearer one was being held in check in the outskirts of Kanhsien (Kanchow), 215 miles northeast of Canton.

Private reports said the other drive had by-passed or captured the railway town of Hengshan, 290 miles northwest of here, and was aiming at the key railway junction of Hengyang, 265 miles northwest of Canton.

The government account estimated 50,000 to 60,000 Red troops were attacking Kanhsien but said they still were unable to overcome the city's defense, which is being directed by General Fang Tien, the Governor of Kiangsi Province.

The private reports said fighting was in progress at unspecified points south of Hengshan, indicating the Communists had skirted or taken that town.

Other reports indicated the Reds were moving to isolate the important port city of Foochow, 450 miles northeast of Canton. They were reported to have reached points thirty miles southwest and thirty miles northwest of Foochow, in sharp fighting.

On the other active war front in the distant northwest, the Nationalists asserted they had inflicted heavy casualties on the Reds in beating off an attack on Tungsin, at the Kansu-Ninghsia provincial border. Tungsin is a strategic point 150 miles northeast of Lanchow, the Kansu Province capital, and 100 miles south of Ninghsia, capital of the province of the same name.

High Nationalist officers meanwhile were gathering at Canton for an important conference.

General Pai Chung-hsi, commander of the Canton front, arrived today, as did General Hu Tsing-nan, deputy commander of the northwest front.

General Ma Pu-fang, Moslem northwest commander, and his deputy and cousin, General Ma Hung-kwei, already were here.

Informed sources said the officers would discuss with Premier Yen Hsi-shan means of wresting the initiative from the Communists, but the sources gave no clew as to how they proposed to do so.

A Foreign Ministry spokesman announced that if it became necessary to move the Nationalist capital from Canton foreign embassies would get "adequate notice." He said no such notice had yet been given.

Kanhsien Firm Against Attack, Chinese Say

AUG 14 1949

Canton, China, Aug. 13 (AP)—Kanhsien, gateway city to Canton, was reported standing firm today against furious assaults by from 50,000 to 60,000 Communist troops.

A Chinese Army spokesman said the Reds still were unable to crack the city's refenses. Pro-Government dispatches said fighting raged in the outskirts of that city 215 miles northeast of Canton.

The provincial officials have fled from that capital of Kiangsi province, but the Governor is said to be directing Kanhsien's defense. He is Gen. Fang Tien, who also is commander in chief of the armed forces in Kiangsi.

Foochow Is Menaced

On the Southeast China front, heavy fighting was reported developing in a Communist attempt to isolate the port of Foochow. Foochow lies opposite Formosa.

Press reports said the Communists were trying to capture Yungtai, 30 miles southwest of Foochow. It was here that the heaviest fighting was in progress.

However, sharp clashes also were reported around the Min River towns of Mintsing and Shuihow, 30 and 40 miles upstream from Foochow.

Desertions Denied

At the western extremity of the South China front, the Communists kept up the pressure along the railway leading to Canton.

Private reports indicated the Reds had taken or by-passed Hengshan, 290 miles north of Canton. These reports said fighting was in full swing south of Hengshan.

An army spokesman denied insistent rumors that 10,000 to 20,000 Nationalist troops had defected to the Reds in the Hengshan area. Unofficial dispatches said the Nationalists attempted to halt the Red advance along the railroad, blew up bridges, blasted tunnels and tore up tracks north of Hengshan.

Hengshan guards the northern approaches to Hengyang, headquarters for Gen. Pai Chung-hsi, commander in chief in South China.

Hong Kong Passage On Gordon Out

Shanghai, Aug. 13 (AP)—The Gen. W. H. Gordon, which may come to Shanghai September 15 to evacuate foreign nationals, will not take passengers to Hong Kong, the American President Lines said today.

Floyd Downs, the line's manager here, said 1,561 applications have already been received for passage to the United States and these may be more than the ship can accommodate.

He said at least 1,000 persons, mostly British, have applied for passage to Hong Kong but do not wish to go to the United States.

Needs Permits

The Gordon will come to Shanghai if the Chinese Nationalists grant her safe conduct and the Communists grant an entry permit to this port.

The 1,561 seeking passage to the United States, Downs said, include 309 Americans, 189 British, 41 Canadians, 33 French, 25 Portuguese, 38 Asiatics, 526 stateless persons and 400 miscellaneous. There was no explanation of the 400 miscellaneous.

Tax On School

Meanwhile, it was disclosed that the Shanghai American school will probably become a victim of the Communist land tax.

School directors disclosed that authorities have refused to reduce the tax, which amounts to more than $25,000 a year. The school recently was presented a bill of $76,000 for present and past taxes.

The school had been exempt from taxes in the past as a non-profit cultural institution.

CHINESE REDS PUSH 2 DRIVES

AUG 14 1949

50,000 Communists Unable To Crack Kanhsien Defenses

Canton, China, Aug. 13 (AP)—The Communists pushed two increasingly furious drives south toward this Nationalist capital today.

Official Nationalist reports said the nearer one was being held in check on the outskirts of Kanhsien, 215 miles from Canton.

Private reports said the other had bypassed or captured the railway town of Hengshan, 290 miles north, and was aiming at the key railway junction of Hengyang, 265 miles north of Canton.

Desertion Rumors Denied

The Government account estimated 50,000 to 60,000 Chinese Red troops were hurling themselves at Kanhsien, but said they still were unable to crack the city's defenses, led by Gen. Fang Tien, Governor of Kiangsi province.

The private reports said fighting was in full sway at unspecified places south of Hengshan, indicating the Chinese Reds had skirted or taken that town.

A Nationalist army spokesman denied persistent rumors that 10,000 to 20,000 Government troops had deserted to the Communists in the Hengshan area.

Unofficial dispatches said the Nationalists were blowing up railway tunnels and bridges in an effort to halt the advance.

Military Conference

Other reports indicated the Chinese Reds were moving to isolate the important port city of Foochow, 450 miles northeast of Canton. They were reported to have reached points 30 miles southwest and 30 miles northwest of Foochow in sharp fighting.

On the other active war front in the distant northwest, the Nationalists asserted they had inflicted heavy casualties on the Chinese Reds in beating off an attack on Tungsin, on the Kansu-Ningsia provincial border. Tungsin is a strategic point, 150 miles northeast of Lanchow, Kansu capital, and 100 miles south of Ninghsia, capital of

the province of the same name.

Meanwhile, the top Nationalist commanders were gathering in Canton for an important military conference.

Discussion With Premier

Gen. Pai Chung-hsi, commander on the front before Canton, arrived today, as did Gen. Hu Tsing-nan, deputy commander of the northwest front.

Gen. Ma Pu-fang, northwest commander, and his deputy and cousin, Gen. Ma Hung-kwei, already are here.

Informed sources said they would discuss with Premier Yen Hsi-shan means of wrestling the initiative from the Chinese Reds, but gave no clue how they proposed to do so.

A Foreign Office spokesman announced that if it became necessary to move the capital from Canton, foreign embassies would get "adequate notice." He said no such notice had yet been given.

U.S. White Paper Hit By Chinese Reds

Nanking, Aug. 13 (AP)—Washington's White Paper was labeled by the Chinese Communists today as a confession of failure by the American Government of a policy of "interference and aggression" in China.

In the first official reaction, the Communist Hsinhua news agency asserted the whole world benefited by the White Paper's publication because it exposed "an insatiable American desire for interference and aggression in the affairs of others."

The agency's editorial said the Chinese "must continue to resist and be prepared for continued interference and aggression by American imperialists against China."

Five Points

Secretary of State Acheson's statement of five basic principles that will guide American relations with China was described as providing for "continuation of further aggressive policy."

The editorial referred to Acheson's first point this way:

"The American Government wishes to take every possible step to encourage every movement which tends to make China an American colony so that in international conferences China will act as an American satellite."

"Foreign Yoke"

[This referred to Acheson's proposal to aid the Chinese people to throw off "the foreign yoke" of the Red regime. The White Paper termed the present Chinese Government a dismal failure in the war with communism.]

The editorial also charged that:

"The United States opposes the independence of China, opposes any regime that will not serve American monopolistic interests, and opposes any foreign country that desires to assist China. . . .

Other Imperialists

"The American Government will continue to consult with other imperialist countries having colonies in the Far East on ways to enable a continuation of their imperialistic privileges in the Far East.

"The American government will force the United Nations to adopt measures toward the above aims more particularly relating to measures on the preservation of imperialistic privileges.

Commenting upon the White Paper's affirmation of traditional Chinese-American friendship, the agency said:

"Such friendship undoubtedly exists and will continue to exist. But the friendship exists only between the Chinese and American people, because the American people have no reason and no need to embark upon aggression. At the same time, the American people in many ways assisted the Chinese people, and such assistance will never be forgotten."

In Controlled Press

The editorial was carried in Nanking's controlled press, which had previously made no reference to the White Paper. The press also carried a short digest of the White Paper. This was interspersed with official Communist explanatory notes.

[In Shanghai, the press also carried the agency account with only one paper, *Ta Kung Pao*, offering comment of its own.

[*Ta Kung Pao's* editorial called the White Paper "a threat to the Chinese people and a challenge of Soviet Russia." It warned the Chinese to "watch for a new trick by the American imperialists."]

Chinese Funds Here Put at Half Billion

U.S. Aims to Keep Reds From Getting Hidden Wealth

WASHINGTON, Aug. 13 (AP) — Chinese citizens have secreted well over half a billion dollars in this country, it was estimated today, and four federal agencies are at work to see the Communists don't get it.

Drastic government action appears increasingly unlikely, it was said. The Chinese wealth has been skillfully concealed in banks and investments. Neither the Chinese Nationalists nor Communists may ever lay hands on it.

The security of these and other Chinese assets has been the subject of an intensive study for many weeks, officals disclosed. The four agencies which have been deeply concerned to prevent a rich windfall from going to the Communists are the State Department, the Treasury Department, the Federal Reserve System and the New York State Bank Department. Informants here said they have been in almost daily touch.

The State Department for several years has complained that the Chinese Nationalist government even when appealing for American funds, would not take the drastic measures against the privately held assets of its own citizens which might have yielded funds with which to strengthen its armed forces. Officials privately concede there is a large question as to how much money the Chinese government would have been able to recover even by drastic action, but they contend the effort was never made in any thoroughgoing manner.

It is the skill with which the money was hidden and perhaps still is being hidden that the United States may finally rely upon to keep it from Communist hands without some radical American government action, such as the freezing of all Chinese government assets in this country.

Informants said today that the funds were hidden usually by getting them into this country under false names as a result of a series of transactions, sometimes involving banks or black markets in several different Chinese cities. They declared therefore that it was impossible to determine exactly the volume of funds put away for the benefit of individual Chinese.

Japan Plans Trade Bids

2 Ship to Go to U. S., South America and Missions to Asia

TOKYO, Aug. 13 (AP).—A strong bid for foreign trade is planned soon in Asia, the United States and South America, the Japanese International Trade and Industry Ministry said today.

Two Japanese ships of 11,000 tons eaoh loaded with textiles, machinery and other Japanese products will be sent to the United States and South America as floating exhibitions. On board will be representatives of various Japanese firms.

Trade missions will be sent to India, Pakistan, Burma and other countries of the Orient.

CHIANG AIDE IN TOKYO

Wu Holds a 2-Hour Conference With General MacArthur

TOKYO, Aug. 13 (AP)—Wu Teh-chen, close adviser to Generalissimo Chiang Kai-shek of China, held a two-hour conference with Gen. Douglas MacArthur today.

Neither Chinese nor occupation headquarters officials would discuss the subject of the conference. Mr. Wu on his arrival from Formosa last night insisted his visit was "unofficial." He said it had nothing to do with the proposed anti-Communist union in the Pacific.

It was considered likely that Mr. Wu would meet with Japan's Premier Shigeru Yoshida before returning to Formosa.

Names 2 He Asserts Made Presents to Him as Matter of Courtesy.

HE GAVE THEM TO OTHERS

Makes Statement in Connection With Five-percenter Inquiry —Tells Who Got Them.

Washington, Aug. 13 (A. P.).—Major-Gen. Harry H. Vaughan said today that home freezers sent to him and other Washington notables were simply gifts from two old friends and there was nothing improper about "this courtesy."

The story about shipments of deep-freeze units to Vaughan, Mrs. Harry S. Truman, Chief Justice Vinson and some others was brought out in connection with the Senate's investigation of 5 percenters.

Vaughan issued a statement at the White House saying "the simple explanation of the entire matter" is that two old friends of his, Harry Hoffman and David Bennett, "desired to extend this courtesy to me as a friend, and I in turn made gifts of these units to certain friends of mine."

Vaughan's Statement.

Vaughan, who is President Truman's military aid, said:

"Because some inference or implication is present that there was some impropriety in this connecton, I believe that I should make a statement at this time, so that it will be absolutely clear that there was nothing improper in any manner regarding the gifts of these units."

He said Hoffman—A Milwaukee, Wis., advertising man—told him in 1945 that he could get hold of some deep freeze units that had no commercial market value, as they were experimental models.

Vaughan continued:

"At that time I informed him that I would like to have him send one to me and one to the White House in Washington for the lunchroom used by members of the staff.

"Also, I asked him to send one to the little White House in Independence, Mo., and to send other units to Mr. Fred Vinson, Mr. John Snyder, Mr. James K. Vardaman and Mr. Matthew J. Connelly."

Snyder is Secretary of the Treasury, Vardaman is former naval aid to the President and now Federal Reserve Governor, Connelly is a presidential secretary, and Vinson is Chief Justice of the United States.

"I have previously told them that I was going to get some deep-freeze units and that I would like each of them to have one," Vaughan said.

Bennett is president of the Albert Verley, Chicago Perfume Company. Testimony brought out in the Senate inquiry was that the home freezer units were shipped by Albert J. Gross, Milwaukee business man. The testimony also was that they were paid for by the perfume concern.

Vaughan said it is his recollection that those receiving the home

VAUGHAN DECLARES DEEP FREEZERS WERE 'PROPER' GIFTS FROM FRIENDS

30.24- 5027

freezers were not acquainted with either Hoffman or Bennett.

He said: "They may have asked me later from whom I obtained the units and some acknowledgement of the receipt of the units may have been made to these men, or to either of them."

Delayed His Explanation.

Vaughan began his statement this way:

"Since the beginning of the investigation conducted by the subcommittee under the chairmanship of Senator Hoey (D.-N. C.), I have refrained from making any statement because I have already informed the committee that I will appear as a witness at the proper time and make a full statement regarding all the matters with which my name has been connected.

"However, stories have appeared in the newspapers yesterday and today which bring into the investigation the names of prominent persons."

up, and I said that I would like to have one for my house and that I would also like to send one to the little White House in Independence.

Called Experiment Models

Mr. Hoffman said that he was associated with a concern that was beginning to manufacture deep-freeze units, and that he thought he could get hold of some factory rejects.

He asked me whether, if he found that he could obtain some of these units, I would want some for some of my associates.

Later Mr. Hoffman informed me that he could obtain some deep freeze units that did not have commercial market value, as they were experimental models. At that time I informed him that I would like to have him send one to me and one to the White House in Washington for the lunch room used by members of the staff.

Also, I asked him to send one to the Little White House in Independence, Mo., and to send other

Vaughan Statement On Gifts

Washington, Aug. 13 (AP)—Here is the text of the statement issued today by Maj. Gen. Harry H. Vaughan, presidential military aide, concerning shipments of freezers brought out in connection with the five-percenter inquiry.

Since the beginning of the investigation conducted by the (Senate investigations) subcommittee under the chairmanship of Senator Hoey (D., N.C.), I have refrained from making any statement because I have already informed the committee that I will appear as a witness at the proper time and make a full statement regarding all the matters with which my name has been connected.

However, stories have appeared in the newspapers yesterday and today which bring into the investigation the names of prominent persons. These stories refer to certain deep-freeze units that were delivered in Washington and elsewhere.

Tells Of Talk In 1945

Because some inference or implication is present that there was some impropriety in this connection, I believe that I should make a statement at this time so that it will be absolutely clear that there was nothing improper in any manner regarding the gifts of these units.

In 1945 I had a talk with two old friends of mine—Mr. Harry Hoffman and Mr. David Bennett. The subject of deep-freeze units came

units to Mr. Fred Vinson, Mr. John Snyder, Mr. James K. Vardaman and Mr. Matthew J. Connelly. I had previously told them that I was going to get some deep-freeze units and that I would like each of them to have one.

Explains Acknowledgements

It is my recollection that the persons to whom the units were sent were not acquainted with either Mr. Hoffman or Mr. Bennett.

They may have asked me later from whom I obtained the units and some acknowledgement of the receipt of the units may have been made to these men, or to either of them.

The simple explanation of the entire matter is that Mr. Hoffman and Mr. Bennett desired to extend this courtesy to me as a friend, and I in turn made gifts of these units to certain friends of mine.

Ad Man Called In 5 P.C. Quiz

Washington, Aug. 13 (AP)—Senators investigating five percenters today sought a motive for the reported shipment of unasked-for home freezers to Mrs. Harry S. Truman and other Washington notables.

Chief Counsel William P. Rogers said the Senate's Special Investigations subcommittee has a subpoena out for Harry Hoffman, Milwaukee advertising man whose name cropped up in testimony.

A committee member said privately that he has seen invoices showing that a freezer was sent to Mrs. Truman at Independence, Mo., and that two were shipped Maj. Gen. Harry H. Vaughan, President Truman's army aide.

Not Yet In Record

The senator said the invoices also list shipments to Chief Justice Fred M. Vinson, Federal Reserve Governor James K. Vardaman, and Presidential Secretary Matt Connelly.

The vouchers—not yet in the record—are dated 1945 and early 1946. At that time Vinson was first reconversion director and later Secretary of the Treasury. Vardaman was Mr. Truman's naval aide.

The invoices were brought to the inquiry by Albert J. Gross, a Milwaukee businessman who testified that he shipped a freezer to Vaughan and other prominent Washingtonians. He said all of the units were paid for by the Albert Verley Company, the Chicago perfume firm for which John Maragon worked in 1945.

Key Figure

Maragon, who once had entree to the White House, is a key figure in the committee's search for influence peddlers.

Gross's testimony was cut off after he named Vaughan as a recipient of a freezer. Senator Hoey (D., N.C.) chairman, said the committee wanted to get all the facts before putting out the rest of the names.

Another committee member said he was told Mrs. Truman sent a thank-you note to Gross, thinking he was the donor.

No "Information"

Presidential Secretary Charles G. Ross said he had "no information whatever" when he was questioned about the reports dealing with Mrs. Truman and the others. Vinson said he preferred to have the facts come out at the Senate investigation.

The Senator who saw the shipment invoices wasn't sure about whether one of the units was tagged for Secretary of the Treasury Snyder, who was named as a recipient.

Key Men Argue B-36 Probe's Progress

Washington, Aug. 13 (AP)—House members, pausing in their stormy investigation into the B-36 bomber, sharply conflicted today on the progress made thus far.

Representative Van Zandt (R., Pa.), who touched off the probe, declared that Chairman Vinson (D., Ga.), of the House Armed Services Committee, "is evidently engaged in a whitewash job" and is trying to discredit him.

Van Zandt and Vinson had tangled several times during yesterday's session.

Sees No "Real Evidence"

Another committee member said privately that he feels no "real evidence" has been produced to back up the reports about B-36 purchasing Van Zandt read into the House record a few weeks ago.

The hearings have recessed until August 22 to give a subcommittee time to go to California to question Gen. Henry A. Arnold, retired Air Force chief, as well as some plane manufacturers.

Vinson estimated the committee's probe will run another 30 days at least.

The recess came after four long days of hearings, climaxed by a bitter verbal clash between Van Zandt and Secretary of Air Symington over the statements the lawmaker had made before the House May 26.

A "Smear," Symington Says

At that time Van Zandt said he had heard "disturbing reports" concerning the relations of Symington, Secretary of Defense Johnson and Floyd Odlum, head of the firm manufacturing the B-36.

Symington called the congressman's speech a "smear."

"I think he should say those things over the radio so we can have proper recourse," the Secretary declared. "It's a rather disgraceful way of using congressional immunity."

Van Zandt retorted that he had followed "congressional procedure" in making his House speech after he had heard the rumors.

Hopes "Air Will Be Cleared"

"They were ugly rumors," he said. "And I hope that when this investigation is complete the air will be cleared."

He added that he had not discussed the investigation in the newspapers or on the radio because "I've never resorted to those tactics."

In any case, he said, he had asked for an explanation, "but I didn't get an answer."

"You didn't ask me," said Symington heatedly, "or you would have got an answer."

"Didn't Call Rumors True"

Van Zandt declared he had not presented his "disturbing reports" as being true, but only claimed they indicated there is evidence sufficient for an investigation to determine the truth.

Symington took personal responsibility for the entire B-36 program, and said he had followed the advice of military men in pushing B-36 purchasing. He denied that politics "or any consideration other than national security" dictated his decision.

The secretary said he never has discussed politics with Odlum, head of the Atlas Corporation, which controls the Consolidated Vultee Aircraft Corporation. He said he did not know until after the election last fall that Odlum is a Democrat and had contributed money to the party's campaign.

'Put Up Or Shut Up' On B-36 Urged

Washington, Aug. 13 (AP)—Representative Bates (R., Mass.) today urged a swift windup of the B-36 hearings with "the accusers, whoever they are, called on to bring out their evidence—if they have any."

The House Armed Services Committee is inquiring into suggestions that improper influences figured in the importance attached to the huge, six-engined strategic bomber.

Bates, a high-ranking Republican member of the committee, said:

"This cloud has been hanging over the heads of our top military leaders and defense officials too long already."

Critics, he said, should "put up or shut up."

He proposed that Louis A. Johnson, Secretary of Defense, have a chance to answer hints of political influence in the B-36 program, as have other defense officials, and then that the accusers present their side.

"The hearings should not run more than another week," he said.

Burma Official, Two Advisers Arrive In U.S.

Washington, Aug. 13 (AP)—U. E. Maung, Foreign Minister of Burma, arrived by plane today as an official guest of the United States Government.

Maung is making his first official visit to this country.

Although no official program has been announced as yet, Maung plans to stay here a week, conferring with American officials on his country's financial status and on communism in the Far Pacific.

He was accompanied by two advisers.

Siamese To See Bofors

New York, Aug. 13 (AP)—A Siamese military mission has sailed on the S.S. Gripsholm for Sweden to inspect the Bofors munitions works. The group, which has toured American military establishments, includes Lieut. Gen. Deja Pradiywth, chief of staff of the Siamese Army; Maj. Gen. Chamnong Blumivet, Maj. Gen. Vichien Sutan and Col. Thanom Upathom.

Gen. Clark to Get Key Post in Army

WASHINGTON, Aug. 13 (AP).—Gen. Mark Clark is slated for a key new assignment in the present military reshuffle, it was learned tonight.

An informed official indicated that Clark is to be chief of Army Field Forces, succeeding Gen. Jacob Devers, who will retire in September. Devers will be 62 years old Sept. 8 and will have served 44 years on active duty.

Clark now is commander of the Sixth Army with headquarters in San Francisco. At the end of the last war he commanded the 15th Army Group composed of the U. S. Fifth Army and British Eighth. Until his return home in 1947 he was postwar U. S. military governor in Austria.

COLLINS IS CHOSEN AS CHIEF OF STAFF

Washington, Aug. 13 (A. P.).—Gen. Joseph Lawton Collins, whose fighting Seventh Corps outslugged the Nazis halfway across Europe, has been chosen to succeed Gen. Omar N. Bradley as Chief of Staff of the Army. He was named to the post yesterday by President Truman after Bradley's nomination to the newly created chairmanship of the Joint Chiefs of Staff. Both selections are subject to senatorial approval.

The Army also got a new top man for its European command, Gen. Thomas T. Handy, to take the post held by Gen. Lucius D. Clay. Handy, 57, will command all United States military forces in Europe except those in Austria and Trieste.

'Lightning Joe' Earned Name On Battlefields

New York, Aug. 13 (AP)—Gen. J. Lawton Collins, the new army chief of staff, earned his nickname—"Lightning Joe"—on many battlefields.

The graying 53-year-old soldier—one of the handsomest men in the Army—was one of the most colorful and energetic field commanders in World War II.

He was tough and cool and won his battles first hand. He ran his famous 7th Corps as efficiently as any top business executive. An all-around soldier, he could plan a battle, fight it through—and encourage his own frontline troops with his presence.

Battle Formula

This was his battle formula:

"Outguess the enemy, keep him off balance and never stop driving."

Some generals are boxers, and some are punchers. Lighting Joe is a puncher. It was his faculty of sustained drive that led Gen. Omar Nelson Bradley to give him the critical battle assignments that built his fame.

And few generals in American history can match his combat record. His victories stretch from Guadalcanal to the Elbe. Collins came to Europe after successfully completing the mopup of Japanese on Guadalcanal and New Guinea.

Record Of Corps

His 7th Corps seized Utah Beach in Normandy. It freed Cherbourg, the first French metropolis liberated from the Nazis. It broke the crust at St. Lo. It was first to crack the Siegfried Line and capture a major German city—Aachen. It took Cologne too, expanded the first bridgehead across the Rhine at Remagen, and at war's end linked up with the Russians along the Elbe.

But Lightning Joe, who never dodged a scrap, once got into a fight he wasn't looking for.

It happened in the "battle of the Bulge" in Belgium in December, 1944. The German breakthrough imperiled the American line of communications, and General Eisenhower temporarily put his 1st and 9th armies under the field leadership of Field Marshal Montgomery.

Named By Monty

Monty immediately named corps. This corps was to be used as a counterblow at the right time—when the German drive had been contained. But in the meantime it was under strict orders to refrain from attack.

One of the outfits in the reserve corps was the "Hell on Wheels" 2d Armored Division, led by Maj. Gen. Ernie (Old Gravel Voice) Harmon.

After a spectacular 100-mile night advance, Harmon's tankers reached their assembly area near Celles, Belgium. Then they started to run into German outposts. Moving more swiftly than expected, the Nazis were only a few miles from the Meuse River. If they reached it and took Dinant the American armies would be split in half.

"Go Ahead, Ernie"

Harmon immediately relayed this information to Collins, who asked:

"What do you want to do, Ernie?"

"I want to attack, but we're under orders not to," said Harmon. "And there isn't time to get the orders changed."

"Go ahead, Ernie," said Collins. "I'll take the responsibility."

In a great grinding battle, fought in snow and fog, Harmon's division annihilated the German armor—and halted the German thrust.

Field Marshal Montgomery, angered at first because he thought his orders had been disregarded, sent a rebuke through channels. But when he learned the full story he sent his compliments to Collins and Harmon.

E. C. A. Clears 3 Nations

Britain, Belgium, Holland Are Exonerated in Scrap Exports

WASHINGTON, Aug. 13. (AP)—The Economic Co-operation Administration has officially cleared three European countries of "improprieties" in exporting aluminum scrap while importing the ure metal under the Marshall plan.

A special investigating team reported that no improper activity was involved in the shipping or buying practices of Great Britain, Belgium and the Netherlands. But E. C. A. strongly suggested that in future European nations save on purchases of aluminum under the recovery program by using all possible scrap.

Hungarian Envoy On Way Home

Washington, Aug. 13 (AP)—Hungarian legation officials said today that Minister Andrew Sik had left for Hungary. He was recalled by the government at Budapest recently. No reason for the recall was given.

V. A. Hospital Bill Offered

WASHINGTON, Aug. 13 (AP).—Legislation to direct the Veterans Administration to go ahead with construction of twenty-four hospital projects has been introduced by Representative John E. Rankin, Democrat, of Mississippi. The measure would reinstate a 16,000-bed program canceled by President Truman when he sent his budget to Congress in January. The projects include a 1,000-bed rehabilitation hospital in New York City.

View Fluctuated On War, Red Tells Court

New York, Aug. 13 (AP)—Here is a United States Communist leader's description of how his views fluctuated in the early days of World War II:

During the Hitler-Stalin pact of 1939-1941, he opposed American participation in the war.

After the Nazis turned on Russia and attacked her in June, 1941, he favored American entry into the conflict.

Document Correct

Robert G. Thompson, New York State Communist chairman, gave a Federal court jury this picture of the changes in his position. He was under cross-examination by the Government the latter part of this week.

At first, he refused to say that after Hitler's invasion of Russia and before Pearl Harbor the Communist party here urged this country's entry into the war.

However, after a Government attorney confronted him with a party document showing the party had switched to support of the war prior to Pearl Harbor, Thompson acknowledged the document was correct.

Thompson, one of eleven top Red leaders on trial on charges that they conspired to advocate forcible overthrow of the United States Government, testified he spoke many times against United States entry into the war.

"Very Possible"

He said it was "very possible" that he advanced the slogan, "The Yanks are not coming."

This, he said, was in the period before Russia was attacked.

Thompson served in the United States Army in the Pacific and won the Distinguished Service Cross for heroism, the nation's second highest award.

Thompson said he was suffering from an attack of malaria when indicted July 20, 1948, and was cared for by friends until he surrendered to authorities nine days later.

Won't Name Friends

Asked to give the names of the friends, he said:

"I certainly am not going to give you the names of the people who took care of me."

The witness also declined to give the name of the Communist party educational director for Queens county, New York, during the period covered by the indictment. Asked whether the director was his wife, he said:

"That makes no difference at all, and I am not going to give you the names of persons for possible prosecution."

He also refused to name the State educational director for the party.

"State Director"

However, immediately after his testimony ended, a man took the stand who identified himself as Howard Johnson, of Manhattan, "State educational director."

Johnson, put on the stand shortly before court adjourned for the week end, resumes his testimony Monday when the trial goes into its thirty-first week.

Tokyo Rose Acquit Move Is Argued

San Francisco, Aug. 13 (AP)—The Government, its Tokyo Rose treason case completed, lined up arguments today against a defense motion for the acquittal of the Los Angeles-born defendant, 33-year-old Iva Toguri D'Aquino.

Federal Judge Michael J. Roche summoned opposing counsel today to a session of arguments on the acquittal motion.

The Government rested after presenting 46 of its 71 witnesses in 26 days of the trial.

ACQUITTAL APPEAL FAILS TOKYO ROSE

Two Hours of Argument by Her Lawyer Leaves the Judge Unmoved at Traitor Trial

SAN FRANCISCO, Aug. 13 (AP)—Federal Judge Michael J. Roche today denied a motion to acquit the woman known as Tokyo Rose of treason charges.

The court gave its ruling without comment after more than two hours of argument by counsel for the 33-year-old American-born defendant, Mrs. Iva Toguri D'Aquino. She is accused of making wartime propaganda broadcasts aimed at undermining the morale of Allied forces in the Pacific.

The defense lawyer, George Olshausen, skimmed over the entire case in his argument. He attacked testimony of various service men witnesses as to damaging statements they attributed to the dark-haired prisoner. She conducted a music-and-chatter program over Radio Tokyo, according to the charges.

The Government, he said, was under obligation to present the whole truth. Telling half truths was in itself perjury, he added.

The court's decision cleared the way for the defense to open its case Monday.

The Government rested yesterday after presenting forty-six of its seventy-one witnesses in twenty-six days of the trial.

The final prosecution witnesses piled still more testimony into the bulging record by which the Government, through tedious pounding away since July 5, has sought to prove the defendant made traitorous broadcasts for Radio Tokyo.

30.24 - 5029

AsksAnglo-U.S.NavalSet-up

British Admiral Tells Advantage of Standard Equipment in War

SEATTLE, Aug. 13 (AP).—Standardization of American and British naval equipment was urged today by Vice-Admiral Sir Frederick H. G. Dalrymple-Hamilton, member of the British Joint Service Mission at Washington. He is here on an informal inspection of naval installations.

"In case of another war," the admiral said, "we could get off the mark quicker if the navies could exchange important items. If our planes could land on your carriers, if we used the same sort of torpedoes and standardized in many other ways, the advantages would be wonderful."

Canadian Attack Upon Communism

Lake Couchiching, Ont., Aug. 13 (AP)—Lester B. Pearson, External Affairs Minister, said tonight the government may have to accept a large measure of responsibility for economic direction "and even for control" if it is to prevent the conditions on which totalitarianism feeds.

He told the Canadian Institute of Public Affairs "we have had enough" of the calculated manipulations of communism in both national and international affairs and "it is time we put an end" to them.

"This middle ground is becoming more and more difficult to maintain," he warned.

"The best defense against any totalitarianism," he said, "is to prevent or remove the conditions upon which it feeds."

"As far as the economic life of the nation is concerned, this means that the government may have to accept a large measure of responsibility for direction and even for control.

"Indeed, that role is being forced on the State by insistent and increasing demands for services and assistance, many of which are made by those who subsequently complain at the interference by government in their affairs. . . . It is, in fact, becoming increasingly difficult to reconcile the satisfaction of such demands with the maintenance of that spirit of self-reliance and competitive achievement which is one of the foundations of our free society. . . . The people realize that progress will lie through the continued blending of public and private enterprise."

BERLIN,AUG.13-(AP)-BERLIN WAS QUIETER TODAY THAN IT HAS BEEN FOR 13 MONTHS. THE AIRLIFT WAS TAKING A WEEKEND OFF.

UNITED STATES AND BRITISH AIR FORCES ANNOUNCED YESTERDAY THAT THE AIRLIFT WOULD OPERATE ON A FIVE-DAY WEEK FROM NOW ON.

BERLINERS ACCUSTOMED TO THE STEADY DRONE OF FOUR-ENGINED AIRLIFT PLANES--ONE EVERY THREE MINUTES WAS AIRLIFT PEAK--FOUND THE QUIET EMPTY SKIES A BIT EERIE. THE AIRLIFT BEGAN JUNE 28, 1948.

BJ1142AED

AUG 14 1949

WITH STRASBOURG

BERLIN,AUG.13-(AP)-THE SOVIET ARMY NEWSPAPER TAEGLICHE RUNDSCHAU ACCUSED WINSTON CHURCHILL TODAY OF TRYING TO STIR UP TROUBLE BETWEEN THE GERMANS AND THE RUSSIANS.

A FRONT-PAGE EDITORIAL DECLARED THE FORMER BRITISH PRIME MINISTER WAS DISPLAYING A KINDLY ATTITUDE TOWARD GERMANY "TO MAKE MISCHIEF BETWEEN GERMANY AND THE SOVIET PEOPLE AND TO MAKE THEM EXTERMINATE EACH OTHER SO THE BRITISH IMPERIALISTS CAN GET THEIR PEACE."

IT COMPLAINED HE WAS BEING GIVEN TOO MUCH IMPORTANCE AT THE STRASBOURGH MEETING OF THE COUNCIL OF EUROPE AND CONCLUDED:

"CHURCHILL AND THE ANGLO-AMERICAN WARMONGERS NEED CANNON FODDER. THEY NEED SOLDIERS FOR THE WAR AGAINST THE SOVIET UNION."

BJ1119AED

AUG 14 1949

EUROPEAN COUNCIL

BY JOSEPH E. DYNAN

STRASBOURG, FRANCE, AUG 13-(AP)-IRELAND PROPOSED TODAY THAT THE NEW COUNCIL OF EUROPE ASSEMBLY TRY TO SETTLE HER FEUD WITH GREAT BRITAIN OVER NORTHERN IRELAND.

STRONG OPPOSITION WAS EXPECTED FROM BRITISH DELEGATES TO THE 101-MEMBER CONSULTATIVE ASSEMBLY. IRELAND (COMPOSED OF THE 26 COUNTIES OF SOUTHERN IRELAND) HAS LONG SOUGHT UNION WITH THE SIX COUNTIES OF NORTHERN IRELAND WHICH IS NOW A PART OF THE UNITED KINGDOM.

THE IRISH MOVE WAS PART OF A GROWING REVOLT OF ASSEMBLY MEMBERS SEEKING GREATER FREEDOM IN ITS DEBATES.

UNDER COUNCIL OF EUROPE RULES, THE AGENDA FOR ASSEMBLY DEBATES IS DETERMINED BY THE COMMITTEE OF MINISTERS, REPRESENTING THE 12 MEMBER GOVERNMENTS. ASSEMBLY DELEGATES, LED BY BRITAIN'S WINSTON CHURCHILL, HAVE BEEN FIGHTING FOR THE RIGHT TO DEBATE ANY SUBJECT THEY PLEASE.

THE COMMITTEE OF MINISTERS EARLIER THIS WEEK REJECTED IRELAND'S PROPOSAL TO DEBATE IRISH PARTITION. IT SUBMITTED AN AGENDA WHICH WOULD LIMIT THE FIRST ASSEMBLY'S DEBATES TO THREE BROAD POINTS:

1. THE COUNCIL'S ROLE IN ECONOMIC MATTERS, TAKING INTO ACCOUNT THE MARSHALL PLAN ORGANIZATION ALREADY SET UP.
2. THE COUNCIL'S ROLE IN SOCIAL SECURITY.
3. CULTURAL COOPERATION AMONG THE 12 MEMBER NATIONS.

ASSEMBLY MEMBERS HAVE SUBMITTED 13 OTHER DEBATE PROPOSALS, INCLUDING IRISH PARTITION. THEY INCLUDE SUGGESTIONS FOR GREATER POLITICAL UNITY, MEASURES TO PROTECT HUMAN RIGHTS, ESTABLISHMENT OF EUROPEAN PASSPORTS SUPERSEDING NATIONAL PASSPORTS, A EUROPEAN PATENT OFFICE AND JOINT PUBLIC WORKS PROGRAMS.

UNDER A COMPROMISE REACHED YESTERDAY, THE COMMITTEE OF MINISTERS

IS BOUND TO CONSIDER ANY AGENDA PROPOSALS ENDORSED BY A TWO-THIRDS VOTE OF THE ASSEMBLY. BUT EVEN THEN THE MINISTERS HAVE THE POWER TO VETO DISCUSSION.

VETO OF ANY AGENDA PROPOSALS MADE BY THE ASSEMBLY IS SURE TO BRING A SHOWDOWN BETWEEN THE ASSEMBLY AND THE MINISTERIAL COMMITTEE. CHURCHILL HAS ARGUED THAT THE ASSEMBLY BE ALLOWED FREE DEBATE LIKE ANY NATIONAL PARLIAMENT. AT PRESENT THE COUNCIL OF EUROPE HAS ONLY AUTHORITY TO MAKE RECOMMENDATIONS TO MEMBER GOVERNMENTS WITH NO POWER FOR ENFORCEMENT.

IN A SPEECH LAST NIGHT TO STRASBOURGERS, CHURCHILL SAID HE HOPED THE CONSULTATIVE ASSEMBLY WILL ONE DAY BECOME THE PARLIAMENT OF EUROPE.

AUG 14 1949

A10 "OLD FEUDS MUST DIE," CHURCHILL DECLARED. "TERRITORIAL AMBITIONS MUST BE SET ASIDE, NATIONAL RIVALRIES MUST BE CONFINED TO PRAYING WHO CAN RENDER THE FIRMEST SERVICE TO THE COMMON CAUSE."

WITHOUT DIRECTLY MENTIONING RUSSIA OR COMMUNISM, CHURCHILL ADDED:

"ARE WE TO SINK AFTER ALL OUR VICTORIES AND SUFFERINGS INTO FINAL CHAOS THROUGH IDEOLOGICAL WARS THRUST UPON US BY BARBAROUS AND WICKED OLIGARCHIES?..

"WE SHALL PROTECT OURSELVES AGAINST BEING CRUSHED AND FLATTENED OUT BY ANY FORM OF TOTALITARIAN TYRANNY, WHETHER IT BE THE HATED NAZI DOMINATION WHICH WE HAVE CAST OUT, OR BY ANY OTHER FORM OF SIMILAR DESPOTISM."

M254AED

STRASBOURG, FRANCE, AUG 13-(AP)-PRETTY MISS MARTHA KUPFER, 21, WAITED ON THE STEPS OF THE UNIVERSITY HERE TODAY TO GREET LEADERS WHO ARE ATTENDING THE EUROPEAN CONSULTATIVE ASSEMBLY.

MISS KUPFER, DRESSED IN AN ALSATIAN PEASANT COSTUME, SHOOK HANDS WITH FORMER FOREIGN MINISTER GEORGES BIDAULT OF FRANCE AND FORMER IRISH PREMIER EAMON DE VALERA.

THE NEXT TO APPEAR WAS ASSEMBLY PRESIDENT PAUL-HENRI SPAAK. HE GOT A KISS.

SO DID 74-YEAR-OLD WINSTON CHURCHILL-BUT HE DIDN'T BOTHER TO TAKE HIS CIGAR FROM HIS MOUTH.

DY951PED

AUG 14 1949

BY DONALD DOANE

(ADVANCE) FRANKFURT, GERMANY, AUG.13-(AP)-THE NEW WEST GERMAN REPUBLIC WILL CHOOSE ITS PARLIAMENT TOMORROW IN THE FIRST FEDERAL ELECTION SINCE HITLER SEIZED POWER.

THE VOTE MAY SHOW WHICH WAY REVIVING GERMANY WILL GO--TOWARD SOCIALISM OR FREE PRIVATE ENTERPRISE.

BUT MOST OBSERVERS PREDICT THE VOTE WILL BE TOO SPLIT TO BE DECISIVE.

AS THE BITTERLY ANTI-ALLIED CAMPAIGN CLOSED TONIGHT, FORECASTS WERE THAT NO PARTY WILL WIN A MAJORITY OF THE 400-MEMBER PARLIAMENT AND IT WILL TAKE A COALITION OF TWO OR MORE PARTIES TO FORM THE CABINET.

SUCH A RESULT MIGHT POSTPONE THE SHOWDOWN ON SOCIAISM.

THE NEW FEDERAL REPUBLIC IS A UNION OF THE THREE WESTERN ZONES OF OCCUPATION--AMERICAN, BRITISH AND FRENCH. IT LEAVES OUTSIDE THE RUSSIAN ZONE, WHERE GERMAN COMMUNISTS RUN A PEOPLE'S CONGRESS AND A PEOPLE'S COUNCIL--BUT NO CENTRAL GOVERNMENT. ALL HIGHER AUTHORITY THERE IS RETAINED BY THE SOVIET ARMY.

THE COMMUNISTS CHARGE THE WESTERN ALLIES ARE SPLITTING GERMANY BY SPONSORING THE TRI-ZONAL REPUBLIC. THEY CALL IT AN ECONOMIC COLONY OF WESTERN IMPERIALISM.

THE REPUBLIC'S 45,000,000 POPULATION AND ITS INDUSTRIAL HEART--THE RUHR--MAKE WEST GERMANY ONE OF EUROPE'S MOST POWERFUL STATES EVEN WITHOUT THE RUZZIAN ZONE.

AUG 14 1949

BECAUSE OF THAT, AND ALSO BECAUSE OF ITS STRATEGIC POSITION NEXT TO THE IRON CURTAIN, TOMORROW'S VOTE WILL BE CLOSELY WATCHED.

BUT THE GERMANS THEMSELVES DON'T SEEM EXCITED. MOST PREDICTIONS ARE THAT LESS THAN 70 PER CENT OF THE 31,000,000 ELIGIBLE VOTERS WILL GO TO THE POLLS. PREVIOUS STATE ELECTION TURNOUTS RAN 75 PER CENT OR BETTER.

INTEREST ABROAD HAS BEEN WHETTED BY THE BITTERNESS WITH WHICH ALL GERMAN PARTIES HAVE CRITICIZED THE ALLIED OCCUPYING POWERS, AND BY THE STRIDENT NOTE OF NATIONALISM STRUCK BY SOME RIGHT-WING SPEAKERS DURING THE CAMPAIGN.

FOREIGN NATIONS WILL BE ON THE WATCH FOR A GERMAN SWING BACK TOWARD NAZI-STYLE MILITARISM AND NATIONALISM--OR A SURGE TOWARD COMMUNISM. BUT MOST MILITARY GOVERNMENT OBSERVERS PREDICT THERE WILL BE NEITHER.

BOTH THE COMMUNISTS AND THE EXTREME NATIONALISTS ARE RATED AMONG THE MINOR PARTIES.

TWO PARTIES CLOSER TO THE MIDDLE ARE THE CHIEF CONTENDERS.

ONE IS THE SOCIAL DEMOCRATIC PARTY LED BY DR.KURT SCHUMACHER, WHICH PREACHES A SOCIALISTIC PROGRAM OF BREAKING UP BIG INDUSTRIAL COMBINES AND BRINGING THEM PARTLY UNDER STATE CONTROL THROUGH SEMI-PUBLIC MANAGEMENT.

THE OTHER PARTY, THE CHRISTIAN DEMOCRATIC UNION, DEFENDS PRIVATE ENTERPRISE AND HAS MANY CHURCH ATTACHMENTS. ITS LEADER IS DR.KONRAD ADENAUER.

TOGETHER, THESE TWO PARTIES MAY WIN TWO-THIRDS OF THE TOTAL VOTE.

A130

AUG 14 1949

BUT GERMANY AGAIN IS FACING THE CURSE WHICH HELPED WRECK ITS WEIMAR REPUBLIC AND BROUGHT HITLER TO POWER--THE MULTIPLICITY OF MINOR PARTIES.

THERE ARE 15 PARTIES IN THE CAMPAIGN. THEY PROBABLY WILL GARNER ENOUGH VOTES AMONG THEM TO KEEP ANY ONE PARTY FROM CARRYING OUT ITS PROGRAM WITHOUT MAJOR COMPROMISES.

THE COMMUNISTS--DESPITE THEIR NEARNESS TO RED-RULED EASTERN EUROPE AND THEIR NOISY CAMPAIGN--ARE NOT RECKONED AS A REAL THREAT TO WIN FEDERAL POWER. BUT THEIR VOTE WILL BE OF INTEREST TO SHOW WHETHER COMMUNISM IS GAINING OR LOSING GROUND.

ALLIED MILITARY GOVERNMENT OBSERVERS PREDICT THE COMMUNIST WILL GET LESS THAN THE 10 PER CENT OF THE TOTAL VOTE WHICH THEY GOT IN STATE ELECTIONS IN 1946. THAT, HOWEVER, WOULD PLACE THEM FOURTH IN PARTY RANKINGS.

THIRD PLACE IS EXPECTED TO GO TO THE FREE DEMOCRATS, A RECENT MERGER OF SEVERAL CONSERVATIVE GROUPS. LIKE THE CHRISTIAN DEMOCRATS WITH WHOM THEY MIGHT FORM A POST-ELECTION COALITION, THE FREE DEMOCRATS SUPPORT FREE ENTERPRISE. THEY ALSO FAVOR A STRONG CENTRAL GOVERNMENT.

A FOCAL POINT OF ALLIED INTEREST WILL BE THE SHOWING MADE BY A SMALL CLUSTER OF EXTREME RIGHT WING PARTIES--WHICH FORMER NAZIS MIGHT BE EXPECTED TO SUPPORT. CHIEF OF THESE ARE THE GERMAN (DEUTSCHE) PARTY AND THE RIGHTIST (RECHTS) PARTY.

ANOTHER FACTOR IN THE CAMPAIGN IS THE FIGHT FOR ECONOMIC SECURITY BY GERMAN REFUGEES EXPELLED FROM POLAND, CZECHOSLOVAKIA AND OTHER EASTERN COUNTRIES.

THERE ARE ABOUT 5,000,000 OF THESE. LACKING ANY STRONG PARTY OF THEIR OWN, THE REFUGEES HAVE ENTERED NUMEROUS INDEPENDENT CANDIDATES.

WITH SO MANY PARTIES, THERE ARE 2,297 CANDIDATES--INCLUDING 97 INDEPENDENTS--VYING FOR THE 400 SEATS. THERE WILL BE 242 SEATS DECIDED BY DIRECT DISTRICT CONTESTS. THE REMAINDER WILL BE ALLOTED BY PROPORTIONAL REPRESENTATION.

SIXTY PER CENT OF THE VOTERS ARE WOMEN, AND SO ARE 202 OF THE CANDIDATES.

AUG 14 1949

AMONG THE MINOR PARTIES ARE:

CENTER PARTY--ECONOMICALLY LEFT-WING BUT OTHERWISE CONSERVATIVE.

BAVARIAN PARTY--A RIGHT-WING GROUP DEMANDING AN INDEPENDENT BAVARIA IN A GERMAN COMMONWEALTH.

ECONOMIC RECONSTRUCTION PARTY--A BAVARIAN GROUP URGING A GOVERNMENT BY EXPERTS GUIDED BY PLEBISCITES OF THE PEOPLE INSTEAD OF PARLIAMENTS.

RADICAL SOCIALIST FREEDOM PARTY--WITH A SOCIAL CREDIT PROGRAM.

SOUTH SCHESWIG ASSOCIATION--A PRO-DANISH GROUP ALONG DENMARK'S BORDER.

PEOPLE'S PARTY--SEEKING AN INDEPENDENT RHINELAND.

"SAMMLUNG ZUR TAT" (RALLY FOR ACTION)--A FRENCH ZONE RIGHT WING GROUP INCLUDING MANY REFUGEES.

ASSOCIATION OF REFUGEES AND BOMBED-OUT HOMELESS--WHOSE NAME EXPLAINS ITS INTERESTS.

THERE ARE ALSO A FEW SMALL INDEPENDENT GROUPS ATTACKING ALL PARTIES AND URGING VOTERS TO BOYCOTT THE ELECTION.

(END ADVANCE FOR AMS OF SUNDAY, AUG.14...SENT AUG.12)

PS1200AED(MID)

CZECHOSLOVAK MINISTRIES WERE USED."

MUCH OF THE PROPAGANDA, IT WAS ALLEGED, WAS ADDRESSED TO TRADE UNION CIRCLES.

CZECHS SAID THE EXPULSION WAS IN PART A REPRISAL FOR THE EXPULSION OF 10 MEMBERS OF THE CZECH COMMERCIAL STAFF FROM YUGOSLAVIA. THE PRESS BUREAU ADDED THAT YUGOSLAV SECRET POLICE WERE MOLESTING OTHER CZECHOSLOVAK DIPLOMATIC OFFICIALS AND MEMBERS OF THEIR FAMILY IN YUGOSLAVIA, AND THAT THE BELGRADE GOVERNMENT HAD IGNORED PROTESTS.

KA1217PED

(200)

PRAGUE, CZECHOSLOVAKIA, AUG. 13-(AP)-THE CZECHOSLOVAK ARMY, CONCLUDING ITS SUMMER MANEUVERS NEAR THE NATION'S FRONTIER WITH WESTERN GERMANY, WAS TOLD TODAY BY DEFENSE MINISTER GEN.LUDVIK SVOBODA "THESE BORDERS WILL REMAIN CZECH FOREVER."

HE SPOKE AFTER THE CZECH PRESS HAD CHARGED THAT A DANGEROUS NATIONALISM WAS REVIVING IN ELECTIONS IN WESTERN GERMANY WHICH THREATENED A NEW "DRIVE TOWARDS THE EAST."

THE COMMUNIST DEFENSE MINISTER ADDRESSED HIS TROOPS IN THE FORMER GERMAN SUDETENLAND, WHICH HE DESCRIBED AS A "FOCAL POINT OF THE CZECHOSLOVAK FASCIST MOVEMENT BEFORE THE LAST WAR.

"BUT THANKS TO THE RED ARMY THE WORK OF MUNICH HAS BEEN UNDONE," HE ASSERTED. "THE SOVIET ARMY AND THE ARMIES OF THE OTHER PEOPLES DEMOCRACIES HELP GUARD OUR FREEDOM NOW. XXX WE ARE PATTERNING OURSELVES AFTER THE FAMOUS RED ARMY, WHICH (ALONGSIDE) WHICH WE FOUGHT IN THE LAST WAR AND WITH WHICH WE EVENTUALLY WILL FIGHT AGAIN."

SVOBODA MADE HIS PLEDGE AFTER CLAIMING THAT THE "IMPERIALIST CAMP WAS SEEKING TO PROMOTE A WAR AGAINST RUSSIA AND ITS EASTERN EUROPEAN ALLIES.

DISCLOSING FOR THE FIRST TIME THE SCENE OF THE THREE-WEEKS MANEUVERS, SVOBODA SAID THAT THE WITE NEAR THE GERMAN BORDER HAD BEEN SELECTED WITH "SPECIAL POLITICAL SIGNIFICANCE OF WHICH ALL OUR SOLDIERS AND PEOPLE CERTAINLY ARE AWARE."

TRIESTE, FREE TERRITORY, AUG. 13-(AP)-THE ITALIAN NEWS AGENCY ASTRA REPORTS YUGOSLAV POLICE LAST MONTH FOILED A PLOT OF PRO-COMINFORM COMMUNISTS TO ASSASSINATE PREMIER MARSHAL TITO.

QUOTING TRAVELERS TO TRIESTE, ASTRA SAID THE PLOT TO KILL THE YUGOSLAV PREMIER WITH A RUSSIAN-TYPE MINE WAS CAREFULLY PLANNED BY ANTI-TITO MEMBERS OF A "PROLETARIAT" SPORTING CLUB AT POLA, YUGOSLAVIA, ON THE ADRIATIC.

THE TRAVELERS WERE QUOTED AS HAVING SAID TRAITORS IN THE GROUP BETRAYED THE PLOT AND TITO'S POLICE ARRESTED 30 SUSPECTS, INCLUDING SEVERAL SOLDIERS.

ASTRA SAID THE MINE WAS PLACED AT THE ENTRANCE OF A POLA SHIPBUILDING YARD WHICH TITO WAS TO VISIT ON JULY 29.

POLA, WHICH LIES SOME 60 MILES SOUTH OF TRIESTE, IS A SEAPORT ON THE SOUTHERN TIP OF THE ISTRIAN PENINSULA. IT WAS AWARDED TO YUGOSLAVIA UNDER THE ITALIAN PEACE TREATY.

JT657AED

BRUSSELS, BELGIUM, AUG. 12-(AP)-THE BRUSSELS SOCIALIST NEWSPAPER LE PEUPLE SAID TODAY WRIGHT MORROW, DEMOCRATIC NATIONAL COMMITTEEMAN FROM TEXAS, MIGHT BE THE NEXT AMBASSADOR TO BELGIUM. THERE HAS BEEN TALK IN WASHINGTON THAT MORROW WOULD BE NAMED TO A DIPLOMATIC POST.

FD1118AED

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A146

VATICAN CITY, AUG. 13-(AP)-A VATICAN SOURCE SAID TODAY MILITANT COMMUNISTS MAY NOT SERVE AS GODFATHERS AT ROMAN CATHOLIC BAPTISMAL SERVICES UNDER THE JULY EXCOMMUNICATION DECREE.

KA1258PED

WHITE BAND PEOPLE'S VOLUNTEER ORGANIZATION. XXX Karen

THE STATIONS ARE YEGI AND ATHOKE. THE KARENS AND PVOS OCCASIONALLY COOPERATE IN BATTLE AGAINST PREMIER THAKIN NU'S TROOPS. AT OTHER TIMES THEY FIGHT EACH OTHER.

RB1125AED

A87FX

SHANGHAI, AUG.13-(AP)-THE SHANGHAI AMERICAN SCHOOL PROBABLY WILL A VICTIM OF THE COMMUNIST LAND TAX.

SCHOOL DIRECTORS DISCLOSED THAT AUTHORITIES HAVE REFUSED TO REDUCE THE TAX WHICH AMOUNTS TO MORE THAN $25,000 A YEAR. THE SCHOOL RECENTLY WAS PRESENTED A BILL OF $76,000 FOR PRESENT AND PAST TAXES.

THE SCHOOL HAD BEEN EXEMPT FROM TAXES IN THE PAST AS A NON-PROFIT CULTURAL INSTITUTUION.

AL502APS

SECOND NIGHT LEAD CHINESE (330)

BY SPENCER MOOSA

CANTON, SUNDAY, AUG. 14-(AP)-THE ELEMENTS HAVE SAVED FROM RED CAPTURE THE NORTHERN MIAO ISLANDS, FROM WHICH THE NATIONALISTS ARE BLOCKADING THE GREAT PORT OF TIENTSIN, OFFICIAL REPORTS ASSERTED TODAY.

THE REPORTS SAID THE COMMUNISTS WERE HEADED FOR AN ASSAULT ON THE ISLANDS WHEN A STORM AROSE. HUNDREDS OF TROOP-LADEN JUNKS AND ABOUT 80 MOTORIZED SMALL CRAFT WERE SUNK BY THE STORM, THE ACCOUNTS DECLARED.

THE MIAO ISLANDS LIE ABOUT 200 MILES SOUTHEAST OF TIENTSIN AT THE ENTRANCE OF THE GULF OF CHIHLI.

MEANWHILE, OFFICIAL DISPATCHES SAID THE BATTLE FOR KANHSIEN, 215 MILES NORTHEAST OF CANTON, WAS MOUNTING IN FURY. THE NATIONALISTS WERE SAID TO HAVE HURLED BACK SUCCESSIVE RED ASSAULTS ON THE NORTHWESTERN OUTSKIRTS, INFLICTING MORE THAN 6,000 CASUALTIES.

OFFICIAL DISPATCHES ADMITTED PROGRESS, HOWEVER, IN THE RED DRIVE

AIMED AT ISOLATING FOOCHOW, BIG SOUTHEASTERN PORT. THEY CONCEDED THAT THE REDS HAD CAPTURED YUNGTAI, 30 MILES TO THE SOUTHWEST OF FOOCHOW.

MORE NATIONALIST GENERALS ARRIVED IN THIS REFUGEE CAPITAL FOR AN IMPORTANT MILITARY CONFERENCE.

GEN.KU CHU-TUNG, CHINESE ARMY CHIEF OF STAFF, RETURNED FROM FORMOSA, THE ISLAND FORTRESS OF GENERALISSIMO CHIANG KAI-SHEK. GEN. CHEN CHI-TANG, GOVERNOR OF HAINAN ISLAND OFF THE SOUTH COAST, WAS ANOTHER ARRIVAL.

BELATED REPORTS FROM FAR NORTHWEST CHINA SAID A MONGOL ASSEMBLY HAD ESTABLISHED SELF-GOVERNMENT FOR INNER MONGOLIA.

THE REPORTS SAID THE MONGOLS ADJOURNED LAST MONDAY AFTER AN ASSEMBLY MEETING AT TINGYUANYING, WHICH IS ABOUT 50 MILES NORTHWEST OF NINGSIA, CAPITAL OF THE INNER MONGOLIAN PROVINCE OF THE SAME NAME.

THE INNER MONGOLIAN CHIEF WOULD BE PRINCE TEH, A WAR-TIME COLLABORATIONIST WITH THE JAPANESE WHO VISITED CANTON LAST MONTH. THE PRINCE RECENTLY ANNOUNCED THE NATIONAL GOVERNMENT HAD AGREED TO GRANT AUTONOMY TO THE INNER MONGOLS.

(ACTUALLY, A GREAT DEAL OF INNER MONGOLIA IS UNDER THE COMMUNIST BANNER. NIGSIA PROVINCE IS THE WESTERNMOST PART OF INNER MONGOLIA.)

THE FIGHTING IN SOUTH CHINA SHOWED NO INDICATION OF ABATING. THE COMMUNISTS BY PRIVATE REPORTS WERE SAID TO HAVE CAPTURED OR BYPASSED HENGSHAN, RAILWAY TOWN 290 MILES NORTH OF CANTON. THEY WERE AIMING AT THE KEY RAILWAY CITY OF HENGYANG, 35 MILES TO THE SOUTH.

AUG 14 1949

HERE AND OUTCOME OF NEGOTIATIONS ON THE MATTER IN LONDON.

CNAC MOVED ITS EQUIPMENT FROM SHANGHAI TO HONG KONG EARLY THIS YEAR WHEN THE CHINESE COMMUNISTS THREATENED SHANGHAI.

MEANWHILE, HONG KONG'S LAND DEFENSE STRENGTH PASSED 15,000 MEN WITH THE ARRIVAL TODAY OF 2,200 ROYAL MARINES ABOARD THE TROOPSHIP GEORGIC.

THE COLONY'S DEFENSES ALSO WERE BOLSTERED BY A SQUADRON OF SPITFIRES WHICH ARRIVED ON THE LIGHT FLEET CARRIER OCEAN. THE OCEAN WILL RETURN TO THE UNITED KINGDOM IN A FEW DAYS.

GG1016ACS NM

SINGAPORE, AUG.13-(AP)-BRITAIN'S TOP OFFICIAL IN THE FAR EAST CALLED TODAY FOR COOPERATION IN SOUTHEAST ASIA "BY ALL PRACTICAL MEANS" TO HALT THE SPREAD OF COMMUNISM.

MALCOLM MACDONALD, BRITISH COMMISSIONER GENERAL FOR SOUTHEAST ASIA, URGED NEIGHBORLINESS AND CLOSE ECONOMIC TIES, IN A PRESS STATEMENT WARNING THAT COMMUNIST RUSSIA IS "ENDEAVORING TO CONQUER THE WORLD."

"BY ALL PRACTICAL MEANS," MACDONALD SAID, "THE GOVERNMENTS AND PEOPLES OF SOUTHEAST ASIA WHO WISH TO PRESERVE THEIR OWN RELIGIONS AND THEIR OWN CHARACTERISTIC WAYS OF LIFE MUST COOPERATE TO RESIST THE COMMUNIST MENACE."

SOUTHEAST ASIA INCLUDES BRITISH MALAYA, FRENCH INDOCHINA AND BURMA, ALL WITH INTERNAL WARS AGAINST COMMUNIST GUERRILLAS, AND THAILAND (SIAM)..

THE BRITISH COMMISSIONER STRESSED THAT HE WAS "NOT ADVOCATING ANY PARTICULAR PLAN" AT PRESENT. THIS APPEARED TO RULE OUT THE PACIFICANTI-COMMUNIST ALLIANCE PUT FORWARD RECENTLY BY CHINESE NATIONALIST LEADER CHIANG KAI-SHEK AND PHILIPPINES PRESIDENT ELPIDIO QUIRINO.

RB1233PED

BY FRANK L.WHITE

TOKYO, SUNDAY, AUG.14-(AP)-FOUR YEARS AGO TOMORROW, (AUG.13U.S. TIME) POLICEMEN DUTIFULLY MADE THEIR ROUNDS IN EVERY JAPANESE VILLAGE AND TOWN, PROCLAIMING:

"LISTEN TO THE RADIO AT NOON! AN IMPORTANT ANNOUNCEMENT FROM THE EMPEROR. LISTEN CAREFULLY AT NOON!"

IN WHISPERS--LEST THE EVER-PRESENT "THOUGHT POLICE" MIGHT HEAR--CITIZENS SPECULATED ON WHAT IT MIGHT MEAN. FEW GUESSED RIGHT.

JAPANESE LISTENED INCREDULOUSLY AS THE STRAINED VOICE OF THE EMPEROR CAME OVER THE LOUDSPEAKERS, ANNOUNCING HIS DECISION TO SURRENDER TO THE ALLIES AND ADMONISHING HIS SUBJECTS TO ACCEPT DEFEAT CALMLY.

ASOME WERE CONVINCED ONLY WHEN ARMY AND NAVY SUPPLY DEPOTS THRE OPEN THEIR GATES AND INVITED ALL COMERS TO CARRY OFF WHAT THEY LIKED.

IN THE CITIES MANY DID NOT BELIEVE UNTIL THEY SAW CLOUDS OF SMOKE FROM BURNING PAPERS POURING FOR DAYS FROM THE CHIMNEYS OF GOVERNMENT BUILDINGS.

EVEN TODAY, FOUR YEARS AFTERWARDS, MOST JAPANESE ARE RELUCTANT TO DISCUSS WHAT HAPPENED IN THAT FEVERED FORTNIGHT BETWEEN THE EMPEROR'S BROADCAST AND THE ARRIVAL OF THE FIRST AMERICAN OCCUPATION TROOPS.

TO THIS DAY, MILLIONS IN GOLD, SILVER AND JEWELS---SOME OF ITS LOOT FROM CONQUEST--REMAINS HIDDEN SOMEWHERE. OCCASIONALLY A SMALL CACHE OF CONCEALED WEAPONS IS TURNED UP; AND HINTS HAVE COME FROM WAR CRIMES TRIALS THAT SOME SECRET PAPERS AND PLANS STILL EXIST.

ON THE WHOLE, THE JAPANESE CONDUCT TOWARDS THE FIRST CONQUERORS EVER TO SET FOOT ON THEIR HOME ISLANDS FOLLOWED THE ORDERS OF THEIR EMPEROR. MOST MET THE STRANGERS WITH OUTWARD STOICISM.

YET THE ANNIVERSARY OF THE SURRENDER RESCRIPTS IS NOT PUBLICLY OBSERVED IN JAPAN.

EACH YEAR GENERAL MACARTHUR HAS CONFINED HIS RECOLLECTION OF THE SURRENDER TO A STERN BUT PATERNAL STATEMENT---NOT ON AUG.15,---BUT ON SEPT.2, THE DATE THE JAPANESE FORMALLY SIGNED THE SURRENDER ABOARD THE BATTLESHIP MISSOURI IN TOKYO BAY.

EW632PCS

OCONGRESS ROUNDUP (520)

BY JOSEPH C.GOODWIN

AUG 14 1949

WASHINGTON, AUG.13-(AP)-A NEW EPISODE IN THE HOME FREEZER MYSTERY OPENED TODAY WITH A SEARCH FOR A MOTIVE.

WHY, ASKED SENATORS INVESTIGATING FIVE PERCENTERS, WERE THOSE FREEZERS SHIPPED TO WHOMEVER THEY WERE SHIPPED?

A MEMBER OF THE SPECIAL INVESTIGATIONS SUBCOMMITTEE SAID PRIVATELY YESTERDAY THAT HE HAS SEEN INVOICES SHOWING THAT ONE WAS SHIPPED TO MRS. HARRY S.TRUMAN, TWO TO MAJ. GEN. HARRY H.VAUGHAN, PRESIDENT TRUMAN'S ARMY AIDE.

HE SAID FURTHER THAT INVOICES ALSO LIST SHIPMENTS TO CHIEF JUSTICE FRED M.VINSON, FEDERAL RESERVE GOVERNOR JAMES K.VARDAMAN, AND PRESIDENTIAL SECRETARY MATT CONNELLY.

CHIEF COUNSEL WILLIAM P.ROGERS SAID THE COMMITTEE HAS A SUBPOENA OUT FOR HARRY HOFFMAN, MILWAUKEE ADVERTISING MAN. LAWMAKERS HOPED HE MIGHT SHED SOME LIGHT ON THE SUBJECT.

HOFFMAN'S NAME HAS CROPPED UP SEVERAL TIMES DURING THE INQUIRY

INTO THE DOINGS OF THE FIVE PERCENTERS -- PERSONS WHO SELL HELP IN GETTING GOVERNMENT CONTRACTS.

ALBERT J.GROSS, THE MILWAUKEE BUSINESS MAN WHO TESTIFIED HE SHIPPED THE FREEZERS, SAID HOFFMAN PUT HIM IN TOUCH WITH A COMMISSION MAN WHEN HE NEEDED TO BUY HARD-TO-GET STEEL. GROSS SAID THE FREEZERS WERE PAID FOR BY THE ALBERT VERLEY CO., A CHICAGO PERFUME FIRM.

JOHN MARAGON, WHO ONCE WORKED FOR THE VERLEY COMPANY, HAS TESTIFIED BEFORE THE COMMITTEE AT A CLOSED-DOOR SESSION. THAT WAS BEFORE THE HOME FREEZER ISSUE AROSE. HE TOLD THE INVESTIGATORS THAT HOFFMAN ALSO WAS ASSOCIATED WITH THE PERFUME FIRM AND THAT HE AND HOFFMAN MADE A BUSINESS TRIP TO EUROPE FOR THE FIRM IN 1945.

THAT WAS THE YEAR SOME OF THE FREEZER SHIPPING INVOICES WERE DATED.

MARAGON ONCE HAD ENTREE TO THE WHITE HOUSE.

OTHER CAPITOL HILL DEVELOPMENTS:

REORGANIZATION -- SENATE LEADERS GOT BUSY WITH TWO REORGANIZATION PROPOSALS -- ONE TO SET UP A CABINET-RANK DEPARTMENT OF WELFARE, THE OTHER TO TRANSFER TWO EMPLOYMENT AGENCIES FROM THE FEDERAL SECURITY AGENCY TO THE LABOR DEPARTMENT.

SUBMITTED BY PRESIDENT TRUMAN, BOTH HAVE BEEN FROWNED UPON BY THE SENATE EXPENDITURES COMMITTEE.

AUG 14 1949

B28WX (SEG)

THE PRESIDENT YESTERDAY URGED THEIR APPROVAL AS A SIGN OF GOOD FAITH BY CONGRESS. IN A STRONGLY-WORDED LETTER TO VICE PRESIDENT BARKLEY, HE SAID:

"THE ACTION TAKEN ON THESE PLANS WILL DEMONSTRATE WHETHER THE MANY RECENT PROFESSIONS OF SUPPORT FOR INCREASED EFFICIENCY AND ECONOMY IN GOVERNMENT ARE TO BE TAKEN SERIOUSLY OR ARE TO BE WRITTEN OFF AS POLITICAL ORATORY."

UNDER THE REORGANIZATION ACT, THE PLANS GO INTO EFFECT AUTOMATICALLY WITHIN 60 DAYS AFTER BEING SUBMITTED BY THE PRESIDENT UNLESS EITHER HOUSE DISAPPROVES. AUGUST 17 IS THE DEADLINE FOR SENATE ACTION ON BOTH PLANS, SENATE MAJORITY LEADER LUCAS OF ILLINOIS SAID.

LUCAS SAID HE WILL SET ASIDE THE INTERIOR DEPARTMENT MONEY BILL TO TAKE UP THE WELFARE DEPARTMENT PROPOSAL ON TUESDAY, AND THAT A NIGHT SESSION WILL BE HELD IF NECESSARY TO CLEAR THE WAY FOR ACTION ON THE SECOND PLAN WEDNESDAY.

ARMS -- LAWMAKERS VOICED GENERAL APPROVAL OF A PROPOSAL TO SWAP MILITARY SUPPLIES WITH CANADA, ALTHOUGH SOME SAW FLAWS IN THE PLAN.

SECRETARY OF DEFENSE JOHNSON REPORTED TO THE PRESIDENT AND THE CABINET YESTERDAY THAT CANADA WANTS TO BARTER WARSHIPS, AIRCRAFT, SMALL ARMS AMMUNITION AND OTHER THINGS THEY MAKE FOR AMERICAN SUPPLIES. THIS WOULD CONSERVE HER DOLLAR RESERVE BUT STILL PROVIDE HER WITH EQUIPMENT SHE CAN GET ONLY IN THIS COUNTRY.

SENATOR MCMAHON (D-CONN) SAID THAT IN VIEW OF THE NORTH ATLANTIC TREATY, THIS COUNTRY OUGHT TO JOIN WITH CANADA IN WORKING OUT JOINT DEFENSE PLANS UNDER WHICH ARMS COULD BE EXCHANGED.

SENATOR BRIDGES (R-NH) SAID THAT IF THE PLAN INVOLVES ACQUIRING NAVAL VESSELS FROM CANADA, HE DOESN'T THINK IT WILL WORK OUT. "WE'VE GOT MORE SHIPS TIED UP NOW THAN WE KNOW WHAT TO DO WITH," HE SAID.

SENATOR GURNEY (R-SD) SAID HE FAVORS ANY 50-50 SWAP THAT WILL GIVE EACH COUNTRY WHAT IT NEEDS. "WE'RE ALL ON THE SAME TEAM," HE SAID.

THE CANADIAN ARMS QUESTION SEEMED LIKELY TO HAVE NO DIRECT BEARING ON THE $1,450,000,000 (B) FOREIGN MILITARY SUPPLIES PROGRAM, HEADED FOR TEST VOTES IN HOUSE AND SENATE COMMITTEES NEXT WEEK.

LOBBYISTS -- THE HOUSE PLANS A THOROUGH INVESTIGATION INTO THE ACTIVITIES OF THE PEOPLE WHO TRY TO INFLUENCE THE VOTING OF CONGRESSMEN. IT ORDERED THE PROBE YESTERDAY AFTER REP.SABATH (D-ILL) SAID HE HAD HEARD THAT LOBBYISTS "SPENT OR HAD SPENT ON THEM OVER $2,000,000" DURING THE FIRST THREE MONTHS OF THIS YEAR.

VH536AED

WAS NAMED AS A RECIPIENT IN ONE NEWS STORY.

AUG 14 1949

A3WX

SENATOR MC CARTHY (R-WIS) LOOKED OVER A PUBLISHED LIST WHICH INCLUDED ALL OF THOSE REPORTEDLY MENTIONED IN THE INVOICES EXCEPT CONNELLY, AND DECLARED:

"MY ONLY COMMENT IS THAT GEORGE ALLEN SHOULD NOT BE ON THE LIST."

ALLEN, AN INTIMATE FRIEND OF MR.TRUMAN, FORMERLY WAS A DIRECTOR OF THE RECONSTRUCTION FINANCE CORP.

MC CARTHY TOLD REPORTERS GROSS IS "ENTIRELY IN THE CLEAR" WITH RESPECT TO THE MYSTERIOUS FREEZERS.

AS FOR THE COMMITTEE'S SEARCH FOR HOFFMAN, COUNSEL ROGERS SAID HIS STAFF TRIED UNSUCCESSFULLY TO REACH THE MILWAUKEEAN BY PHONE YESTERDAY "SO WE ISSUED A SUBPOENA FOR HIM."

IT WAS GROSS WHO FIRST BROUGHT UP HOFFMAN'S NAME AT THE INQUIRY INTO THE OPERATIONS OF FIVE PERCENTERS--PERSONS WHO CHARGE A FEE FOR HELP IN GETTING GOVERNMENT CONTRACTS FOR OTHERS.

GROSS TESTIFIED THAT HOFFMAN PUT HIM IN TOUCH WITH A COMMISSION MAN WHOSE AID, IN THIS CASE, HE SOUGHT ABOUT OBTAINING SCARCE STEEL.

HOFFMAN'S NAME ALSO HAS FIGURED IN SECRET TESTIMONY TO THE COMMITTEE BY MARAGON. IT IS KNOWN THAT MARAGON TOLD THE INVESTIGATORS THAT HOFFMAN ALSO WAS ASSOCIATED WITH THE ALBERT VERLEY CO., AND THAT HOFFMAN ACCOMPANIED HIM TO EUROPE ON BUSINESS FOR THE FIRM IN 1945.

WHAT THE COMMITTEE IS TRYING TO DO IS ESTABLISH A REASON FOR SHIPMENT OF THE FREEZERS TO VAUGHAN AND THE OTHERS. THEY WANT TO FIND OUT WHETHER IT WAS AN ATTEMPT TO CURRY FAVOR, AND--IF SO--WHY.

VH227AED

R52WA

(EDITORS: FOR PAPERS DESIRING ADDITIONAL DETAIL ON THE FIVE PERCENTERS INVESTIGATION, THE FOLLOWING 300-WORD ADD IS TRANSMITTED.)

WASHINGTON--FIRST ADD FIVE PERCENTERS (A2-3WX) X X X IF SO--WHY.

WITH THE PUBLIC HEARINGS IN RECESS UNTIL MONDAY, THE COMMITTEE STAFF PLANS TO SPEND THE WEEK-END GATHERING INFORMATION ABOUT THE FREEZER EPISODE AND GETTING READY FOR THE APPEARANCE OF A KEY WITNESS.

ROGERS SAID THERE IS A POSSIBILITY MAJ. GEN. ALDEN H.WAITT, SUSPENDED CHIEF OF THE ARMY CHEMICAL CORPS, WILL BE CALLED TO STAND LATE MONDAY.

ON JULY 16 SECRETARY OF THE ARMY GRAY RELIEVED WAITT AND MAJ. GEN.HERMAN FELDMAN FROM DUTY PENDING FURTHER INVESTIGATION. FELDMAN IS THE QUARTERMASTER GENERAL. GRAY SAID BOTH MEN FAILED TO EXHIBIT JUDGMENT "EXPECTED OF PERSONS IN THEIR POSITIONS."

SPECIFICALLY, HE SAID WAITT WAS SUSPENDED FOR "IMPROPERLY FURNISHING PERSONNEL DATA TO AN INDIVIDUAL NOT IN THE MILITARY SERVICE AND WHO WAS NOT ENTITLED TO RECEIVE SUCH DATA."

THE COMMITTEE GOT TESTIMONY YESTERDAY THAT WAITT WENT TO THE OFFICE OF JAMES V.HUNT--A MANAGEMENT COUNSELOR WHO CHARGES FAT FEES FOR GETTING CONTRACTS FOR MANUFACTURERS--AND WROTE DEROGATORY REPORTS FOR VAUGHAN ON EIGHT FELLOW OFFICERS. HUNT'S SECRETARY SAID SHE DELIVERED THE REPORTS TO VAUGHAN AT THE WHITE HOUSE.

THE TESTIMONY PROMPTED SENATOR MUNDT (R-SD) TO ACCUSE WAITT, VAUGHAN AND HUNT OF MAPPING "A SORT OF INGENIOUS PLOT X X X TO CUT THE THROATS OF ALL THE OTHER OFFICERS TRYING TO GET" WAITT'S JOB.

AND IT CAME RIGHT AFTER A DEMAND BY MC CARTHY THAT VAUGHAN BE SUMMONED FOR QUESTIONING BY THE COMMITTEE. A LITTLE LATER HOEY ANNOUNCED THAT VAUGHAN IS WILLING TO TESTIFY. HOEY SAID VAUGHAN PRESUMABLY WILL BE CALLED, BUT PROBABLY NOT UNTIL NEAR THE END OF THE INQUIRY.

BESIDES THE WAITT-HUNT INCIDENT, THE COMMITTEE WANTS TO QUESTION VAUGHAN ABOUT TESTIMONY BY HOUSING EXPEDITER TIGHE WOODS THAT VAUGHAN INTERCEDED TO GET A CONSTRUCTION PERMIT FOR FRIENDS WHO OPERATED TANFORAN RACE TRACK IN CALIFORNIA.

THE COMMITTEE ALSO HAS BEEN TOLD THAT HUNT HELPED GET A CONSTRUCTION CLEARANCE FOR THE FOXBORO RACE TRACK NEAR BOSTON DURING THE POST-WAR SHORTAGE OF BUILDING MATERIALS.

PAUL BOWSER, HEAD OF THE FOXBORO TRACK, YESTERDAY WAS SERVED WITH A SUBPOENA TO APPEAR BEFORE THE COMMITTEE. BOWSER HAS SAID HE PAID HUNT IN ORDER TO GET A GOVERNMENT GO-AHEAD ON USE OF SCARCE MATERIALS.

VH442AED

WITH FIVE PERCENTERS

MILWAUKEE, AUG.13-(AP)-THERE MAY HAVE BEEN SOME DEFECTIVE STEEL IN THE CABINETS OF THE DEEP FREEZE UNITS SENT SEVERAL TOP WASHINGTON OFFICIALS, AN OFFICER OF THE FIRM WHICH MADE THEM SAID TONIGHT.

"I KNOW WE HAD A CERTAIN AMOUNT OF TROUBLE WITH THE STEEL IN SOME OF THE CABINETS WE MADE IN 1945," SAID JAMES F. QUIRK, SECRETARY-TREASURER OF THE QUIRK CO., WHICH SUPPLIED CABINETS TO ALBERT J. GROSS, MILWAUKEE MANUFACTURER.

GROSS, PRESIDENT OF THE TRACTOR SPECIALTIES CO. HERE, HAS TESTIFIED HE SENT FREEZERS MADE BY HIS COMPANY TO MAJ. GEN. HARRY H. VAUGHAN, PRESIDENT TRUMAN'S MILITARY AIDE, AND OTHERS.

"I DON'T KNOW WHETHER ANY OF THE CABINETS WE SOLD GROSS WERE DEFECTIVE QUIRK ADDED. "ALL WE SOLD HIM WERE THE BOXES AND I DON'T RECALL ANY COMPLAINTS. OUR FIRST SHIPMENT TO HIM WAS ON SEPT. 29, 1945."

QUIRK'S BROTHER, ROBERT, VICE-PRESIDENT OF THE FIRM, SAID "THERE MAY HAVE BEEN SOME DEFECTIVE STEEL IN SOME OF THEM, BUT WE DIDN'T KNOW IT NOR DID WE SELL THEM TO HIM AS REJECTS." HE ADDED THAT HIS COMPANY SOLD "SEVERAL HUNDRED" CABINETS TO GROSS FOR $110 EACH.

ROBERT QUIRK SAID FRANCIS FLANAGAN, SENATE COMMITTEE INVESTIGATOR, HAD TELEPHONED HIM TODAY ASKING HIM TO APPEAR. HE SAID HE HAD AGREED AND WOULD BE IN WASHINGTON MONDAY TO TESTIFY BEFORE THE COMMITTEE.

PD810PCS NM

(ADVANCE)-WASHINGTON,AUG 13-(AP)-SENATOR WILEY (R-WIS) SAID TODAY HE HOPES CONGRESS WILL NOT GET SO INTERESTED IN INVESTIGATING DEEP FREEZER GIFTS AND OTHER THINGS THAT IT WILL FORGET "THE REAL JOB BEFORE IT."

INCLUDED IN THAT "REAL JOB," HE SAID IN A LETTER TO CHAIRMAN GEORGE (D-GA) OF THE SENATE FINANCE COMMITTEE, SHOULD BE A REDUCTION OF EXCISE TAXES IMPOSED IN THE WAR AND A CUT IN GOVERNMENT SPENDING.

HE PUT IT THIS WAY IN HIS LETTER:

"WHILE THE DEEP FREEZER RECIPIENTS ARE IN HOT WATER AND THE FIVE-PERCENTERS WOULD LIKE TO GET FROZEN OUT OF THE PICTURE, MY CONSTITUENTS ARE MORE CONCERNED--AND WE ALL SHOULD BE--THAT CONGRESS' ATTENTION BE FOCUSSED ON THE REAL JOB BEFORE IT AND BE NOT DIVERTED THEREFROM."

HE MENTIONED TWO BIG JOBS FOR CONGRESS TO DO BEFORE QUITTING:

"1. GETTING A SUBSTANTIAL REDUCTION IN GOVERNMENT SPENDING BY FOLLOWING THE HOOVER COMMISSION'S RECOMMENDATIONS, PARTICULARLY THOSE FOR EFFICIENT SPENDING OF NATIONAL DEFENSE FUNDS AND FOR OVERHAULING GOVERNMENT BUREAUS AND DEPARTMENTS."

"2. REVISING DOWNWARD OF NUISANCE TAX SCHEDULES WHICH ARE PLAGUING SO MANY CONSUMERS AND BUSINESSMEN, SUCH AS TAXES ON LEATHER GOODS, FURS, JEWELRY, COSMETICS, TRANSPORTATION, GASOLINE AND LUBRICATING OILS, TIRES, RADIOS, REFRIGERATORS, AND HUNDREDS OF OTHER ITEMS WHICH ARE A NECESSARY PART OF OUR AMERICAN WAY OF LIFE."

WILLEY TOLD A REPORTER SCORES OF CONSTITUENTS HAVE WRITTEN TO HIM URGING A REDUCTION IN FEDERAL SPENDING, AND HUNDREDS HAVE SENT HIM LETTERS AND TELEGRAMS DEMANDING A CUT OR ELIMINATION OF EXCISE TAXES.

HE CONTENDED BUSINESSES WHOSE PRODUCTS ARE SUBJECT TO THE EXCISE TAXES WOULD GET A LIFT BY CUTTING OR ABOLISHING THE LEVIES, AND THAT IN THE LONG RUN THE GOVERNMENT WOULD GET MORE REVENUES FROM LOWER TAXES.

ANYWAY, HE ADDED, THE TAXES WERE IMPOSED "WITH THE SOLEMN PROMISE THAT THEY WOULD BE REMOVED AS SOON AS PEACE ARRIVED."

(END ADVANCE FOR USE AT 6 P.M., EASTERN STANDARD TIME, TODAY, SATURDAY, AUG 13)

GG-PF518PED

WASHINGTON,AUG.13-(AP)-REP.MCSWEENEY (D-OHIO) OFFERS CONGRESS A WAY OF GETTING RID OF SO-CALLED "FIVE-PERCENTERS"--THOSE WHO COLLECT FEES TO HELP GET GOVERNMENT CONTRACTS.

MCSWEENEY TOLD THE HOUSE YESTERDAY THAT THE VASTNESS OF GOVERNMENT OPERATIONS AND THE LACK OF CENTRALIZED INFORMATION ON GOVERNMENT NEEDS AND CONTRACT OPERATIONS OFFERS A FERTILE FIELD FOR SELF-STYLED "MANAGEMENT COUNSELLORS."

HE SUGGESTED ESTABLISHMENT OF A SMALL AGENCY TO GATHER INFORMATION DAILY ON NEEDS OF VARIOUS GOVERNMENT DEPARTMENTS, WHAT MATERIALS ARE TO BE PURCHASED, WHAT CONTRACTS ARE TO BE LET AND WHAT CONTRACTS HAVE BEEN LET.

THE INFORMATION WOULD BE PRINTED DAILY IN BOOKLET FORM TO WHICH BUSINESS CONCERNS COULD SUBSCRIBE. AFTER AN INITIAL APPROPRIATION TO GET SUCH A SERVICE ESTABLISHED, MCSWEENEY SAID, IT WOULD BE SELF-SUPPORTING FROM SUBSCRIPTIONS.

HE SAID HE PLANS TO DRAFT LEGISLATION EMBODYING HIS IDEAS.

V250PED

AUG 14 1949

FORCES IN EUROPE EXCEPT THOSE IN AUSTRIA AND TRIESTE.xxxWX

COLLINS, PRESENT VICE CHIEF OF STAFF, WAS BORN IN NEW ORLEANS, MAY 1, 1896. HE WAS GRADUATED FROM WEST POINT.

A VETERAN OF BOTH WORLD WARS, HE COMMANDED THE 7TH ARMY CORPS IN ITS NORMANDY LANDING ON D-DAY. HIS TROOPS CAPTURED CHERBOURG AND SPEARHEADED BRADLEY'S FIRST ARMY ATTACK WHICH MADE THE BREAK-THROUGH EAST OF ST.LO.

AFTER FIGHTING ACROSS FRANCE AND BELGIUM, THE 7TH CORPS ADVANCED TO THE ELBE RIVER TO MAKE JUNCTION WITH RUSSIAN TROOPS ADVANCING FROM THE EAST.

BEFORE THE D-DAY INVASION, GEN.COLLINS COMMANDED AMERICAN TROOPS ON GUADALCANAL. HE ALSO SERVED IN WORLD WAR I.

IT WAS UNDERSTOOD THAT HE WAS BRADLEY'S PERSONAL CHOICE FOR HIS SUCCESSOR AS CHIEF OF STAFF.

VH447AED

FOREIGN ARMS

AUG 14 1949

BY JACK BELL

WASHINGTON,AUG.13-(AP)-THE FOREIGN ARMS PROGRAM BUMPED INTO A NEW CONTROVERSY TODAY WHEN SENATOR MAYBANK (D-SC) CHARGED THE ADMINISTRATION WITH TRYING TO SHORT CIRCUIT CONGRESSIONAL ACTION THROUGH A RECONSTRUCTION FINANCE CORP LOAN.

REACTING TO REPORTS THAT SECRETARY OF STATE ACHESON FAVORS SUCH A LOAN TO SPEED THE FURNISHING OF ARMS TO WESTERN EUROPEAN NATIONS, MAYBANK SUMMONED RFC OFFICIALS BEFORE THE BANKING COMMITTEE FOR A PUBLIC HEARING MONDAY.

AT THE SAME TIME, CHAIRMAN CONNALLY (D-TEX) OF THE FOREIGN RELATIONS COMMITTEE CONCEDED THERE HAS BEEN DISCUSSION OF A PLAN TO WRITE INTO THE PENDING $1,450,000,000 FOREIGN MILITARY BILL A PROVISION UNDER WHICH UP TO $800,000,000 COULD BE BORROWED FROM THE RFC TO START THE PROGRAM ROLLING ONCE CONGRESS APPROVES IT.

THE BILL AUTHORIZES THE PROGRAM; APPROPRIATIONS WOULD COME IN SEPARATE LEGISLATION.

MAYBANK TOLD REPORTERS HE LOOKS ON THE LOAN PLAN AS A "BUCK PASSING" SCHEME DESIGNED TO "SHORT CIRCUIT THE CONGRESSIONAL APPROPRIATIONS COMMITTEES."

UNDER THE PLAN BEING TALKED BY SOME ADVOCATES, THE PROGRAM COULD GET GOING AND THE SLOW-MOVING APPROPRIATIONS MACHINERY, WHERE EUROPEAN RECOVERY AND OTHER FUNDS HAVE BEEN SHEARED BELOW THE GOALS FIXED PREVIOUSLY BY CONGRESS IN AUTHORIZATION BILLS, WOULD NOT HAVE TO BE SET IN ACTION UNTIL CONGRESS MEETS IN JANUARY. INSERT

BUT SENATOR GEORGE (D-GA) TOLD REPORTERS HE DOESN'T THINK THE APPROPRIATIONS MEMBERS WILL STAND FOR ANY SUCH PROPOSAL.

INSTEAD, HE SAID HE THINKS THE COMBINED SENATE FOREIGN RELATIONS AND ARMED SERVICES COMMITTEES OUGHT TO CUT THE TOTAL AUTHORIZATION DOWN TO ABOUT $700,000,000(M).

GEORGE SAID IT IS HIS IMPRESSION FROM TESTIMONY GIVEN BEFORE THE COMMITTEES THAT ABOUT ALL THAT WILL BE SHIPPED TO THE WESTERN EUROPEAN COUNTRIES IN THE YEAR ENDING NEXT JUNE 30 WILL BE $450,000,000(M) IN SURPLUS EQUIPMENT.

AUG 14 1949

A188WX

AN ITEM OF $77,000,000(M) FOR REFURBISHING THIS EQUIPMENT IS CHARGED AGAINST THE PROGRAM. THE REMAINDER OF $700,000,000(M) COULD BE USED TO FINANCE THE GREECE-TURKEY PROGRAMS AND TO PLACE ORDERS FOR LATER WESTERN EUROPEAN DELIVERIES, THE GEORGIA SENATOR FIGURED.

AS IT STANDS, THE BILL CALLS FOR AN APPROPRIATION FOR ONE YEAR TO BUY EQUIPMENT TO BE SHIPPED OVER A TWO-YEAR PERIOD. IT IS INTENDED TO STRENGTHEN NONCOMMUNIST NATIONS AND DISCOURAGE ANY RUSSIAN IDEAS OF INVADING WESTERN EUROPE.

MAYBANK CALLED RFC CHAIRMAN HARLEY HISE AND OTHER DIRECTORS, AS WELL AS JAMES L.DOUGHERTY, GENERAL COUNSEL, FOR TESTIMONY BEFORE THE BANKING GROUP ON THE MILITARY AID PROPOSAL.

THE COMMITTEE CURRENTLY IS HOLDING HEARINGS ON A PROPOSAL TO DOUBLE THE RFC'S PRESENT $2,500,000,000(B) LENDING AUTHORITY. OF THE INCREASE, $1,500,000,000(B) WOULD BE IN MORTGAGE MONEY TO AID PRIVATE HOUSING.

MAYBANK CHARGED THAT ANY LARGE RFC MILITARY LOAN NOW WOULD DIVERT FUNDS NEEDED FOR HOUSING, SMALL BUSINESS AND OTHER FINANCING. HE SAID RFC LENDING AUTHORITY NOW IS DOWN TO $550,000,000(M).

"IT IS BAD POLICY TO USE RFC AS A DUMPING GROUND TO PROVIDE ARMS FOR EUROPE WHILE CONGRESS IS IN SESSION," HE DECLARED.

THERE WAS SOME DOUBT WHETHER THE RFC LOAN PROPOSAL WOULD BE INCORPORATED INTO THE ARMS BILL WHICH THE HOUSE FOREIGN AFFAIRS COMMITTEE IS EXPECTED TO REPORT FAVORABLY EARLY NEXT WEEK.

ADVOCATES OF CUTTING THE TOTAL FUND HAVE GIVEN UP EFFORTS TO WHITTLE THE AMOUNT WITHIN THE HOUSE COMMITTEE. BUT REP.VORYS (R-OHIO) SAID HE WILL PLACE BEFORE THE HOUSE ITSELF AN AMENDMENT WHICH WOULD TRIM THE TOTAL TO $793,000,000. OF THIS, $660,000,000 WOULD BE FOR WESTERN EUROPEAN AID.

V302PED

WASHINGTON--INSERT FOREIGN ARMS BUDGET A187 AFTER SIXTH GRAF BEGINNING "UNDER THE PLAN":

MEANWHILE CONNALLY MADE IT PLAIN THAT HE WILL OPPOSE ANY MOVE TO GIVE THE NORTH ATLANTIC ADVISORY COUNCIL AUTHORITY TO DISTRIBUTE ARMS FURNISHED BY THIS COUNTRY.

THAT PROPOSAL IS EXPECTED TO BE MADE IN AN AMENDMENT BEING DRAFTED BY SENATORS VANDENBERG (R-MICH) AND DULLES (R-NY).

CONNALLY TOLD REPORTERS HE THINKS THAT THIS COUNTRY, AS THE ONLY FURNISHER OF SUPPLIES, MUST RETAIN THE DECIDING VOICE IN THEIR ASSIGN-

MENT.
THE PROPOSAL OF THE TWO REPUBLICANS WOULD BRING THE ARMS DISTRIBUTION UNDER CONTROL OF THE COUNCIL WHEN IT GOES TO WORK. THE COUNCIL TO BE SET UP BY THE 12 NATIONS WHO SIGNED THE ATLANTIC TREATY, WILL HAVE CHARGE OF PLANNING DEFENSE OF THE AREA.
DULLES AND VANDENBERG ARGUE THAT SINCE THE COUNCIL HAS THE DUTY OF RECOMMENDING A UNIFIED DEFENSE IT SHOULD HAVE AUTHORITY OVER THE DISTRIBUTION OF ARMS.
CONCERNING THE IDEA OF STARTING UP THE PROGRAM WITH AN RFC LOAN AND LETTING APPROPRIATIONS COMMITTEES DELAY THEIR WORK UNTIL JANUARY, SENATOR GEORGE (D-GA) TOLD REPORTERS HE DOESN'T THINK THE APPROPRIATIONS MEMBERS WILL STAND FOR ANY SUCH PROPOSAL.
INSTEAD, HE SAID, ETC., SEVENTH GRAF
THE AP
PF638PED

AUG 14 1949

ARMS

BY JACK BELL
WASHINGTON, AUG.13-(AP)-LAWMAKERS VOICED GENERAL APPROVAL TODAY OF A PROPOSAL TO SWAP MILITARY SUPPLIES WITH CANADA, ALTHOUGH SOME OF THEM PICKED FLAWS IN THE PLAN.
SECRETARY OF DEFENSE JOHNSON REPORTED TO PRESIDENT TRUMAN AND THE CABINET YESTERDAY THAT THE CANADIANS WANT TO BARTER WARSHIPS, AIRCRAFT, SMALL ARMS AMMUNITION AND OTHER THINGS THEY MAKE FOR AMERICAN SUPPLIES. THIS WOULD HELP KEEP CANADA'S DOLLAR RESERVES INTACT BUT STILL PROVIDE HER WITH EQUIPMENT SHE CAN GET ONLY IN THIS COUNTRY.
THE DEFENSE SECRETARY XAID HE IS VERY MUCH IN FAVOR OF THE IDEA. AND SO WERE MANY MEMBERS OF CONGRESS.
CHAIRMAN CONNALLY (D-TEX) OF THE SENATE FOREIGN RELATIONS COMMITTEE SAID THE PROPOSAL LOOKS AS IF IT MIGHT "BE HELPFUL TO BOTH COUNTRIES."
BUT SENATOR MAYBANK (D-SC) SAID HE DOESN'T LIKE THE IDEA OF EXCHANGING U.S. SUPPLIES FOR ANTI-SUBMARINE VESSELS, ONE OF THE CANADIAN ITEMS NAMED.
ALONG THAT LINE, SECRETARY OF THE NAVY MATTHEWS ASSURED SENATOR JOHNSTON (D-SC) YESTERDAY THAT HE KNOWS NOTHING OF REPORTS THAT THE CHARLESTON, S.C., NAVY YARD WILL BE CLOSED.
SENATOR MAGNUSON (D-WASH) CAUTIONED AGAINST GOING INTO ANY DEAL BY WHICH THE CANADIANS WOULD BE CALLED UPON TO PRODUCE HIGHLY TECHNICAL WAR EQUIPMENT AND THUS DO AWAY WITH THE NEED FOR TRAINED PERSONNEL AND KNOW-HOW IN THIS COUNTRY.
SENATOR BRIDGES (R-NH) SAID THAT IF THE PLAN INVOLVES ACQUIRING NAVAL VESSELS FROM CANADA, HE DOESN'T THINK IT WILL WORK OUT.
"WE'VE GOT MORE SHIPS TIED UP NOW THAN WE KNOW WHAT TO DO WITH," HE OBSERVED. "I WOULD BE VERY RELUCTANT TO SEE US GO INTO A PROPOSITION THAT WOULD MEAN MORE UNEMPLOYMENT FOR OUR PEOPLE, PARTICULARLY AROUND THE NAVY YARDS."
HOWEVER, SENATOR GURNEY (R-SD) SAID HE FAVORS ANY 50-50 SWAP THAT WILL GIVE EACH COUNTRY WHAT IT NEEDS.
"WE'RE ALL ON THE SAME TEAM," HE OBSERVED.
SENATOR MCMAHON (D-CONN) SAID THAT IN VIEW OF THE NORTH ATLANTIC PACT, THIS COUNTRY OUGHT TO JOIN WITH CANADA IN WORKING OUT JOINT DEFENSE PLANS UNDER WHICH ARMS COULD BE EXCHANGED.

A8WX
SENATOR EDWIN C.JOHNSON (D-COLO) SAID THIS COUNTRY CAN'T HAVE TOO MUCH MILITARY COOPERATION WITH CANADA.
THE CANADIAN ARMS QUESTION SEEMED LIKELY TO HAVE NO DIRECT BEARING ON THE FOREIGN MILITARY SUPPLIES PROGRAM, HEADING FOR TEST VOTES IN HOUSE AND SENATE COMMITTEES NEXT WEEK.
THE HOUSE FOREIGN AFFAIRS COMMITTEE PROBABLY WILL VOTE MONDAY, WITH INDICATIONS THAT THE FULL $1,450,000,000 (B) PROGRAM WILL GET ITS APPROVAL.
CRITICS WHO LOST AN EFFORT TO CUT THE AMOUNT ON A TIE VOTE SAID THEY WILL CARRY THEIR FIGHT TO THE HOUSE FLOOR.
THE SENATE FOREIGN RELATIONS AND ARMED SERVICES COMMITTEES, WORKING JOINTLY ON THE BILL, MAY REACH A VOTE TUESDAY.
BEFORE THAT TIME SENATOR VANDENBERG (R-MICH) IS EXPECTED TO OFFER AMENDMENTS ON WHICH HE AND SENATOR DULLES (R-NY) HAVE BEEN WORKING.
DULLES HAS SAID THAT THEY HOPE TO HAVE A FORMULA UNDER WHICH THE NORTH ATLANTIC ADVISORY COUNCIL WOULD TAKE OVER DISTRIBUTION OF THE ARMS NEXT YEAR. HE SAID THAT MIGHT MEAN THAT THE AMOUNT WOULD NOT HAVE TO BE CUT, AS PREVIOUSLY URGED BY VANDENBERG.
VH247AED

AUG 14 1949

(ADVANCE) WASHINGTON, AUG.13-(AP)-SOME 200 FOREIGN SCIENTISTS ARE GOING TO GET A FIRST HAND LOOK SOME GOVERNMENT AND INDUSTRIAL PROJECTS TO SEE HOW THIS COUNTRY IS SEEKING TO UTILIZE AND CONSERVE ITS NATURAL RESOURCES.
SECRETARY OF INTERIOR KRUG TODAY ANNOUNCED PLANS FOR THE SPECIALLY-CONDUCTED TOUR ARRANGED FOR THE DELEGATES TO THE UNITED NATIONS SCIENTIFIC CONFERENCE SCHEDULED AT LAKE SUCCESS, N.Y., AUG.17-SEPT.6.
KRUG SAID IN A STATEMENT THAT THE FOREIGN EXPERTS WILL BE TAKEN BY SPECIAL TRAIN TO THE FOLLOWING POINTS:
SEPT.7--PITTSBURGH. VISITS TO THE IRVIN WORKS OF U.S. STEEL; THE MELLON INSTITUTE, THE METALS RESEARCH LABORATORY OF THE CARNEGIE INSTITUTE OF TECHNOLOGY, THE BUREAU OF MINES CENTRAL EXPERIMENT STATION AND EXPERIMENTAL COAL MINE AT BRUCETON; FARM TOURS UNDER THE AGRICULTURE DEPARTMENT CLUB; VISITS TO THE H.J. HEINZ CO. PLANT AND TO ARMY ENGINEERS PROJECTS ON THE OHIO RIVER.
SEPT.8--COLUMBUS. VISITS TO OHIO STATE UNIVERSITY, JEFFREY MANUFACTURING CO. MACHINE PLANT, BATTELLE MEMORIAL INSTITUTE LABORATORIES, GRIGGS AND O'SHAUGHNESSY RESERVOIRS, DELAWARE DAM, WALDO LOCAL FLOOD PROTECTION PROJECT, ZANESVILLE AND LOGAN FOREST RECLAMATION PROJECTS, AND FARMS OF THE HILLIARDS AREA.
SEPT.9--DRIVE FROM SHEFFIELD, ALA., TO MUSCLE SHOALS FOR AN INSPECTION OF THE TVA CHEMICAL AND FERTILIZER PLANT, FOREST NURSERY AND DEMONSTRATION FARM; AGRICULTURAL EXPERIMENT STATION, DECATUR, ALA.
SEPT.10--TOURS OF GUNTERSVILLE, ALA., AND CHATTANOOGA, TENN.
SEPT.11--VISITS TO CHICKAMAUGA AND NORRIS DAMS AND KNOXVILLE, TENN.
SEPT.12--INSPECTION OF THE BUREAU OF MINES EXPERIMENT STATION AND THE FISHERIES LABORATORY AT COLLEGE PARK, MD., THE AGRICULTURE RESEARCH CENTER AT BELTSVILLE, MD., THE PATUXENT, MD., WILDLIFE RESEARCH REFUGE, AND LABORATORIES OF THE BUREAU OF STANDARDS AND THE TIMBER ENGINEERING CO., WASHINGTON.
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30.24- 5037

(350) MACARTHUR
BY DON WHITEHEAD

AUG 14 1949

WASHINGTON, AUG.13-(AP)-SOME SENATORS STILL PRESSED TODAY FOR GEN. DOUGLAS MACARTHUR'S RETURN FROM JAPAN DESPITE HIS PLEA THAT CRITICAL EVENTS IN THE FAR EAST WILL NOT PERMIT IT AT THIS TIME.

REPUBLICAN FLOOR LEADER WHERRY OF NEBRASKA SAID MACARTHUR SHOULD RETURN AND TELL CONGRESS WHAT POLICIES SHOULD BE FOLLOWED IN THE ORIENT.

SENATOR MORSE (R-ORE) ADDED:

"ONE OF THE GREATEST LESSONS IN THE DEMOCRATIC PROCESS THAT GEN. MACARTHUR COULD GIVE WOULD BE TO RETURN AND GIVE SENATORS INFORMATION THEY NEED IF THEY ARE TO REPRESENT THE PEOPLE OF THE COUNTRY INTELLIGENTLY IN CONNECTION WITH THE NUMBER ONE ISSUE TODAY--THE COMMON DEFENSE."

WHERRY AND MORSE GAVE THEIR VIEWS TO REPORTERS IN SEPARATE INTERVIEWS.

MACARTHUR FIRMLY REJECTED AN INVITATION YESTERDAY BY THE SENATE FOREIGN RELATIONS AND ARMED SERVICES COMMITTEES TO TESTIFY ON THE PRESIDENT'S $1,450,000,000 (B) ARMS PROGRAM.

HE REFUSED A SIMILAR INVITATION A YEAR AGO FROM THE SENATE APPROPRIATIONS COMMITTEE.

SEVERAL SENATORS PLAINLY WERE IRKED BY MACARTHUR'S POSITION THAT EVENTS ARE SO CRITICAL HE CAN NOT TAKE TIME OUT FROM HIS DUTIES AS THE SUPREME ALLIED COMMANDER IN THE PACIFIC.

MACARTHUR ALSO SAID HE COULD SHED LITTLE LIGHT ON THE CHINA SITUATION SINCE CHINA IS NOT IN THE AREA OF HIS COMMAND RESPONSIBILITY.

BUT WHERRY ARGUED THAT IF MACARTHUR HAD RETURNED A YEAR AGO FOR A REPORT TO CONGRESS, THE CHINA POLICY "WOULD NOT HAVE DISINTEGRATED INTO THE SITUATION IT HAS."

AND HE ADDED IF EVENTS ARE SO CRITICAL OUTSIDE CHINA, THEN CONGRESS SHOULD BE TOLD ABOUT THEM.

SENATOR CONNALLY (D-TEX), CHAIRMAN OF THE SENATE FOREIGN RELATIONS COMMITTEE, TOLD THE SENATE YESTERDAY IT WOULD BE "SHAMEFUL" FOR THE SENATE TO DEMAND MACARTHUR'S RETURN.

CONNALLY FOUGHT AGAINST A RESOLUTION SPONSORED BY SENATOR KNOWLAND (R-CALIF) ASKING MACARTHUR AND VICE ADMIRAL OSCAR C.BADGER, NAVAL COMMANDER IN THE FAR EAST, TO REPORT TO THE JOINT SENATE COMMITTEES. BUT THE TEXAS SENATOR WAS ON THE SHORT SIDE OF A 13-12 VOTE BY THE COMMITTEES.

NO ONE EXPECTS PRESIDENT TRUMAN TO ORDER MACARTHUR HOME. THE PRESIDENT HAS SAID HE WILL CALL HIM HOME IF MACARTHUR ASKS TO RETURN.

THIS WAS INTERPRETED TO MEAN THAT MR.TRUMAN WILL NOT USE ANY PRESSURE TO GET HIM BACK TO WASHINGTON. AND SECRETARY OF DEFENSE JOHNSON HAS SAID HE WILL NOT ORDER THE GENERAL HOME UNLESS THE PRESIDENT APPROVES.

VH257AED

"THE HEARINGS SHOULD NOT RUN MORE THAN ANOTHER WEEK," HE SAID.

THE HEARINGS ARE RECESSED UNTIL AUGUST 22. A SUBCOMMITTEE WILL GO TO CALIFORNIA NEXT WEEK TO QUESTION GENERAL H.H.ARNOLD, RETIRED AIR FORCE CHIEF, AND AIRPLANE MANUFACTURERS.

BATES SAID HE WILL ASK WHEN THE COMMITTEE MEETS AGAIN THAT THE AUTHOR, OR AUTHORS, OF AN ANONYMOUS DOCUMENT PUT INTO THE HEARING RECORD LAST TUESDAY BE BROUGHT BEFORE THE COMMITTEE.

ANOTHER COMMITTEE MEMBER DESCRIBED THE DOCUMENT AS "FULL OF RUMORS AND GOSSIP AND INNUENDOES" ABOUT DEFENSE OFFICIALS, AIRPLANE MANUFACTURERS AND POLITICAL FIGURES PICTURED AS CONNECTED WITH THE B-36 SINCE IT WAS FIRST PLANNED IN 1941. THE PAPER HAS NOT BEEN OFFICIALLY RELEASED BY THE COMMITTEE.

CHAIRMAN VINSON (D-GA) SAID THE COMMITTEE STAFF IS STRIVING TO LEARN THE AUTHORSHIP OF THE PAPER. HE LEFT THE CITY FRIDAY NIGHT TO SPEND A WEEK AT HIS HOME IN MILLEDGEVILLE,GA.

JOSEPH B. KEENAN AND JAMES M. GILLIN, ASSOCIATE COUNSEL FOR THE INVESTIGATION, SOUGHT INFORMATION FROM BANKERS AND AIRPLANE INDUSTRY WITNESSES IN BALTIMORE AND NEW YORK OVER THE WEEKEND, PREPARING TO LEAVE FOR CALIFORNIA WITH THE SUBCOMMITTEE SOME TIME MONDAY.

FOUR DAYS OF HEARINGS THIS WEEK WERE CLIMAXED LATE FRIDAY BY AN ANGRY, SHOUTING ENCOUNTER BETWEEN AIR SECRETARY SYMINGTON AND REP. VAN ZANDT (R-PA), A COMMITTEE MEMBER.

SYMINGTON ACCUSED THE PENNSYLVANIAN OF TRYING TO "SMEAR" HIM AND THE AIR FORCE THROUGH "RATHER A DISGRACEFUL WAY OF USING CONGRESSIONAL IMMUNITY." HE DARED VAN ZANDT TO REPEAT "OVER THE RADIO" THINGS HE HAS SAID IN CONGRESS ABOUT SYMINGTON AND THE B-36 PROGRAM "SO WE CAN HAVE PROPER RECOURSE."

VAN ZANDT LATER ISSUED A HOTLY WORDED STATEMENT SAYING VINSON "IS EVIDENTLY ENGAGED INA WHITEWASH JOB" ON THE B-36, AND "THE REAL PURPOSE" OF VINSON AND SYMINGTON "IS TO ENDEAVOR TO DISCREDIT ME."

A37WX

AUG 14 1949

A SPEECH BY VAN ZANDT IN THE HOUSE MAY 26 LED TO THE COMMITTEE PROBE. HE SPOKE OF "DISTURBING REPORTS" ABOUT THE BUSINESS AND POLITICAL RELATIONS OF SYMINGTON, JOHNSON AND FLOYD ODLUM, HEAD OF THE FIRM MAKING THE B-36.

AMONG OTHER THINGS, VAN ZANDT SAID HE HAD HEARD SYMINGTON PLANS TO RESIGN HIS GOVERNMENT JOB TO TAKE OVER AN AIRCRAFT MANUFACTURING COMBINE BEING ORGANIZED BY ODLUM. SYMINGTON HAS VIGOROUSLY DENIED IT. VAN ZANDT ADDED THAT ODLUM HELPED JOHNSON RAISE CAMPAIGN MONEY FOR THE DEMOCRATIC PARTY LAST FALL.

VAN ZANDT SAID THEN, AND REPEATED FRIDAY, THAT HE DID NOT CLAIM THE REPORTS WERE TRUE. HE ONLY BROUGHT THEM UP, HE EXPLAINED, BECAUSE HE FELT THERE SHOULD BE A CONGRESSIONAL INVESTIGATION "TO CLEAR THE AIR."

THE COMMITTEE WENT INTO THE HISTORY OF THE B-36 STEP BY STEP THIS WEEK, AND PICKED UP SOME INTERESTING INFORMATION ABOUT THE SIX-ENGINED GIANT.

"IT IS "A TRULY INTERCONTINENTAL BOMBER," AIR FORCE GENERALS TOLD THE COMMITTEE, AND COULD REACH TARGETS ANYWHERE IN THE WORLD FROM BASES ON THE NORTH AMERICAN CONTINENT.

HE HAS LIFTED A BOMB LOAD OF 86,000 POUNDS, THOUGH DESIGNED FOR 10,000 POUNDS, AND HAS RAMBLED "A GOOD DEAL FARTHER" THAN ITS ORIGINAL 10:000-MILE RANGE.

THE B-36 HAS NOT ALWAYS BEEN AS HIGHLY REGARDED AS IT IS NOW, THE

GENERALS CONCEDED. WHILE IT WAS HAVING THAT THEY CALLED "TEETHING TROUBLES" SOME OF THEM WANTED TO GIVE UP ON THE WHOLE PROJECT AND TRY TO DEVELOP ANOTHER HEAVY BOMBER.

BUT THE PROBLEMS WERE SOLVED, THEY ADDED, AND AIR FORCE LEADERS NOW ARE UNANIMOUS IN THEIR SUPPORT OF THE PLANE AND THEIR ENTHUSIASM FOR ITS ABILITY..

PF653PED

(170) WIND TUNNELS

WASHINGTON, AUG.13-(AP)-FINAL ACTION ON A $311,000,000 PROGRAM TO BUILD WIND TUNNELS FOR TESTING FASTER-THAN-SOUND AIRCRAFT AND GUIDED MISSILES NOW IS UP TO THE HOUSE.

THE SENATE YESTERDAY PASSED THE MEASURE UNANIMOUSLY. THE HOUSE ARMED SERVICES COMMITTEE ALREADY HAS GIVEN A SIMILAR BILL UNANIMOUS APPROVAL.

THE SENATE BILL PROVIDES FOR: (1) NINE LARGE WIND TUNNELS--SIX AT THE THREE LABORATORIES OF THE NATIONAL ADVISORY COUNCIL ON AERONAUTICS, ONE AT THE DAVID TAYLOR MODEL BASIN, CARDEROCK, MD., AND TWO AT A PROPOSED NEW AIR ENGINEERING CENTER, THE SITE FOR WHICH HAS NOT BEEN SELECTED.

(2) THIRTEEN SMALLER TUNNELS TO BE LOCATED AT 13 STATE UNIVERSITIES OFFERING COURSES IN AERONAUTICAL ENGINEERING.

THE BILL AUTHORIZES $4,400,000 FOR THE 13 SMALLER TUNNELS; $6,600,-000 FOR CARDEROCK; $150,000,000 FOR THE SIX NCA TUNNELS, AND $150,-000,000 FOR THE PROPOSED DEVELOPMENT CENTER AND ITS TWO TUNNELS.

VH308AED

(ADVANCE)..WASHINGTON, AUG.13-(AP)-SENATOR MAGNUSON (D-WASH) EXPRESSED HOPE TODAY THAT 30 OR 40 SENATORS WILL JOIN HIM IN URGING A $25,000,000 (M) APPROPRIATION FOR THE REPAIR OF 134 RESERVE SHIPS.

THE VESSELS ARE MILITARY-TYPE AUXILIARIES. SIXTY-FOUR, HE SAID, ARE ON THE ATLANTIC COAST, 17 ON THE GULF COAST, AND 53 ON THE PACIFIC COAST.

HE SAID IT COST AN AVERAGE OF $3,000,000 EACH TO BUILD THEM AND IT WOULD COST $5,000,000 (M) EACH TO REPLACE THEM TODAY. THE $25,000,000 EXPENDITURE WOULD PROTECT A $400,000,000 INVESTMENT, HE ADDED. IT WOULD WORK OUT, HE SAID, TO AN AVERAGE REPAIR COST OF $180,000 PER VESSEL.

MAGNUSON IS CHAIRMAN OF THE SENATE MERCHANT MARINE SUBCOMMITTEE. HE SAID THE VESSELS ARE HOSPITAL, TOWING, TROOP CARRIERS AND TORPEDO BOAT TENDERS WHOSE REPAIR IS NECESSARY TO NATIONAL DEFENSE. THE PROJECT ALSO WOULD AVERT THE LOSS OF SKILLED LABOR AND TECHNICAL KNOW-HOW FROM THE NATION'S RECESSION-SUFFERING SHIPYARDS.

THE JOINT CHIEFS OF STAFF, MAGNUSON SAID IN A STATEMENT, HOPE THAT 439 SUCH VESSELS EVENTUALLY WILL BE PUT INTO GOOD OPERATING CONDITION FOR USE IN AN EMERGENCY. THEY HAVE RECOMMENDED THAT $25,000,000 BE SPENT THIS FISCAL YEAR TO REPAIR 134 VESSELS AND THAT A SIMILAR ANNUAL PROGRAM BE CARRIED OUT UNTIL THE TOTAL GOAL IS REACHED, HE SAID.

WHAT'S NEEDED, MAGNUSON SAID, IS THE MONEY SO THAT THE MARITIME COMMISSION CAN GO AHEAD WITH THE PROGRAM WHICH, HE EMPHASIZED, CONGRESS OUTLINED IN THE SHIP SALES ACT OF 1946.

MAGNUSON EXPLAINED HIS VIEWS IN LETTERS TO ABOUT 60 SENATORS, ASKING THEM TO GO ALONG WITH HIM IN SPONSORING AN AMENDMENT TO A SUPPLEMENTARY MONEY BILL WHICH WOULD PROVIDE THE FUNDS. HE HOPES 30 OR 40, AT LEAST, WILL JOIN HIM, HE TOLD A REPORTER.

THE SENATOR SAID THAT OF THE VESSELS WHICH WOULD BE REPAIRED THIS YEAR, THE 64 ON THE ATLANTIC COAST INCLUDE 62 IN THE JAMES RIVER, ONE IN THE HUDSON AND ONE AT WILMINGTON, DEL.

AUG 14 1949

B23WX

IN THE GULF, 14 ARE BERTHED AT MOBILE, ALA., AND THREE AT BEAUMONT, TEX. THE PACIFIC COAST TOTAL INCLUDES 34 IN SUISUN BAY, CALIF., 10 AT ASTORIA, ORE., AND NINE AT OLYMPIA, WASH. HE PROMISED A SHIP-BY-SHIP LISTING LATER.

HIS STATEMENT, INCLUDING A SPEECH PREPARED FOR SENATE DELIVERY, SAID IN PART:

"MEN AND NATIONS SHOULD LEARN FROM EXPERIENCE. YET HERE WE ARE, FOUR YEARS AFTER THE GREATEST BLOOD BATH THE WORLD HAS EVER KNOWN, WITH THE GREATEST FLEET EVER BUILT BY A SINGLE NATION, REPEATING THE SAME ERRORS WHICH HAVE TWICE LED US TO THE BRINK OF DISASTER.

"A MAJOR PORTION OF THAT 'GREATEST FLEET' IS TODAY SLOWLY RUSTING TO DESTRUCTION. WHAT ENEMY ACTION FAILED TO ACCOMPLISH, OUR OWN CONTINUED NEGLECT WILL SURELY ACHIEVE."

HE SAID THAT FROM JANUARY, 1947, TO MAY, 1949, EMPLOYMENT IN PRIVATE SHIPYARDS IN THIS COUNTRY HAS DECLINED FROM 152,900 TO 80,000 OR 41 PERCENT.

IN NORTH ATLANTIC YARDS THE DECREASE AMOUNTED TO 25,400 WORKERS, OR 35.6 PERCENT; ON THE GULF IT WAS 17,500 OR 62.5 PERCENT, AND ON THE PACIFIC COAST 21,500 OR 69.6 PERCENT, HE SAID.

"I DO NOT ASSERT THAT THE SHIPPING INDUSTRY AND ECONOMY CAN OR SHOULD SUSTAIN EMPLOYMENT AT THE JANUARY, 1947, LEVEL," HE SAID.

"I DO CONTEND, HOWEVER, THAT THE DRASTIC LOSS IN TRAINED PERSONNEL WHICH HAS OCCURRED IN TWO AND ONE-HALF YEARS REPRESENTS A MATTER OF VITAL CONCERN TO THE SENATE AND THE COUNTRY."

(END ADVANCE FOR USE AT 6 ;0.M., E.S.T., TODAY, SATURDAY, AUG.13)

AB605PED

SAN FRANCISCO, AUG 13-(AP)-PETE (CQ) JARMAN OF ALABAMA, THE NEW UNITED STATES AMBASSADOR TO AUSTRALIA, LEFT WITH HIS WIFE BY FREIGHTER TODAY FOR CANBERRA. THEY EXPECT TO ARRIVE SEPTEMBER 2.

"I'M GOING TO DO A LOT OF KEEPING MY MOUTH SHUT UNTIL I FIND OUT WHAT I'M TALKING ABOUT," SAID JARMAN, A VETERAN OF 12 YEARS IN CONGRESS.

JARMAN SAID HE KNEW AND GREATLY ADMIRED AUSTRALIAN SOLDIERS WHEN HE WAS IN THE FIRST WORLD WAR, AND VISITED AUSTRALIA BRIEFLY DURING THE LAST WAR WITH A CONGRESSIONAL COMMITTEE. "BUT I'M NOT TOO INTIMATE WITH THE SITUATION OUT THERE."

"I CONSIDER IT A GREAT HONOR TO REPRESENT OUR COUNTRY AS AMBASSADOR," HE SAID, "PARTICULARLY TO BE OUR COUNTRY'S EYES AND EARS AND SPOKESMAN IN SUCH A LARGE AND IMPORTANT COUNTRY AS AUSTRALIA.

"AUSTRALIA HAS BEEN IMPORTANT ALWAYS, BUT IT IS PARTICULARLY SO NOW, DURING THE CRITICAL PERIOD OF WORLD HISTORY THROUGH WHICH WE'RE PASSING. I CONSIDER AUSTRALIA OUR MAIN BASTION OUT IN THAT AREA, WHERE COMMUNISM IS PROGRESSING SO RAPIDLY."

EW1117PCS

NIGHT LEAD TOKYO ROSE

SAN FRANCISCO, AUG.13-(AP)-THE BLEAK LITTLE FACE OF IVA D'AQUINO NEVER CHANGED EXPRESSION TODAY AS A FEDERAL JUDGE REFUSED TO DIRECT HER ACQUITTAL ON TREASON CHARGES.

THE CHARGE STEMS FROM HER "TOKYO ROSE" WARTIME BROADCASTS TO THE SOUTH PACIFIC.

HER ATTORNEYS HAD TOLD HER THERE WAS LITTLE HOPE THE COURT WOULD GRANT THEIR MOTION ASKING A DIRECTED VERDICT OF ACQUITTAL ON THE GROUNDS THE GOVERNMENT HAD NOT SHOWN SUFFICIENT EVIDENCE.

THEY SAID THEY WOULD START PRESENTING DEFENSE EVIDENCE MONDAY. THE GOVERNMENT RESTED ITS CASE YESTERDAY.

ARGUING AGAINST THE DEFENSE MOTION FOR ACQUITTAL, CHIEF PROSECUTOR TOM DEWOLFE SAID THE JUDGE WOULD BE TAKING OVER THE FUNCTION OF THE JURY IF HE ORDERED ROSE FREED.

THAT THE JAPANESE-AMERICAN DUBBED "TOKYO ROSE" BY TROOPS WHO HEARD HER BROADCASTS IN THE PACIFIC INTENDED TO BETRAY HER COUNTRY IS A FACTUAL MATTER, HE SAID.

HE STRIPPED THE 500,000-WORD MASS OF TESTIMONY DOWN TO THE BARE BONES OF THE GOVERNMENT'S CHARGES. HE SAID TESTIMONY SHOWED:

1. SHE WENT TO WORK IN TOKYO, "IN THE HEART OF THE ENEMY COUNTRY" IN WARTIME FOR RADIO TOKYO, A GOVERNMENT-CONTROLLED AGENCY.
2. SHE TOOK PART IN A PROPAGANDA PROGRAM AND GOT PAID FOR IT, WITH WAGES AS GOOD OR BETTER AS THOSE OF "THE JAPANESE NATIONALS, HER COLLEAGUES, WHO WORKED SIDE BY SIDE WITH HER;" SHE ASKED FOR AND GOT A WAGE INCREASE.
3. THE "NEFARIOUS PURPOSE" WAS EXPLAINED TO HER WHEN SHE WENT TO WORK.
4. SHE BROADCAST MATTER THAT "WOULD TEND TO WEAKEN THE WILL OF THE U.S. TROOPS."

ATTORNEY GEORGE OLSHAUSEN, LEGAL EXPERT OF THE DEFENSE TRIO OF LAWYERS, CONTENDED:

1. THE GOVERNMENT FAILED IN ITS OBLIGATION TO PRESENT "THE WHOLE TRUTH" BY INTRODUCING FRAGMENTS OF BROADCASTS MADE BY MRS.D'AQUINO AS "ORPHAN ANN", APART FROM THEIR CONTEXTS, THROUGH THE LIPS OF SERVICE MEN WITNESSES.

(HE SAID A QUOTATION OUT OF CONTEXT IS "THE STANDBY OF PREVARICATION." WHEN MRS.D'AQUINO TALKED OF THE HEAT OF THE JUNGLE, THE MOSQUITOES, AND THE LONELINESS, SHE INVARIABLY FOLLOWED IT UP, HE SAID, AS THE COMPLETE SCRIPS IN EVIDENCE SHOWED, WITH SOMETHING LIKE "LET ME CHEER YOU UP WITH SOME MUSIC.")

2. THAT ONE OF THE GOVERNMENT'S OWN WITNESSES, A AJPANESE ARMY PROPAGANDA CHIEF, ADMITTED THE ZERO-HOUR PROGRAM ON WHICH "ORPHAN ANN" APPEARED, WAS DELIBERATELY MADE AS ENTERTAINING AS POSSIBLE, TO GAIN A LARGE AUDIENCE, TO WHICH PROPAGANDA WOULD BE POURED OUT LATER WHEN THE AMERICANS STARTED LOSING GROUND. (THEY NEVER DID.)

A79KX

3. THAT THE GOVERNMENT'S OWN WITNESSES ADMITTED PERSONS IN WARTIME JAPAN WHO WERE NOT CITIZENS OF THAT COUNTRY WERE UNDER CONSTANT POLICE SURVEILLANCE AND THREAT OF LOSING RATION CARDS UNLESS THEY DID AS THEY WERE TOLD IN ALL RESPECTS.
4. THAT MRS.D'AQUINO CALLED HER RADIO AUDIENCE "BONEHEADS" IN A JOSHING, AND NOT A SERIOUS MANNER, AS TEXAS GUINAN ADDRESSED HER NIGHT CLUB PATRONS IN THE '20S AS "SUCKERS".
5. THAT MOST OF THE THINGS CHARGED IN THE OVERT ACTS WERE ACTUALLY HARMLESS IN THEMSELVES AND SO COULD NOT CONSTITUTE TREASON.
6. THAT SHE COULD NOT HAVE HAD ANY TREASONABLE INTENT, BECAUSE SHE AIDED IN PUTTING OVER DOUBLE-TALK IN THE BROADCASTS ACTUALLY INTENDED TO FOOL THE JAPANESE AND SABOTAGE THE PROPAGANDA VALUE OF THE PROGRAM. AND BECAUSE SHE BROKE RULES TO SMUGGLE FOOD AND TOBACCO TO ALLIED PRISONERS OF WAR.

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AUG 14 1949

WITNESSES IN 26 DAYS OF THE TRIAL.

THE FINAL PROSECUTION WITNESSES PILED STILL MORE TESTIMONY INTO THE BULGING RECORD BY WHICH THE GOVERNMENT, THOUGH TEDIOUS POUNDING AWAY SINCE JULY 5, HAS SOUGHT TO PROVE THE DEFENDANT TRAITOROUSLY BROADCAST FOR RADIO TOKYO DURING THE WAR.

THE WITNESSES TESTIFIED HOW RADIO TOKYO'S "ORPAH ANN" ON THE ZERO HOR PROGRAM ALTERNATELY SOUGHT TO MAKE ALLIED TROPS JITTERY AND HOMESICK. THE GOVERNMENT CONTENDS THE UCLA-EDUCATED MRS. TOGURI WAS ORPHAN ANN, WHO CAME TO BE KNOWN AS TOKYO ROSE.

SGT. CHARLES F. HALL OF FORT GEORGE WRIGHT, WASH., TESTIFIED ORPHAN ANN TWICE BROADCAST IN ADVANCE SUPOOSEDLY SECRET INFORMATION THAT HIS 90TH BOMB GROUP WAS TO MOVE ON TO NEW BASES IN NEW GUINEA. ONCE SHE BROADCAST THAT THE UNIT WOULD FIND A RECEPTION COMMITTEE AWAITING WHEN IT MOVED FROM DOBODURA TO NADZAB, NEW GUINEA. " WE GOT THE HELL STRAFED OUT OF US," HE ADDED.

ON THE MORAL FRONT, SHE ONCE BROADCAST THER WAS

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ON THE MORALE FRONT, SHE ONCE BROADCAST THERE WRE 21 DIFFERENT REASONS "WHY WE SOULDN'T SLEEP WITH A REDHEAD," HALL TESTIFIED. "SHE SAID NOBODY WENT TO BED TO SLEEP WITH A REDHEAD IN THE FIRST PLACE."

OTHER BROADCASTS AIMED AT DESTROYING ALLIED MORALE THROUGH TALES OF SHIP LOSSES OR BY MAKING THE TROOPS HOMESICK FOR WIVES AND SWEETHEARTS WERE RECOUNTED BY OTHER WITNESSES, ROBERT COWAN, LOS ANGELES; MARIANO VILLARIN, A FILIPINO ARMY VETERAN; AND RICHARD L. HENSCHEL, NEW YORK, THE LAST GOVERNMENT WITNESS.

HALL TESTIFIED THAT "ORPHAN ANN'S " VOICE WAS SLURRING AND SARCASTIC. VILLARIN DESCRIBED IT AS "SWEET."

ONE OF THE DEFENSE CLAIMS WILL BE THAT MRS. TOGURI'S WO RK ON RADIO TOKYO HAS BEEN CONFUSED WITH THAT OF SEVERAL OTHER WOMEN ANNOUNCERS FOR THAT, AND OTHER, JAPANESE STATIONS.

AJ 2APS

A41

NEW YORK, AUG. 13-(AP)-W.AVERILL HARRIMAN SAID AS HE LEFT FOR EUROPE LAST NIGHT THAT IF WAR COMES AMERICAN SOLDIERS "ARE ENTITLED TO HAVE WELL EQUIPPED ALLIES."

HARRIMAN, SPECIAL PRESIDENTIAL REPRESENTATIVE FOR THE MARSHALL PLAN, SAID MILLIONS OF PEOPLE IN THE ATLANTIC PACT COUNTRIES "ARE WILLING TO FIGHT" AS U.S. ALLIES.

"IF THEY ARE WELL EQUIPPED," HE SAID, "IT WILL BE AN ADDED DETERRENT TO WAR."

HARRIMAN TESTIFIED IN WASHINGTON RECENTLY IN FAVOR OF ARMS MONEY FOR ATLANTIC PACT NATIONS.

JT524AED

WASHINGTON,AUG 13-(AP)-FOREIGN MINISTER U.E.MAUNG OF BURMA ARRIVED BY PLANE TODAY AS AN OFFICIAL GUEST OF THE UNITED STATES GOVERNMENT.

MAUNG, MAKING HIS FIRST OFFICIAL VISIT TO THIS COUNTRY, WAS MET BY ASSISTANT SECRETARY OF STATE GEORGE C.MCGHEE AND BURMESE AMBASSADOR TO U.SO.NYUN.

ALTHOUGH NO OFFICIAL PROGRAM HAS BEEN ANNOUNCED AS YET, MAUNG PLANS TO STAY HERE A WEEK, CONFERRING WITH AMERICAN OFFICIALS ON HIS COUNTRY'S FINANCIAL STATUS AND ON COMMUNISM IN THE FAR PACIFIC.

HE WAS ACCOMPANIED BY TWO ADVISERS.

GG423PED

NEW YORK,AUG.13-(AP)-BURMESE FOREIGN MINISTER U.E.MAUNG ARRIVED BY PLANE TODAY ENROUTE TO WASHINGTON TO GET ACQUAINTED WITH THE UNITED STATES.

HE SAID THAT "BURMA HAS ALSO BEEN PUTTING UP A STRONG FIGHT AGAINST COMMUNISM" WHEN ASKED WHAT HE THOUGHT OF A STATEMENT YESTERDAY BY PRESIDENT ELPIDIO QUIRINO OF THE PHILIPPINES ON THE SUBJECT.

BURMA, HE SAID, PROBABLY WOULD BE WILLING TO JOIN A PACIFIC UNION SIMILAR TO THE NORTH ATLANTIC PACT "IF THE PACT WAS SPONSORED BY THE RIGHT PEOPLE AND AT THE RIGHT MOMENT."

BJ1029AED

RX (180)

NEW YORK, AUG. 13-(AP)-DR. IGNACIO MILLAN, HEAD OF THE MEXICAN DELEGATION TO THE RECENT UNITED NATIONS CANCER STUDY MEETING IN PARIS, SAID TODAY WORLD EFFORTS TO FIGHT THE DISEASE ARE HIGHLY ENCOURAGING.

DR. MILLAN RETURNED ON THE LINER WASHINGTON FROM THE PARIS MEETING,SPNSO

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AUG 13 1949

MEETING, SPONSORED BY THE U.N.'S INTERNATIONAL CANCER RESEARCH COMMITTEE AND THE REUNION INTERNATIONALE CONTRE LE CANCER.

"THIRTY-SEVEN DELEGATES WERE IN ATTENDANCE FROM MANY WIDELY SEPARATED COUNTRIES, SOME AS FAR AWAY AS KOREAN AND SOUTH AFRICA," DR. MILLAN SAID. "THEIR REPORTS WERE VERY IMPORTANT AND HIGHLY ENCOURAGING.

"NEVER BEFORE HAVE SOME MANY COUNTRIES BEEN CONDUCTING CANCER RESEARCH ON SO WIDE A SCALE. IT IS POSSIBLE THAT SOME VERY IMPORTANT RESULTS WILL BE ANNOUNCED AT THE NEXT INTERNATIONAL MEETING, WHICH WILL BE HELD IN PARIS IN JULY, 1950.

"CANCER RESEARCH IS NOW ONE OF THE FOREMOST LINES OF SCIENTIFIC ENDEAVOR IN NEARLY ALL COUNTRIES, ON A PAR WITH NUCLEAR ENERGY RESEARCH."

DR. MILLAN SAID THE PAPERS PRESENTED AT THE MEETING WERE TECHNICAL IN NATURE AND OF LIMITED PUBLIC INTEREST, DESPITE THEIR IMPORTANCE TO SCIENTISTS.

THE MEXICAN SCIENTIST EXPECTS TO RETURN TO MEXICO SOON.

SAN DIEGO,CALIF.,AUG.13-(AP)-SECRETARY OF THE NAVY FRANCIS P.MATTHEWS TODAY SAID HE KNEW OF NO PLAN TO CUT THE NAVY IN HALF.

ASKED BY NEWSMEN TO COMMENT ON WASHINGTON REPORTS TO THAT EFFECT, MATTHEWS SAID THAT "IF THERE WERE ANY SUCH PLAN IN MIND, THE NAVY WOULD CERTAINLY KNOW ABOUT IT."

HE CONCEDED THAT PLANS WERE UNDER WAY TO REDUCE THE $15,000,000,000 (B) DEFENSE BUDGET, ONE THIRD OF THE TOTAL NATIONAL BUDGET.

"THE COUNTRY COULD BE WRECKED BY TAXATION," MATTHEWS SAID. "I DON'T WANT YOU TO THINK I BELIEVE WE'VE REACHED THAT POINT, BUT WE COULD."

"THE NAVY, HOWEVER, WILL REMAIN OUR FIRST LINE OF DEFENSE. IT IS NOW LEADING THE WORLD."

MATTHEWS FLEW HERE FROM WASHINGTON TO ADDRESS A $25-A-PLATE DEMOCRATIC PARTY FUND-RAISING BANQUET.

HE IS DUE BACK IN WASHINGTON FRIDAY.

AUG 13 1949

REPORTS HAVE BEEN PUBLISHED IN WASHINGTON THAT THE U.S. NAVY WOULD BE CUT ALMOST IN HALF IN THE BUDGET BEING DRAFTED FOR THE FISCAL YEAR BEGINNING NEXT JULY.

THE U.S. NEWS AND WORLD REPORT, A WEEKLY MAGAZINE, SAID IN THE CURRENT ISSUE THAT THE MAJOR TYPE AIRCRAFT CARRIERS WOULD BE CUT FROM EIGHT TO FOUR; AND CARRIER AIR GROUPS BE CUT FROM 14 TO 6.

OTHER CUTS, THE MAGAZINE SAID, INCLUDE: SMALLER CARRIERS FROM 10 TO 8; MARINE CORPS AVIATION SQUADRONS FROM 23 TO 12; ANTI-SUBMARINE AIR SQUADRONS FROM 8 TO 7; PATROL SQUADRONS FROM 30 TO 20; CRUISERS FROM 18 TO 12; DESTROYERS FROM 162 TO 140; SUBMARINES FROM 80 TO 70.

AFTER APPEARANCE OF THAT ARTICLE THE DEFENSE DEPARTMENT'S BUDGET OFFICE WAS ASKED ABOUT IT. THE REPLY WAS THAT ONLY PRELIMINARY WORK HAS BEEN DONE ON THE 1951 BUDGET AND THAT NO SUCH PLAN HAS BEEN MADE.

HOWEVER, THE BUDGET OFFICE IS SHY ABOUT DISCUSSING 1951 BUDGET BEFORE CONGRESS HAS YET PASSED THE ONE FOR THE 1950 FISCAL YEAR.

DEFENSE SECRETARY JOHNSON HAS TOLD A CONGRESSIONAL APPROPRIATIONS SUB COMMITTEE THAT BY THE END OF NEXT YEAR HE PLANNED TO SAVE A BILLION DOLLARS A YEAR. THIS WOULD BE BY FINDING WAYS TO ELIMINATE WASTE AND OVERLAPPING.

R71045PED

CLEVELAND, AUG.13-(AP)-THE HERO OF CORREGIDOR AND BATAAN, GEN. JONATHAN M.WAINWRIGHT, AND MOTION PICTURE STAR JIMMY STEWART WILL SHARE THE SPOTLIGHT NEXT WEEK IN THE 28TH NATIONAL CONVENTION OF THE DISABLED AMERICAN VETERANS (CAPS).

WAINWRIGHT, NATIONAL COMMANDER OF THE ORGANIZATION, WILL OPEN THE CONVENTION'S FIRST GENERAL SESSION MONDAY MORNING. THE MEETINGS END FRIDAY.

THE NEWLY-WED STEWART WILL COME HERE FROM AKRON, O., WHERE HE WILL SERVE AS PARADE MARSHAL FOR THE 12TH ALL AMERICA SOAPBOX DERBY SUNDAY.

IN THE FIRST SESSION MONDAY THE GENERAL WILL PRESENT A BRONZE PLAQUE TO THE MOVIE STAR FOR HIS CONTRIBUTION TO THE DAV IN PLAYING THE LEAD ROLE IN "HOW MUCH DO YOU OWE?" THIS IS A 10-MINUTE MOVIE SHORT ABOUT THE DAV.

RA221PES NM

30.24- 5041

NEW YORK, AUG 13-(AP)-A DANGER OF THE REVIVAL OF MILITARISTIC NATIONALISM IN GERMANY IS SEEN BY DR. THOMAS MANN, JUST BACK FROM A THREE-MONTH TRIP TO EUROPE.

THE NOBEL PRIZE-WINNING NOVELIST SAID ON HIS ARRIVAL HERE BY SHIP YESTERDAY THAT MOST GERMANS ARE COMPLAINING THAT THEY WERE BETTER OFF UNDER THE NAZI REGIME.

HE SAID "ONE OF THE MOST ALARMING SYMPTOMS" IS THE WAY THE DE-NAZIFICATION PROGRAM HAS BEEN HANDLED BY THE WESTERN DEMOCRACIES, INCLUDING THE UNITED STATES.

"IT SEEMS TO ME," MANN SAID, "THAT THE HONESTLY DEMOCRATIC FORCES THAT OBVIOUSLY EXIST--BUT IN A DANGEROUS MINORITY--SHOULD BE BETTER SUPPORTED BY THE WESTERN DEMOCRACIES IN THEIR STRUGGLE AGAINST NATIONALISM AND MILITARISM IN EVERY WAY."

THE TRIP WAS THE 74-YEAR-OLD AUTHOR'S FIRST VISIT TO HIS GERMAN HOMELAND SINCE HE WAS EXILED BY HITLER IN 1933.

"I DID NOT SPEAK TO ONE DECENT AND HONEST GERMAN WHO WAS NOT DEEPLY CONCERNED ABOUT THE INCREASING NATIONALISM IN HIS COUNTRY," MANN SAID. "LET US ADMIT THAT A MILITARY OCCUPATION IN A DEFEATED COUNTRY WILL ALWAYS CREATE A CERTAIN AMOUNT OF NATIONALISM, BUT WHAT WE EXPERIENCE NOW IN GERMANY GOES BEYOND THIS NORMAL REACTION."

HE SAID THAT LARGELY RESPONSIBLE FOR THIS STATE OF MIND "IS THE STRANGE FACT THAT THE GERMANS DO NOT REALIZE AND DO NOT WANT TO REALIZE THE CAUSES OF THEIR ACTUAL CONDITIONS.

"THE GREAT MAJORITY OF THE PEOPLE COMPLAIN: 'UNDER HITLER WE WERE MUCH BETTER OFF'."

MANN SAID HE SAW NO SOLUTION OF THE SUFFERING FOR THE GERMAN PEOPLE "UNTIL THERE IS A FINAL UNDERSTANDING BETWEEN THE EAST AND THE WEST."

MANN SAID ACTION SHOULD BE TAKEN TO HELP GIVE GERMANS AN UNDERSTANDING OF THEIR PLIGHT, AND TO CHECK THE TREND TOWARD A NEW MILITARISM.

"I HAVE THE FEELING," HE SAID, "THAT IN EVERY SCHOOL AND POST OFFICE THERE SHOULD BE POSTED: 'WHY ARE YOUR CITIES DESTROYED? WHY IS YOUR COUNTRY DIVIDED AND OCCUPIED? BECAUSE YOU LOST THE MOST DESTRUCTIVE WAR IN HISTORY, AND ADOLF HITLER AND THE NATIONAL SOCIALIST REGIME LED YOU INTO IT."

SHORTLY BEFORE MANN LEFT FOR EUROPE LAST MAY 10, HE SAID HE BELIEVED RUSSIA SINCERELY WANTS PEACE AND UNDERSTANDING WITH AMERICA.

DURING HIS VISIT TO THE SOVIET ZONE OF GERMANY, HE SAID, HE SPOKE ON "THE INDESTRUCTIBLE VALUE OF FREEDOM AND THE DIGNITY OF HUMAN RELATIONS."

HE SAID THIS DREW APPLAUSE FROM A PART OF HIS AUDIENCE THAT WAS "ANTI-REGIME."

IN THE SOVIET ZONE, HE SAID, THE PEOPLE ARE DIVIDED, WITH YOUTH BACKING THE RUSSIAN REGIME, AND THEIR ELDERS OPPOSING IT.

HE SAID LIBERALS HAVE A HARD TIME BUCKING THE COMMUNIST TREND IN THE EASTERN ZONE.

MANN, WHO ON OCCASIONS HAS BEEN ACCUSED OF VOICING COMMUNIST PARTY VIEWS, SAID HE TOLD THE GERMANS HE WAS NOT A COMMUNIST.

MANN SAID HE AND HIS WIFE WILL LEAVE FOR THEIR HOME IN PACIFIC PALISADES, CAL., AFTER A FEW DAYS HERE.

M704AED

(ADVANCE) (WX) NEW YORK,AUG 13-(AP)-GEN.ROBERT L.EICHELBERGER, FORMER COMMANDER OF THE U.S. EIGHTH ARMY, SAID TONIGHT JAPAN "IS NOW THE KEY TO THE ENTIRE FAR EASTERN SITUATION."

EICHELBERGER, WHO LED THE EIGHTH ARMY FROM AUSTRALIA TO JAPAN IN WORLD WAR II, SAID IN A PREPARED SPEECH THAT AS LONG AS RUSSIA DOES NOT CONTROL THE ISLAND CHAIN AND PARTICULARLY THE MAIN ISLAND OF JAPAN, "THE FURTHER ADVANCE OF THE REDS IS TO A LARGE EXTENT STYMIED." HE ADDED:

"IF WE CAN MAKE SURE THAT THE JAPANESE ARE REASONABLY ABLE TO PROTECT THEMSELVES AFTER A PEACE TREATY IS CONCLUDED, THE SCALES WILL BE TIPPED THE OTHER WAY."

SHOULD JAPAN GO COMMUNIST, HE SAID, IT WOULD MEAN "A POTENTIAL DEFEAT IN THE PACIFIC IN ANY FUTURE WAR THAT MIGHT BE FORCED ON US." THE SEA OF JAPAN WOULD BECOME A COMMUNIST LAKE, HE ADDED.

IT IS UP TO THE MEN WHO BORE ARMS IN THE PACIFIC, EICHELBERGER COUNSELED, "TO INSURE BY A WELL INFORMED PUBLIC OPINION THAT THE REDS DO NOT GAIN POSSESSION OF JAPAN AND THAT BY SO DOING WE SAFEGUARD OUR COSTLY VICTORY."

THIS COUNTRY HAS BUILT UP A RESERVOIR OF RESPECT IN JAPAN THAT MAY WELL PAY GREAT DIVIDENDS, HE ADDED.

THE GENERAL SPOKE BEFORE A REUNION OF THE 24TH DIVISION ASSOCIATION.

(END ADVANCE TO BE HELD FOR RELEASE UPON DELIVERY EXPECTED AT 8:30 P.M. EST TONIGHT SATURDAY AUG. 13)

RZ846PED

MOBILE,ALA.,AUG.13-(AP)-A FIGHTING MARINE COMMANDER, NOW RETIRED, FORESEES A POSSIBLE THIRD WORLD WAR SOON "UNLESS OUR MIGHT IS SO GREAT NO ENEMY WILL DARE ATTACK US."

GENERAL HOLLAND M. (HOWLIN' MAD) SMITH ADDRESSED THE ALABAMA STATE BAR ASSOCIATION YESTERDAY.

"WE ARE PREPARING TO RESIST ANY FURTHER EXPANSION OF RUSSIA, AT THE COST OF WAR, IF WE FIND IT NECESSARY," HE DECLARED.

GENERAL SMITH SAID THE UNITED STATES SHOULD TRAIN ITS YOUTH IN DEMOCRATIC IDEAS, ALONG WITH MILITARY TRAINING. "WE MUST BE STRONG IN A MILITARY SENSE," HE ASSERTED.

"AND WE MUST ALSO BE STRONG IN OUR BELIEF OF DEMOCRACY THAT THE POLICE STATE CAN HAVE NO APPEAL TO OUR PEOPLE."

HE BLAMED THE FALL OF CZECHOSLOVAKIA TO RUSSIAN DOMINATION ON A LOSS OF "FAITH IN THE IDEALS OF DEMOCRACY," BY HER PEOPLE.

"THE PEACE OF THE WORLD IS IN OUR HANDS," HE ADDED.

A FORMER ALABAMIAN, GENERAL SMITH NOW LIVES AT LA JOLLA,CALIF.

EP306AES

NEW YORK, AUG. 13-(AP)-HERE IS A U.S. COMMUNIST LEADER'S DESCRIPTION OF HOW HIS VIEWS FLUCTUATED IN THE EARLY DAYS OF WORLD WAR II:

DURING THE HITLER-STALIN PACT OF 1939-1941, HE OPPOSED AMERICAN PARTICIPATION IN THE WAR.

AFTER THE NAZIS TURNED ON RUSSIA AND ATTACKED HER IN JUNE, 1941, HE FAVORED AMERICAN ENTRY INTO THE CONFLICT.

ROBERT G.THOMPSON, NEW YORK STATE COMMUNIST CHAIRMAN, YESTERDAY GAVE A FEDERAL COURT JURY THIS PICTURE OF THE CHANGES IN HIS POSITION. HE WAS UNDER CROSS-EXAMINATION BY THE GOVERNMENT.

AT FIRST, HE REFUSED TO SAY THAT AFTER HITLER'S INVASION OF RUSSIA AND BEFORE PEARL HARBOR THE COMMUNIST PARTY HERE URGED THIS COUNTRY'S ENTRY INTO THE WAR.

HOWEVER, AFTER A GOVERNMENT ATTORNEY CONFRONTED HIM WITH A PARTY DOCUMENT SHOWING THE PARTY HAD SWITCHED TO SUPPORT OF THE WAR PRIOR TO PEARL HARBOR, THOMPSON ACKNOWLEDGED THE DOCUMENT WAS CORRECT.

THOMPSON, ONE OF 11 TOP RED LEADERS ON TRIAL ON CHARGES THAT THEY CONSPIRED TO ADVOCATE FORCIBLE OVERTHROW OF THE U.S. GOVERNMENT, TESTIFIED HE SPOKE MANY TIMES AGAINST U.S. ENTRY INTO THE WAR.

HE SAIDIT WAS "VERY POSSIBLE" THAT HE ADVANCED THE SLOGAN, "THE XANKS ARE NOT COMING."

AUG 14 1949

THIS, HE SAID, WAS IN THE PERIOD BEFORE RUSSIA WAS ATTACKED.

THOMPSON SERVED IN THE U.S. ARMY IN THE PACIFIC, AND WON THE DISTINGUISHED SERVICE CROSS FOR HEROISM, THE NATION'S SECOND HIGHEST AWARD.

THOMPSON SAID HE WAS SUFFERING FROM AN ATTACK OF MALARIA WHEN INDICTED JULY 20, 1948, AND WAS CARED FOR BY FRIENDS UNTIL HE SURRENDERED TO AUTHORITIES NINE DAYS LATER.

ASKED TO GIVE THE NAMES OF THE FRIENDS, HE SAID:

"I CERTAINLY AM NOT GOING TO GIVE YOU THE NAME OF THE PEOPLE WHO TOOK CARE OF ME."

THE WITNESS ALSO DECLINED TO GIVE THE NAME OF THE COMMUNIST PARTY EDUCATIONAL DIRECTOR FOR QUEENS COUNTY, N.Y., DURING THE PERIOD COVERED BY THE INDICTMENT. ASKED WHETHER THE DIRECTOR WAS HIS WIFE, HE SAID:

."THAT MAKES NO DIFFERENCE AT ALL, AND I AM NOT GOING TO GIVE YOU THE NAMES OF PERSONS FOR POSSIBLE PROSECUTION."

HE ALSO REFUSED TO NAME THE STATE EDUCATIONAL DIRECTOR FOR THE PARTY.

HOWEVER, IMMEDIATELY AFTER HIS TESTIMONY ENDED, A MAN TOOK THE STAND WHO IDENTIFIED HIMSELF AS HOWARD JOHNSON, OF MANHATTAN, "STATE EDUCATIONAL DIRECTOR."

JOHNSON, PUT ON THE STAND SHORTLY BEFORE COURT ADJOURNED FOR THE WEEKEND, RESUMES HIS TESTIMONY MONDAY WHEN THE TRIAL GOES INTO ITS 31ST WEEK.

JS332AED

Geneva, Aug. 13 (AP) The International refugee organization said today the opportunity to return to Poland is still open to 150 young polish refugees now in Bremen waiting for a ship to Canada.

But the choice of repatriation must be made by them, all between the ages of 10 and 25, an IRO spokesman said.

They were taken to Bremen after expressing desires to be resettled in other countries. some said they wanted to go to Britain, the IRO official said.

AUG 14 1949

End August 13, 1949

SYRIAN PRESIDENT, PREMIER EXECUTED IN MILITARY COUP

Government Control Seized by Army Officers in Dawn Raid

TO FORM NEW CABINET

People Are Promised 'Free Republic,' Opportunity to Elect Officials

DAMASCUS, Syria, Aug. 14. — (AP) Col. Sami Hennawi seized control of Syria today in a military coup climaxed by the death of the president and premier before a firing squad. President Husni Zayim, who seized power on March 30, and Premier Muhsen Bey Berazi were executed at dawn by a firing squad after a brief trial before senior army officers.

A series of communiques did not specify the changes but called the two traitors, tyrants and dictators.

To Form New Cabinet

Col. Hennawi, a former fellow army officer of Zayim, met with a group of politicians. They asked Hasem Bey Attassi, former president of the republic, to form a new cabinet. He accepted the request and immediately began consultations.

Hennawi, who fought alongside Zayim in the Palestine war, installed himself as chief of the armed forces formerly headed by Zayim with the title of field marshal.

(Dispatches from Damascus were subject to censorship.

(A Damascus broadcast heard in Hashemite Jordan said political leaders from all over Syria were summoned to the capital immediately to help form a new civilian government. It was reported that Akram Hourani, former deputy and member of the court martial that ordered the president and premier shot, is expected to become premier.)

Syrian broadcasts to the Middle East said Hennawi told the people he is not seizing power and quoted him as saying: "We want a free republic of Syria, not a government by the military. We are ready to turn over power to a government chosen by the people."

One broadcast gave this description of the coup:

Battle Sentries

Three carloads of Syrian army officers rode to Zayim's home early this morning and forced their way in after a brief fight with sentries. They awoke and arrested Zayim and then went on to Premier Berazi's home. He was arrested without resistance.

The military tribunal was formed immediately and sentenced both to death after trial. They were executed in the Mezzah Citadel military barracks.

None of the first six communiques made clear the immediate reasons for the executions, but they contained generalities tending to indicate the militarists felt Zayim had failed to keep promises to bring Syria out of the muddle arising mainly from the Palestine fighting.

Colonel Hennawi, who is in his fifties, was regarded here as a hero of the Mashmar Hayardents battle in the Palestine war. Zayim became president in the June referendum on his own coup.

One communique said Zayim, whose coup had army support last March, promised to give Syria an administration that would restore her dignity and self-respect.

Want Only Safety

It said the army and the nation upheld these ambitions, but charged that his new powers blinded him and that, on bad advice, he was heading Syria toward economic disaster.

The communique said the army wants nothing more than safety for Syria and thought that men unskilled in politics should go back to their barracks, leaving politics in expert hands.

Until the March coup, Zayim had been an obscure army officer. The bespectacled Premier Berazi who died with him was regarded as the brains of the Zayim regime.

Zayim's installation as president was marred by an explosion in an army arsenal outside Damascus. The stocky little strong man, dressed in civilian clothes, pledged his administration to a policy of internal reform and stiffening the frontiers against any aggression.

The reference to the frontiers was taken to mean that Syria would resist any encroachments from Israel and the "Greater Syria" ambitions of King Abdullah of Hashemite Jordan.

Arab League To Meet

Abdullah, whose long-range goal is to expand the Hashemite dynasty's rule over other parts of the middle east, said in Amman today the Syrian crisis should be taken up urgently by the seven-nation Arab League. A league meeting is scheduled for next Saturday in Alexandria, Egypt.

The communiques on the new coup charged Zayim was endangering Syria's foreign relations.

Another broadcast said Hennawi accused Zayim of rigging the presidential election he called last June 26, in which Zayim was unopposed, and trying to win partisans by land grants and advocating votes for women. All this was in vain and "his dictatorship was disliked," the broadcast said, adding that Zayim was distrusted by foreign powers.

(Press dispatches published in Cairo quoted Zayim as saying, "I lived bravely and I want to die bravely," when an officer tried to blindfold him for execution. They quoted Berazi as making a final request that his executioners care for his family.

(The Cairo version said the two were sentenced after two secret meetings in the Damascus army headquarters Saturday and the charges were high treason and exploiting their influence for personal gain. Zayim was reported stripped of his field marshal's uniform before being shot.)

May Bar Oil Pipeline

Speculation developed on the fate of the American Trans-Arabian oil pipeline outlet on the Mediterranean in Syria. Zayim, whose regime had the blessing of the United States and the former French mandate rulers of Syria, had approved the American oil-head in Syria against some domestic opposition. Britain maintained a stand-offish attitude.

The government of President Al Sayed Al Kuwatly, which Zayim overthrew in his March coup, had refused to sign a pipeline agreement.

Zayim in the June election got 726,116 votes out of 730,116 cast for president of this country of 3,400,000. He acquired great powers, including that of drafting of a new constitution, supreme rule over the army and interim legislative authority. Hannawi took over all these functions to rule by decree until formation of a constitutional government.

(Speculation arose in nearby countries on whether Zayim's soldiers, who were supposedly devoted to him, would rise against the new regime, dispatches from Amman said. Among those who conferred there with Abdullah were the U. S. Charges D'Affaires, Wells Stabler, British Charge D'Affaires Perry Gordon and the heads of the French, Saudi Arabian, Lebanese and Iraqui Diplomatic missions.)

RIGHTIST PARTIES TAKE CONTROL OF NEW PARLIAMENT

AUG 15 1949

Reds Trail with Returns Nearly Complete, Get Only Six Seats

VOTING HEAVY

Crowds at Polls Surpass Even Most Optimistic Predictions

FRANKFURT, Germany, (Monday), Aug. 15—(AP) Nearly complete returns in western Germany's first parliamentary election today gave right wing parties a decisive lead over socialists.

The Conservative Christian Democrats and the right wing Free Democrats together were assured control of parliament as the returns shot up toward the 25,000,000 mark.

Complete returns of 237 of the 242 election districts showed these totals:

Christian Democrats—7,305,028.

Social Democrats (socialists)—7,029,352.

Free Democrats—2,539,447.

Communists—1,379,514.

Reds Win Six Seats

The Christian Democrats had won 132 seats in the parliament, the Social Democrats 112, the Free Democrats 36 and the Communists only six.

The Christian Democrats also led in the heavily-populated state of North Rhine-Westphalia, home of the industrial Ruhr, but the division of parliamentary seats had not been decided, due to a system of proportional representation in which 40 per cent of the seats are allocated on the basis of the percentage of the vote received by each party.

A similar system is followed in Bavaria.

No single party seemed likely to achieve a majority of the 400 seats in Parliament. This would make a coalition government necessary, with the Christian Democrats and Free Democrats representing the most likely combination.

Voting Heavy

Voters flocked to the polls in numbers surpassing all pre-election forecasts. Western allied officials had predicted fewer than 65 per cent of the 31,000,000 eligible voters would ballot. But in Hamburg, in the British zone, 82.4 per cent voted in probably the heaviest turnout of any of the 11 west German states. In Wuerttemburg-Baden, in the American zone, 72.4 per cent voted. This suggested nationalist appeals to the voters to boycott the election were largely ignored.

Christian Democrats and Free Democrats together held a three-to-two lead over leftwing parties even in the industrial Ruhr valley. In this section both Socialists and Communists were expected to show great strength.

In Hesse, big industrial state in the American zone, the Social Democrats were ahead, closely followed by the Free Democrats. Elsewhere the Free Democrats were running stronger than expected.

In Flensburg, in the British zone, members of a rightwing bloc marched through the streets singing "Deutschland Ueber Alles," national anthem of imperial Germany, after their candidate was elected over a Danish minority candidate. Flensburg is in Schleswig-Holstein, adjoining Denmark.

Leaders Anti-Red

All three of the leading parties are bitterly anti-communist.

Their vote was seen as favoring the chances of the West German republic being accepted in the new European Council. This would be the Germans' first return to international recognition since the war. Leaders of the European Council said they were considering inviting Germany to join if the Germans elected a strong majority sympathetic to the west.

The economic policy of the Christian Democrats favoring free enterprise is popular with American officials. Their stand for a federal type government instead of a strongly centralized one pleases Germany's European neighbors who fear a revival of nationalism.

The Free Democrats have voted with the Christian Democrats on economic matters but have backed the Social Democrats in seeking a strong central government.

Reimann Beaten

Max Reimann, leader of the west German communists, was beaten in his home district of Dortmund by a Social Democrat. But Reimann still could win a seat in parliament under the proportional representation system.

Voting Orderly

There were a few street fights between rival political workers in several cities. Some die-hard ex-Nazis spread propaganda leaflets and shouted Hitlerite slogans. But for the most part the voting was orderly.

In bright, hot weather, the people strolled to the heavily-policed polls in sober family groups, all decked out in their Sunday best. Despite most speakers' campaign denunciations of the occupation authorities, allied military government officials joined German politicians in hailing the big vote as an encouraging sign for the new west German democracy.

When the machinery of the republic is set up, present military governors for the western powers will be replaced by high commissioners, and west Germany will have a large measure of self-government.

Sunday's election was for a 400-member parliament, the first step in setting up the new government sponsored by the British, Americans and French. It will include all of Germany except the Russian zone.

Several of the most influential leaders in the two strongest parties were among those assured early of parliamentary seats.

Schumacher Wins Easily

Dr. Kurt Schumacher, Social Democrat chairman, was elected in Hannover, receiving 55 per cent of the total vote of his district. Dr. Ludwig Erhard, prominent Christian Democrat, was elected in Ulm. As director of economics in the combined British-American zones, Erhard was the man most responsible for the recent elimination of many controls on west Germany's booming economy.

Dr. Konrad Adenauer, chairman of the Christian Democrats and likely candidate for chancellor (premier), was elected in Bonn. He was president of the convention which wrote the new republic's constitution.

Prof. Carlo Schmid, Social Democrat leader, was elected in the city of Mannheim, where the Communists are so strong they got 37.4 per cent of the total vote cast in a recent city election.

PRIEST WINS ELECTION TO GERMAN PARLIAMENT

ESSLINGEN, Germany, (Monday), Aug. 15—(AP) A Catholic priest has won a seat in the new west German parliament.

Unofficial returns gave 27,947 votes to the Rev. Franz Opp, Independent, over Socialist Albert Pflugler who received 26,081 in this Wuertemberg-Baden community.

KEY POSTS FILLED, MCCLOY REPORTS

Chief Returns To Germany After U.S. Conferences

Frankfurt, Germany, Aug. 14 (AP). John J. McCloy, United States military governor for Germany, returned tonight from the United States and said he had found the men to fill half a dozen key jobs when the military government is replaced.

The changeover will be made after the West German federal republic is set up. Ballots are being cast today for parliamentary members.

McCloy, the new high commissioner, said he would not announce the names of his deputy and economic chief—the two biggest jobs to be filled—until he completes "the whole slate."

Power Plant Gets Priority

He declared enough American funds had been allocated to make West Berlin independent of the Russians for electric power. He explained that details on dollar aid to West Berlin were being worked out but that the power plant had first priority. Some work on the plant has been done.

The Russians have controlled electric power for Berlin from the sources in their occupation zone surrounding the city. They plunged West Berlin into semi-darkness throughout the Soviet blockade of the city.

Asks About Election

McCloy arrived at the Rhein-Main airport after two weeks of consulations in the United States. He said he had promised to be back by election day. He asked officials meeting him at the airport how the voting was proceeding and remarked:

"There seems to be a lot of hubbub in America about nationalism in Germany."

Nationalistic talk highlighted the closing days of the election campaign, with all parties criticizing the occupying powers.

BRITAIN PLACES CANDY ON RATION LIST AGAIN

LONDON, Aug. 14 — (AP) Candy went back on ration today in Britain after nearly four months of unrestricted selling.

Thousands thronged sweetshops yesterday in a feverish buying spree to beat the ration deadline. Stocks quickly vanished from many shop shelves, and keepers dusted off old "Sorry—No Sweets" signs.

But a spokesman for the Federation of Wholesale Confectioners said he does not think stores would have "any difficulty in meeting the ration next week."

"Most patrons have been building up their stocks and, generally speaking, they should be in a position to honor it," he said.

The weekly ration is four ounces per person.

Sweets were derationed April 24. It soon became evident there wasn't enough for everybody to get his fair share. Then, July 14, Sir Stafford Cripps, chancellor of the exchequer, announced he was lowering the sugar ration from 10 to 8 ounces weekly and putting candy back on rationing to save Britain some $14,000,000.

U. S. and Britain to Seek To Avoid Oil Trade War

LONDON, Aug. 14 (AP).—The United States and Britain, hoping to head off a cut-throat battle for international oil markets, have decided to see whether they can come to terms, it was reported today.

Diplomatic officials said a high-level conference aimed at setting up a common oil policy for the two nations will be held next month in Washington.

It will be a part of the dollar crisis meeting between John W. Snyder, Secretary of the Treasury, Britain's Chancellor of the Exchequer, Sir Stafford Cripps, and Canadian economic officials.

It was the dollar crisis which brought the oil situation to a head. To save dollars, Britain has resorted to deals which threaten to drive American oil companies out of various markets. U. S. oil companies are in no mood to take a business whipping of this kind lying down. The upshot could be a price war, with both sides losing money.

HOFFMAN IN PARIS

PARIS, Aug. 14—(AP) Paul G. Hoffman, administrator of the economic Cooperation Administration, flew to Paris from Britain today on his European inspection tour.

"I have come here to join Mr. Harriman and travel around western Europe," Hoffman told newsmen. "We will be seeing all the chiefs of missions and getting their feel of the situation. We want to have not only their written reports, but personal impressions."

Averell Harriman, European ECA head, met him at the airport.

Blast Kills Woman, Injures 15

ROME, Aug. 14 (AP)—A 75-year-old woman trudged into the main piazza of Verbania yesterday, unstrapped a knapsack from her back and started to walk away. The knapsack exploded with a roar. The blast killed the woman and injured fifteen other persons.

Italian Bandits Get $15,500

ROME, Aug. 14 (AP)—Bandits ambushed a payroll motor procession on a mountain road in Sardinia yesterday. Three police guards were killed. The bandits fled with 9,000,000 lira (about $15,500). Six other policemen were wounded in the machine gun and hand grenade attack.

Arrives for Indonesian Parley

THE HAGUE, Aug. 14 (AP).—Thomas K. Critchley, Australian member of the United Nations Commission for Indonesia, arrived today from London to join the American and Belgian members for the Indonesian round table conference scheduled to open here on Aug. 22.

OFFICIALS STUDY YUGO PLEA FOR WORLD BANK LOAN

Alex Singleton

BELGRADE, Yugoslavia, Aug. 14—(AP) Yugoslavia's bid for a World Bank loan is to come under an on-the-spot scrutiny by a special bank commission this week.

The government expects the commission to arrive tomorrow.

The commission is investigating the Yugoslav application for a loan to bolster the nation's economic position in a period of increasing attacks from other communist nations of Russian-dominated eastern Europe.

Approval Expected

Upon the commission's decision may depend the degree of success Premier Marshal Tito will achieve in maintaining an independent position—half-way between east and west—and fulfilling his own five-year plan for developing Yugoslav resources.

Responsible diplomatic officials say they expect the commission will give the nod of approval to at least a substantial part of Yugoslavia's request, and then adopt a wait-and-see attitude on the balance.

Although figures are unavailable pending the commission's inquiry, it is generally expected it would recommend a loan of about $50,000,000 to meet Yugoslavia's immediate needs.

Seeks $280,000,000

All told, the country is requesting about $280,000,000.

The commission may also set up a priority list of things for which the loan can be spent, with the likelihood transportation, timber cutting and mining equipment and agricultural machinery will be among the first.

Some American and British officials here, while appreciating the efforts expended by countless thousands of "voluntary" brigade workers, may recommend a provision for western technical experts for more efficient results.

Silent On Russian Note

In the midst of the vast building program which Yugoslavia has undertaken, a growing conviction has developed among some Western observers that more manpower should be used on road building and mining; less on such projects as building a film city and new Belgrade on the Danube's banks.

Meanwhile, the official Belgrade press—and Government officials—remained silent on the latest Russian note blacklisting Yugoslavia, former ally and favored friend, as an enemy.

The object of the latest attack seemed puzzling, beyond an obvious attempt to stir up fear and revolt against the Tito government. Economic pressure previously has produced resentment here against other Communist nations.

Tito Seems Secure

There always remains a possibility Russia may be tempted to provoke direct outside intervention, but there has been no direct sign of this yet. Otherwise, with a good harvest in and with bright prospects of Western financial aid, Tito's position appeared secure.

The Government's confidence in itself was reflected today in new attacks on two Soviet satellites—Czechoslovakia and Hungary.

The newspaper *Borba*, voice of the Government, disclosed two notes were sent to Czechoslovakia in July charging she was violating obligations and demanding that she end her anti-Yugoslav campaign.

The newspaper *Politika* reported Hungary was threatened with a serious wood shortage from which she will suffer this winter, as a result of breaking her trade agreement with Yugoslavia.

The newspaper *Omlahina*, organ of the People's Youth, said Hungary thus far has prevented a Yugoslav delegation from obtaining visas to attend the world youth festival which opened in Budapest today.

SLOVAKIA GETS 2 NEW BISHOPS

Czech Travel Blockade Cuts Consecration Attendance

Trnava, Slovakia, Aug. 14 (AP)—The Roman Catholic Church consecrated two new titular bishops before an overflow crowd here today despite a transport blockade that halved the expected attendance.

The church hierarchy had defied an order by Czechoslovakia's Communist Government that all such church ceremonies and pilgrimages must obtain prior government approval.

Pilgrims found Bratislava, the Slovak capital, a bottleneck on their journey to this city of 30,000. Trnava is about 30 miles northeast of Bratislava.

Train, Bus, Cab Service Banned

Railway agents advised travelers no trains, express or local, were stopping in Trnava today because of "technical reasons." Sunday bus service to this city also was eliminated. Bratislava taxicab drivers refused to make the drive here.

But 3,000 persons jammed into St. Nicholas Church to witness the ceremonies and another 3,000 stood outside. Most of them were residents of Trnava. No uniformed police were visible.

All Czech and Slovak bishops were present except the nation's primate, Archbishop Josef Beran, who has led the months-long fight against government control of the church. He remained in seclusion at his police-guarded palace in Prague.

Both Loyal To Archbishop Beran

Archbishop Josef Matocha, of Olomouc, in Moravia, officiated.

The new bishops are the Right Rev. Msgr. Ambrostus Lazik, who has been serving as apostolic administrator of Trnava, and the Right Rev. Msgr. Robert Pobozny, capitular vicar of Roznava.

Both have expressed their loyalty to Archbishop Beran. They signed his last pastoral letter, issued June 26, which accused the Czechoslovak Government of persecuting the Church and attempting to crush religious liberty.

Under an official agreement made before the war, the Government claims the right to reject or approve any candidate for bishop proposed by the Vatican. However, Vatican diplomatic representatives said this issue was circumvented by the fact the two were made titular bishops, not bishops in residence.

Monsignor Lazik was named titular bishop of Appia and Monsignor Pobozny titular bishop of Neila. Both are places which existed in Asia Minor early in the Christian era.

Because of the Church-State fight, many Czech and Slovak Catholics had been apprehensive of State interference with the ceremonies. Church officials said they had expected at least double the attendance—or more than 12,000.

Austria Won't Pay Soviet For German Assets

Vienna, Aug. 14 (AP)—Austria will refuse to pay Russia the agreed sum of $150,000,000 for German assets in this country if the Soviet Union continues to ship those assets out of Austria, Interior Minister Oscar Helmer said today.

Helmer also declared that any Austrian who helps Russia in shipping the goods eastward will be regarded as a traitor.

The payment referred to by Helmer was the amount agreed upon by the Big Four Foreign Ministers in Paris.

The payments are to be made over a six-year period. Helmer spoke at Wiener Neustadt, in the Russian-occupied zone.

30.24- 5045

GREEKS TELL OF VICTORY IN VITSI BATTLE

Report Guerrilla Force Broken, Troops Push Toward Albania

Second Corps Headquarters, Kastoria, Greece, Aug. 14 (AP)—Greek Army leaders said today Communist guerrilla forces are beaten in the Vitsi area and Government troops are driving north and west to seal the Albanian border by tomorrow.

The commanders said the major phase of this operation might even be completed late tonight.

Lieut. Gen. James A. Van Fleet, head of the American Military Mission to Greece who has been in the combat areas since the offensive began Wednesday, said reports from Greek commanders and his own advisers indicate the Communists in Vitsi had been destroyed.

Congratulates Leader

He wired congratulations to Gen. Alexander Papagos, the Greek commander, who has been ill with pneumonia in Athens.

Observers reporting to Van Fleet estimated the guerrillas suffered upward of 60 per cent casualties. They said about one third of the forces and the senior Communist leaders might have escaped into Albania.

[The Greek Communist radio claimed Saturday night the rebels had repelled attacks in the Vitsi and Grammos mountains and driven the attackers back to their original positions. They claimed to have killed 512 Government troops and wounded 1,950 Friday. The broadcast was picked up by leftist news agencies in Bucharest, Romania, and Prague, Czechoslovakia, and relayed to London.]

Called Greatest Triumph

Reports from various sectors of the front said the Government forces had achieved their greatest triumph over the Communist rebels in more than three years of warfare.

For weeks the guerrilla radio and propaganda leaflets have claimed that the estimated 8,000 rebels were impregnable in their Vitsi positions. Then the army struck and jerked out the heart of the Vitsi defense lines, and the surprised guerrillas started fleeing for refuge across the Albanian border, front advices said.

With their escape route nearly closed by commandos supported by strafing and rocket-throwing Spitfires, some 5,000 rebels were reported caught in the rapidly closing trap.

Air observers said early today large numbers of guerrillas were seen attempting a disorderly crossing into Albania on a narrow causeway over Lake Prespa. Behind them in hot pursuit was a commando column.

Forward elements of the army were reported at several points along the eastern and southern shores of the lake. Farther south along the main supply and escape route into Albania through Vatohorion and Kroustalopiyi, light and medium tanks cruised toward border crossings.

The Vitsi offensive was based on orthodox American tactics. It was conceived and executed by Maj. Gen. Stylianos Maniadakis, 2d Corps commander. American experts had predicted this phase of the Vitsi battle would be concluded in three to seven days. It took four.

Can Center On Grammos

With Vitsi virtually out of the way, the bulk of the army now will likely be concentrated on the Grammos sector, where offensive operations have been under way for more than two weeks.

[The Albanian telegraph agency in London reported the Albanian Defense Ministry charged elements of two Greek Government brigades crossed the frontier Saturday but withdrew hastily, leaving 26 killed when counterattacked by Albanian troops.

[The Albanian communiqué said 300 "enemy" soldiers have been left dead or injured in Albania. The Athens Government denied similar reports of incursions last week.]

Stronghold Wiped Out

The Greek high command's communique said the Vitsi stronghold has been wiped out, but fighting continues to "complete the exploitation of results already gained."

It said the army reached Krystallopiyi village, on the main supply road into Albania, and was less than two miles from the border.

The communique said the day's guerrilla losses were 158 killed and 102 captured; army losses were 45 killed, 116 wounded and one missing.

In the Grammos fighting, it added, pressure continues on government forces.

When the offensive began in the 400-square mile Vitsi area in midweek, army authorities estimated there were 8,000 guerrillas to contend with.

Witnesses said a Greek column was fired on from Albania last night by mortars, machineguns and artillery.

Poland Launching Ships

Gdansk, Poland, Aug. 14 (AP)—Polish shipyards have just launched their fifth coal and ore carrier within seven months.

Chinese Communists Capture 3 Key Islands Off Shantung

Hong Kong, Aug. 14 (AP)—Independent Chinese reports tonight said the Communists had captured three of the strategic Miao Islands off Shantung in a heavy amphibious assault that is still under way.

Confirming the attack but differing about its success, the official Nationalist Central News Agency said Russian submarines and planes had reconnoitered the islands before the Chinese Red drive began.

The Miao group, consisting of eight main islands and many smaller ones, lies in the 65-mile-wide Strait of Pechili, between China's Shantung peninsula and the Russian-held Manchurian naval base of Port Arthur. The nearest is only 30 miles from Port Arthur.

Only 3 Miles From Mainland

From this tenuous foothold, the Nationalist Navy has tightly blockaded the Communist North China coast, notably the important commercial city of Tientsin. The port for Tientsin is in the Gulf of Chihli, 170 miles northwest of the islands, which form a loose stopper to the Gulf's bottleneck.

The independent reports, received from the Nationalist base of Formosa, said 20,000 Communist troops jumped off on the night of August 11. No insuperable seaborne operation would be required, since the nearest island is only 3 miles north of the Shantung mainland.

Confirming the assault, Central News said it came at a moment when defenses were weakened by absence of Nationalist ships on blockade duty. It said reinforcements were rushing back to the scene, however.

Nationalist Version Of Attack

Admiral Kwei Yung Ching, commander of Nationalist naval forces, was quoted at his Formosa headquarters as declaring a stiff resistance was being put up and the Communists have lost many men and junks.

An earlier official report from Canton, provisional Nationalist capital, asserted that the attack had failed when a sudden storm capsized hundreds of troop-laden junks and 80 motorized small craft. The later reports from Formosa indicated the Communists had already scored at least a partial success.

Central News said the Nationalist Navy previously had sighted Russian submarines in the act of surveying the islands and Russian planes making reconnaissance flights.

Plausibility of a Communist venture into amphibious warfare was enhanced by the fact that the Nationalist sea blockade has been definitely hurting the Red-held port cities. Only four days ago the Nationalist Navy announced it had seized or destroyed thirteen vessels outside Tientsin.

The operation of the once-great port of Shanghai has been brought to a standstill. Only Saturday, the Nationalists said official intelligence reports stated the Communists also were preparing a 60,000-man assault on the Chushan archipelago southeast of Shanghai.

One hundred and fifteen miles from Shanghai but only seven miles off the mainland, the Chushan group includes both naval and air bases, from which Shanghai has been raided almost daily.

Progress Of Land Warfare

In the land warfare, official Nationalist accounts from Canton said Kanhsien, 215 miles northeast of Canton, was still standing firm against heavy Communist attacks.

A Canton army spokesman also disclosed that 50,000 to 60,000 Nationalist troops from Yunnan province had been removed from the Yengyang front, 265 miles north of Canton, for fear they would go over to the Communists. On Saturday the Nationalists denied persistent rumors that 20,000 of them had changed sides.

All top Nationalist commanders were conferring in Canton on their next moves.

Mongols Set up Assembly

CANTON, Aug. 14 (AP).—Reports from far northwestern China said today that a Mongol assembly had established self-government for Inner Mongolia.

The reports said the Mongols adjourned last Monday after an assembly meeting at Tzehu (Tingyuanying), which is about fifty miles northwest of Ningsia, the capital of the Inner Mongolian province of the same name.

The Inner Mongolian chief would be Prince Teh, a war-time collaborator with the Japanese who visited Canton last month. He recently announced that the Nationalist government had agreed to grant autonomy to the people of Inner Mongolia.

[Much of Inner Mongolia is under Communist control. Ningsia province is the westernmost part.]

4 Years Ago Today Emperor Told Japanese of Surrender Decision

TOKYO, Monday, Aug. 13 — Four years ago policemen dutifully made their rounds in every Japanese village and town, proclaiming:

"Listen to the radio at noon! An important announcement from the emperor. Listen carefully at noon!"

In whispers—lest the ever-present "thought police" might hear—citizens speculated on what it might mean. Few guessed right.

Japanese listened incredulously as the strained voice of the emperor came over the loudspeakers, announcing his decision to surrender to the allies and admonishing his subjects to accept defeat calmly.

Some were convinced only when army and navy supply depots threw open their gates and invited all comers to carry off what they liked.

In the cities many did not believe until they saw clouds of smoke from burning papers pouring for days from the chimneys of government buildings.

Even today, four years afterwards, most Japanese are reluctant to discuss what happened in that fevered fortnight between the emperor's broadcast and the arrival of the first American occupation troops.

To this day, millions in gold, silver and jewels — some of it loot from conquest—remains hidden somewhere. Occasionally a small cache of concealed weapons is turned up; and hints have come from war crimes trials that some secret papers and plans still exist.

On the whole, the Japanese conduct towards the first conquerors ever to set foot on their home islands followed the orders of their emperor. Most met the strangers with outward stoicism.

Yet the anniversary of the surrender rescripts is not publicly observed in Japan.

Each year General MacArthur has confined his recollection of the surrender to a stern but paternal statement—not on Aug. 13,—but on Sept. 2, the date the Japanese formally signed the surrender aboard the battleship Missouri in Tokyo Bay.

Chinese Capture Japanese Boats

Tokyo, *Monday*, Aug. 15 (AP)—Armed Chinese—presumably Nationalists — seized two Japanese fishing boats August 7 about 200 miles east of Shanghai, owners of the craft told Allied headquarters today.

The owners said the ships and twelve crewmen of each were being held on the Chushan islands. The Chinese Nationalists are using the islands for naval and air operations against the Chinese Communists. The archipelago is a little more than 100 miles southeast of Shanghai.

The fishing craft were seized just inside the area General MacArthur has prescribed for Japanese fishing operations in the East China Sea, the owners reported.

COUP AROUSES MIDDLE EAST

Abdullah Urges Arab League Act; Calls In Diplomats

Amman, Hashemite Jordan, Aug. 14 (AP)—King Abdullah's Government today urged an emergency meeting of the Arab League to cope with the crisis over the execution of Syrian President Husni

Zayim and Premier Muhsen Bey Berazi by an army firing squad in Damascus.

The seven-nation league's political committee was scheduled to meet in Alexandria, Egypt, August 20 on other matters, particularly the peace talks between the Arab countries and Israel at Lausanne, Switzerland.

However, dispatches from Cairo said the league meeting had been postponed indefinitely because of the Syrian coup. The Egyptian Cabinet at a long special session this morning discussed the Syrian situation but no Government authorities in Cairo would comment on it.

Calls In Diplomats

Abdullah, who cherishes a hope of stretching the Hashemite dynasty's rule over a "greater Syria," moved quickly on the diplomatic front when news of the Damascus coup spread over the Middle East.

He called in the foreign diplomatic corps, including the American *chargé d'affaires*, Wells Staebler; the British *chargé*, Perry Gordon, and chiefs of missions from Egypt, Saudi Arabia, Lebanon and Iraq. The United States, France and Egypt are among the countries most vitally concerned over the upheaval in Syria.

After seizing power in a Syrian army coup last March 30 Zayim agreed to let the United States establish a pipeline head in Syria to carry Arabian oil to the Mediterranean, a right denied by the regime he overthrew. A00

Israeli Arms Dump Explosion Delayed

Jerusalem, Aug. 14 (AP) — An Israeli arms dump explosion, scheduled for tomorrow, was postponed without explanation tonight. The dump contained three and a half tons of T.N.T.

The Israeli radio was expected to broadcast a warning tonight to all residents within a radius of 500 yards to take cover. The broadcast failed to materialize and Israeli officials kept silent about the postponement.

Observers, however, believed the delay was due to ceremonies planned for Tuesday and Wednesday in connection with the burial of Theodor Herzl, father of Zionism, whose body is en route from Vienna.

The T.N.T. dump in the vicinity of the Damascus gate of the Old City has deteriorated in the weather. United Nations observers said it was too dangerous to be moved.

Slain Syrian Chiefs Extolled

JERUSALEM, Aug. 14 (AP)—Gen. William Riley, Chief of Staff for the United Nations here, said today the Arab world lost "two of its grandest individuals" in the deaths of President Husni Zayim and Premier Mohsen el Barazi in Syria. "These two outstanding leaders might have done much for achievement of peace in the Middle East," he said.

Senate Group Is Divided On Question Of Limits

Washington, Aug. 14 (AP)—A sharply divided Senate committee of 25 members today seemed ready to write new restrictions of some kind into the Administration's $1,450,000,000 foreign arms programs.

A barrage of amendments is being rushed. They deal with the amount, who gets it and who parcels it out.

One proposed curb may find Senator Vandenberg (R., Mich.) openly at odds with his Air Force staff chief nephew, Gen. Hoyt Vandenberg.

Working With Dulles

Senator Vandenberg has been working with Senator Dulles (R., N.Y.) on an amendment designed to tie the arms program to forthcoming North Atlantic community defense plans.

It may provide for distribution of American military supplies under direction of the defense committee when it is set up by the North Atlantic Council under the twelve-nation treaty. Neither Dulles nor Vandenberg wish to delay the start of the arms flow.

General Vandenberg was said by some senators already to have opposed in closed meetings of the combined Foreign Relations and Armed Services Committee any restriction on this country's decision as to where these arms shall go. The 25 members of the two committees are considering the legislation as a body.

The General also has opposed, senators reported, any move to make the program merely a stopgap affair until the defense committee can get into operation. Senator Vandenberg was the first to propose such a compromise.

Chairman Connally (D., Texas), of the Foreign Relations Committee, which will begin going over the bill in a closed session Tuesday, said he wants this country to have the final say on the distribution of military supplies.

Meanwhile, Administration leaders confidently predict that the House Foreign Affairs group—starting work tomorrow—will approve the arms bill without major changes. A House floor fight to cut the total will come when debate opens.

First Fight In Senate Group

First-round efforts to trim the outlay and to restrict the program are expected to center in the big Senate group.

Whatever the senators do in committee, the program appeared headed for a bitter fight on the Senate floor with attacks leveled at it from both major parties.

It has been advanced by the Administration as a minimum program, urgently needed, to "fill the vacuum" of European military weakness in the shadow of Russia's armed might. Besides the Atlantic treaty nations, aid would go to Greece, Turkey, Korea and the Philippines.

Some Democrats who are not on the combined Foreign Relations and Armed Services group spoke out against the proposal today.

Fears It Wil. Weaken U.S.

Senator Maybank (D., S.C.) said he is going to fight it because he thinks the sending of supplies to western European countries will weaken American defenses.

"We are being asked to disarm ourselves to arm others," he declared. "They are asking the American people to give a billion in arms to Europe when the drive is on to cut a billion off of our own military outlays. It doesn't make sense to me."

Maybank has called RFC officials before the Senate Banking Committee tomorrow to try to find out whether that organization is going to be asked to advance up to $800,000,000 to get the military program started immediately after Congress acts on it.

The South Carolina Senator contended this would be only a means of bypassing the slow-moving appropriations committees, which often take matters into their own hands and cut outlays below the totals previously authorized by Congress.

The pending measure is an authorization of the arms program; not a direct appropriation which would come later.

Senator Johnson (D., Col.), not a committeeman, said the program calls for "a ridiculous and silly outlay of money," adding:

"It will mean nothing to the defense of the United States."

Tydings Recalls Advice

But Senator Tydings (D., Md.), chairman of the Armed Services Committee, said he is willing to take the advice of the chiefs of staff that the rearming of Europe is essential to American defenses.

"It would be a major error if we disregarded the best advice available to this country on a matter that affects it so vitally," he declared.

Senator Byrd (D., Va.) said he and Senator Russell (D., Ga.) are working on an amendment which would restrict to $450,000,000—figured on original cost — the amount of surplus military equipment that can be turned over to other nations.

As it now is before the committee, the bill provides $77,000,000 to refurnish and ship an unspecified amount of surplus equipment.

Difficulties Indicated

Byrd and Russell also want to define surplus, but apparently were having difficulty in getting their ideas into language.

Vandenberg has suggested that the $1,450,000,000 over-all total of the bill be split up into half cash and half contract authority under which supplies would be paid for later. Louis A. Johnson, Secretary of Defense, has agreed to accept a split of 60 per cent in cash, 40 per cent in authority.

Byrd said he regarded any such move as "only window dressing."

"That would just make appropriations that much heavier next year," he declared.

Still Favors Cut

Senator George (D., Ga.) said he still thinks the total can be cut in half and still carry out the program.

Senator Gurney (R., S.D.) came up with a new idea. He said he cannot see any reason why other Western Hemisphere nations, particularly Canada, can't share in furnishing arms to western European nations.

Senator Knowland (R., Cal.) and others who have been pushing for some military aid to Nationalist China will throw an amendment of this nature into the pot when the committee begins voting on the bill.

SENATOR URGES TAX REDUCTION

WASHINGTON, Aug. 14 — (AP) Chairman George (D-Ga) of the Senate Finance committee today called for immediate tax reductions to "increase our national income."

He set forth six ways to make cuts at once.

The Georgian declared the tax burden on individuals and corporations now is "a major obstacle to continuing economic expansion." He contended that lower tax rates stimulate business—that reductions are the "answer to our tax problem."

Hits Waste Spending

George spoke out for elimination of waste in our home and foreign spending as "our chief need."

But Senator Martin (R-Pa) said in a statement that efforts to chop appropriations were being lost "by a small margin of votes."

Martin said that the late logjam of appropriations means that in the final rush to adjourn there won't be time for careful consideration of each item and "millions of dollars that might have been saved will be handed over to the bureaucrats."

George, appearing in a radio interview (WPIK) with commentator Charles Parmer, advised these "immediate reductions:

1. A tax credit to individual taxpayers on dividends received. He said Canada allows 10 per cent, and that such a figure here would cost the treasury about $560,000,000 a year. An exemption of all dividends would cut individual income tax liability $2,000,000,000, he said, describing it as "the goal" but which can't be attained at once.

Research Deductions

2. Preferential treatment for earned income. This, he said, would stimulate incentive of ambitious persons and expand the economy.

3. Special consideration for creative talent groups. This would include authors, professional men and women, and others. George said the span of working years for specialized talent groups is short but that our revenue system has hardly noted it.

4. Special deductions for long term research.

5. Better provision for business to amortize plant and equipment. He said the goal should be to provide modern, up-to-date machine tools and other equipment every decade, at least, to expand production and face national emergencies such as war.

6. Substantially reduce excise taxes, or preferably, eliminate all wartime excise taxes. He said they have raised prices and cut production and employment. The administration has rejected wartime excise tax repeal at this time.

Pay National Debt

George counseled that a "constantly expanding economy will make it possible to reduce our taxes and systematically apply payments upon the national debt."

George predicted that the deficit will be greater for the fiscal year ending June 30, 1950, than was predicted last January, but he added that additional taxes now or in 1950 "would be little short of disastrous."

He based this conclusion on the assumption that increased spending, including the 1950 payments of life insurance refunds to veterans, will do no more than check the business recession.

However, George added, "the economy is now showing some signs of stability and balance."

PROBERS TO CHECK VAUGHAN'S STORY

5 Per Cent Group Attempts to Fill 'Big Gaps' in Freezer Account

WASHINGTON, Aug. 14—(AP) Senate investigators strove today to fill in what they called "big gaps" in Maj. Gen. Harry H. Vaughan's account of the case of the home freezers.

Vaughan, who is President Truman's military aide, has explained that two old friends simply presented seven freezers to him in 1945, and that he in turn "made girts of these units to certain friends of mine," all Washington notables.

The Senate's special investigations subcommittee has received testimony that all of the freezers were paid for by the Albert Verley Co., a Chicago perfume house.

Eye Maragon's Activities

The committee in studying the freezer episode has subpoenaed records of the Verley company. It also is looking into the activities of John Maragon, who has said he worked for the Verley company in 1945, when the freezers were shipped.

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Maragon once had a White House pass and has said he regards Vaughan as a good friend. He was questioned privately early in the inquiry before freezers were mentioned.

The committee launched its investigation to study whether improper influence has played a part in getting government business.

Vaughan, in a statement at the White House yesterday, said the freezers were given to him as a courtesy by "old friends" David Bennett and Harry Hoffman. Bennett heads the Verley firm. Hoffman is a Milwaukee advertising man reportedly once associated with that company.

The committee has a subpoena out for Hoffman. A staff investigator said that so far as he knew, U. S. marshals in Milwaukee still were trying to locate Hoffman. At Milwaukee it was reported he is going voluntarily to Washington.

"Big Gap" in Story

"Vaughan's account of what happened," said Senator Mundt (R-SD), a committee member, "leaves big gaps to be filled in. We still want to know what motivated Hoffman and Bennett to make gifts valued at about $3,000 to Vaughan. We still want to know whether they expected to get anything out of it, and whether they actually did."

Vaughan contended the freezers were experimental models without commercial worth.

The testimony about shipment of freezers to Vaughan and other prominent Washingtonians came last week from Albert J. Gross, a Milwaukee manufacturer. He said he dispatched the units paid for by the Verley company. Committeemen have said Gross "is in the clear" in the case. Gross, it was learned, has been summoned back to the capitol for more questioning. He is expected to be on hand tomorrow.

So is Robert Quirk, vice president of a Cudahy, Wis., firm which supplied cabinets to Gross' company for production of freezers.

The committee wants to question both Gross and Quirk about Vaughan's statement that he was told by Hoffman that there might be some factory-reject models available, and that the freezers shipped had no commercial market value.

Gross said nothing about that when he testified last week. And Quirk, after Vaughan issued his statement, commented:

Were Not Rejects

"There may have been some defective steel in some of them, but we didn't know it, nor did we sell them to him (Gross) as rejects."

It is likely that both Gross and Quirk will be questioned privately tomorrow, but they probably won't take the stand at the public hearings until later in the week.

The original plan was to put them on the stand tomorrow morning, but the committee staff decided to defer that pending a conference with Chairman Hoey (D-NC). Worn out by last week's arduous sessions, the 71-year-old Hoey was in seclusion over the weekend.

Vaughan said he kept one of the freezers for himself, reserved one for the White House staff's lunchroom, and had another sent to the Little White House at Independence, Mo. A committeeman said, Friday that invoices showed this one was sent to Mrs. Truman.

Vaughan said he asked Hoffman to ship the others to Chief Justice Fred M. Vinson, Secretary of the Treasury John W. Snyder, Federal Reserve Governor James K. Vardaman, and Presidential Secretary Matthew Connelly.

At the time of the shipments Vinson was reconversion director and later secretary of the treasury. Vardaman was Mr. Truman's naval aide.

Snyder, who succeeded Vinson as reconversion director and later as secretary of the treasury, told a reporter after Vaughan's statement came out that he never received one of the freezers.

Denies Impropriety

Vaughan's statement was prompted by the circumstances of Gross' testimony. The Milwaukeean named Vaughan as a recipient of a freezer, but the committee halted his story at that point pending further investigation of the facts regarding shipment of the others.

But the other names leaked out and Vaughan spoke up "because some inference or implication is present that there was some impropriety." He said he wanted to make it "absolutely clear there was nothing improper in any manner regarding the gifts of these units," and added:

"The simple explanation of this entire matter is that Mr. Hoffman and Mr. Bennett desired to extend this courtesy to me as a friend, and I in turn made gifts of these units to certain friends of mine."

Vaughan noted that he has agreed to appear as a witness at the Senate inquiry. He said that when he does he will make a full statement "regarding all the matters with which my name has been connected."

His name cropped up in testimony each of the five days the committee has conducted public hearings. And committee members predicted it will come up again tomorrow when the group digs deeper into evidence which resulted in the suspension of Maj. Gen. Alden H. Waitt, chief of the Army chemical corps.

MAGNUSON URGES REPAIR OF SHIPS HELD IN RESERVE

WASHINGTON, Aug. 14 — (AP) Senator Magnuson (D-Wash) expressed hope today that 30 or 40 senators will join him in urging a $25,000,000 appropriation for the repair of 134 reserve ships.

The vessels are military-type auxiliaries. Sixty-four, he said, are on the Atlantic coast (all but two of them in the James river in Virginia), 17 on the Gulf coast (14 of them at Mobile, Ala.), and 53 on the Pacific coast.

He said it cost an average of $3,000,000 each to build them and it would cost $5,000,000 each to replace them today. The $25,000,000 expenditure would protect a $400,000,000 investment, he added. It would work out, he said, to an average repair cost of $180,000 per vessel.

Would Keep Skilled Labor

Magnuson is chairman of the Senate Merchant Marine subcommittee. He said the vessels are necessary to national defense and would avert loss of skilled labor from the nation's recession-suffering shipyards.

The Joint Chiefs of Staff, Magnuson said in a statement, hope that 439 such vessels eventually will be put into good operating condition for use in an emergency. They have recommended that $25,000,000 be spent this fiscal year to repair 134 vessels and that a similar annual program be carried out until the total goal is reached, he said.

Magnuson explained his views in letters to other senators, asking them to go along with him in seeking the funds.

Magnuson wrote that "a major portion of that 'greatest fleet' is today slowly rusting to destruction; what enemy action failed to accomplish, our own continued neglect will surely achieve."

Employment Down 41 Per Cent

He said that from January, 1947, to May, 1949, employment in private shipyards in this country has declined from 152,900 to 80,000 or 41 per cent.

In North Atlantic yards the decrease amount to 25,400 workers, or 35.6 per cent; on the Gulf it was 17,500 or 62.5 per cent, and on the Pacific coast 21,500 or 69.6 per cent, he said.

"The drastic loss in trained personnel which has occurred in two and one-half years represents a matter of vital concern to the Senate and the country," said Magnuson.

'Peace Congress' Makes Washington See 'Red'

Apparently 'Moscow Directed,' State Department Official Says Of Mexico City Meeting

Washington, Aug. 14 (AP)—An unofficial Western Hemisphere "Congress for Peace" today was summoned to meet next month in Mexico City.

A State Department spokesman said the conference apparently will be "Moscow directed." To this a parley sponsor replied:

"These days you can't stand up for anything that's against the policy of the State Department without them trying to smear you."

Plans for the meeting were announced in New York by the "American Continental Congress for Peace," which said it is backed by some 300 educators, artists, writers and unionists in this country and the other Americas.

Would Avert "World War III"

Among those listed as members of the United States committee for the Congress were Dr. W. E. B. DuBois, anthropologist; Dr. Linus Pauling, scientist; Paul Robeson, the Negro singer; actor Charles Chaplin; and O. John Rogge, former United States assistant attorney general.

A statement issued by the New York office said the congress is meeting September 5-10 to discuss ways to prevent World War III. It declared the sponsors believe that "war preparations and accompanying anti-democratic measures" are hindering efforts of the American peoples to live together, in peace and freedom, in a free and peaceful world.

Roger W. Tubby, a news officer for the State Department commented:

"It appears that it will be another Moscow-directed conference. We fully expect that the activities will be devoted to providing an apologia for the Moscow point of view."

Recalls "Shapley" Conference

Tubby said also that "in our view it will merely be a conference similar to that held in New York city under the sponsorship of Harlow Shapley."

The New York meeting to which he referred was the "Cultural and Scientific Conference for World Peace" held last March. Dr. Harlow Shapley, Harvard astronomer, is chairman of the National Council of the Arts, Sciences and Professions, which sponsored the meeting. Henry A. Wallace, former Vice President, was one of the principal speakers there.

Shapley also is listed as a sponsor of the Mexico gathering.

The announcement from the "American Continental Congress for Peace" said that body will meet in Mexico City from September 5 to 10. It said that the poet, Enriqué Gonzales Martinez, will preside and that Luis Enriqué Delano will be secretary-general.

Call Cites "The War-Makers"

A formal call dated June, 1949, Mexico City, was made pubilc with the statement. It invited "all men and women of good will of the Americas" to attend the congress.

"The activities of those who would profit from another world war are being felt more intensely each day by the peoples of the Americas," said the call. "The warmakers have started an armament race which already affects many nations of this continent.

"They have burdened the peoples with unbearable war budgets, have ignored the sovereignty of nations and have organized aggressive military blocs."

Atlantic Union Group Director Is Appointed

Washington, Aug. 14 (AP)—Appointment of Robert J. Bishop as executive director of the Atlantic Union Committee was announced today by Owen J. Roberts, former Supreme Court Justice, who is the committee president.

Bishop is former vice president of the United States Junior Chamber of Commerce, and a native of Orlando, Fla.

The Atlantic Union Committee is supporting a resolution in Congress asking President Truman to call a "federal convention" of Canada, Britain, France, Beligum, the Netherlands and Luxembourg to discuss "free federal union" within the United Nations.

The proposed federal union would be open to democracies starting with the seven which signed the Atlantic treaty, who in turn could invite others.

Hoof-Mouth Disease Parley

WASHINGTON, Aug. 14 (AP).—Hoof-and-mouth disease will be the subject of an international meeting beginning tomorrow at London, the United Nations Food and Agriculture Organization announced today. The purpose will be to exchange information on controlling the disease.

NEW WEAPON DISCLOSED

Radio-Guided Anti-Aircraft Rocket for Navy Is Depicted

SAN DIEGO, Calif., Aug 14 (AP)—Pictures of a new naval weapon—a radio-guided anti-aircraft rocket—were released here today.

The Consolidated Vultee Aircraft Corporation, builder of the bullet-shaped missile, said it was designed for ship-board launching against enemy planes.

The company said the missile was rocket-powered and that, operated by remote control, it had made successful initial tests as early as December, 1947.

At an appropriation hearing in Washington in 1948, the Navy disclosed it was developing a guided missile to knock down enemy planes more than seven miles away.

The Navy said then the rocket-propelled, guided missile would be ready for fleet installations by 1950.

The weapon, which the building company calls the "Convair Lark," still carries a Navy experimental designation—XSAM-N-4.

Navy Has New Blimp To Battle Submarines

Philadelphia, Aug. 14 (AP)—The 4th Naval District disclosed tonight that a new blimp designed to combat submerged submarines is now under construction.

The blimp, being built at the Goodyear Aircraft Corporation plant at Akron, Ohio, is capable of long-range patrol over ocean areas. It will have an overall length of 324 feet.

EX-SLOVAKIAN DIGNITARY ON ELLIS ISLAND

Ferjencik Detained As Communist Suspect On Arrival As D.P.

New York, Aug. 14 (AP)—Gen. Mikulas Feriencik, former Slovakian Minister of Defense, was detained as a suspected Communist today on his arrival from Europe as a displaced person.

Inspector Edward Ferro, of the Immigration and Naturalization Service, said Ferjencik, 44, and his wife, Milada, 32, would be held on Ellis Island pending further investigation.

The two were among 822 displaced persons arriving from Bremerhaven on the United States Army transport, General Heintzelman.

Inspector Ferro declined to elaborate on the detention except to say that Ferjencik "is being held as a suspected Communist."

Paraders Denounce Him

Earlier a group of about twenty persons gathered outside the pier and paraded with placards which read:

"Americans, deport bloody General Ferjencik, chief of the NKVD" (Soviet secret police now called the MVD), and "Americans, do not admit General Rejencik who crashed down Slovak, anti-Red underground."

The group said they were members of the American Slovak League and the American Friends of Slovak Freedom.

Ferjencik arrived as an individual and was not sponsored by any organization.

Trained In Moscow, Charge

Lowell E. Jones, honorary president of the American Friends of Slovak Freedom, charged that Ferjencik, who also served as Slovak Secretary of the Interior, joined the Communist uprising in Slovakia, then a semi-autonomous state, and went to Moscow for Communist training.

As Slovak Minister of the Interior, Ferjencik held nonparty status, but supported Communist Premier Klement Gottwald (now President) in reshaping the Government of semi-autonomous Slovakia in November, 1947.

Ferjencik remained in Czechoslovakia after the final Communist coup until July, 1948, when he escaped over the border with another Czech general, Antonin Hasal.

They got in contact with United States Army authorities in the western zone of Germany. Hasal at the time said that in case of a war, elements of the Czech Army would "certainly try to operate with the West."

AMVETS, AVC Plan Merger

NEW YORK, Aug. 14—(AP) National commanders of the American Veterans committee (AVC) and the American veterans of the World War II (AMVETS) today announced a proposed merger of their organizations.

The move to combine the two veterans' groups was announced jointly by Harold Keats of Fort Lauderdale, Fla., national commander of AMVETS, and Gilbert Harrison of Los Angeles, Calif., head of the AVC.

They said at a news conference that the proposed merger will be presented for membership at conventions of each organization.

The AVC will hold its national convention in Chicago Thanksgiving weekend.

The Amvets' convention will take place in Des Moines, Sept. 3, 4 and 5.

The AMVETS claim a national membership of 117,000, with 1,300 posts in 43 states. The AVC gives its membership total as 30,000, with 900 to 1,000 chapters.

All members of both organizations are veterans of World War II.

If a single new group is formed it probably will be known as AMVETS, Harrison said, because that organization is larger and now holds a charter from Congress.

LONDON, AUG. 14-(AP)-THE ALBANIAN DEFENSE MINISTRY CHARGES GREEK GOVERNMENT FORCES AGAIN HAVE CROSSED THE ALBANIAN FRONTIER IN THE BILISHT SECTOR, THE ALBANIAN TELEGRAPH AGENCY REPORTED TODAY.

THE MINISTRY'S COMMUNIQUE SAID "EFFECTIVES OF TWO BRIGADES, SUPPORTED BY ARTILLERY" CROSSED INTO ALBANIA YESTERDAY, BUT THEY WITHDREW "IN HASTE, LEAVING IN OUR TERRITORY 26 KILLED" WHEN ALBANIAN FORCES COUNTERATTACKED.

THE COMMUNIQUE CLAIMED THAT SO FAR "THE ENEMY" HAS HAD 300 KILLED AND INJURED IN ALBANIA.

PREVIOUS CHARGES BY ALBANIA THAT GREEK FORCES HAD CROSSED THE FRONTIER WERE DENIED BY THE ATHENS GOVERNMENT LAST WEEK.

GH1105AED

AS POLLING STATIONS CLOSED, SOCIALIST HEADQUARTERS AT HANNOVER DECALRED SOCIALISTS WERE LEADING IN MOST PARTS OF WESTERN GERMA

DECLARED SOCIALISTS WERE LEADING IN MOST PARTS OF WESTERN GERMANY, BUT CONCEDED THAT CHRISTIAN DEMOCRATS WERE AHEAD IN NORTH-RHINE WESTPHALIA AND WUERTTEMBERG-BADEN STATES AND THE SOUTHERN PART OF THE FRENCH ZONE.

AN AMAZINGLY HEAVY VOTE WAS REPORTED IN SOME LARGE CITIES. IN HAMBURG, MORE THAN 80 PER CENT OF THE VOTERS WERE REPORTED TO HAVE TURNED OUT.

MAX REIMANN, COMMUNIST LEADER, RAN FOR E ECTION IN HIS LOCAL DISTRICT AT DORTMUND. BUSLOADS OF PEOPLE APPEARED AT SPECIAL BOOTHS FOR TRAVELERS THERE. ANTI-COMMUNISTS SAID THEY SUSPECTED THE VOTERS CAME FROM NEARBY TOWNS WHERE COMMUNISTS HAD NO CHANCE OF ELECTING CANDIDATES.

CATHOLIC PRIESTS IN KOETZING WARNED THEIR CONGREGATIONS NOT TO VOTE FOR "PEOPLE WHO SET UP CONCENTRATION CAMPS IN THE RUSSIAN ZONE AND PERSECUTE CATHOLIC PRIESTS BEHIND THE IRON CURTAIN."

THE PRIESTS, PLAINLY AIMING AT THE SOCIAL DEMOCRATS ALSO, WARNED AGAINST "CANDIDATES WHO INTEND TO DEPRIVE US OF THE RIGHT TO DETERMINE THE EDUCATION WE SHOULD HAVE." THE SOCIAL DEMOCRATS OPPOSE STATE SUPPORT FOR PAROCHIAL SCHOOLS.

BY 1 P.M., FOUR HOURS BEFORE THE POLLS CLOSED, FROM 40 TO 50 PER CENT OF THE ELIGIBLE VOTERS WERE ESTIMATED TO HAVE CAST BALLOTS IN THE ELECTION OF 400 OR MORE MEMBERS OF THE BUNDESTAG. THE EXACT NUMBER DEPENDS UPON THE WORKINGS OF A PROPORTIONAL REPRESENTATION SYSTEM BY WHICH A PERCENTAGE OF CANDIDATES-AT-LARGE ARE CHOSEN.

THE VOTERS HAD TO CHOOSE AMONG 2,297 CANDIDATES FROM 18 PARTIES.

THE LOWER HOUSE, CALLED THE BUNDESTAG, WILL MEET SEPT.7 AND TWO DAYS LATER WILL CHOOSE A FIRST PRESIDENT FOR THE 47,000,000 GERMANS OF THE 11 STATES IN THE AMERICAN, BRITISH AND FRENCH ZONES.

MARKING THE BITTERNESS OF THE CAMPAIGN, TWO SQUADS OF PLACARD-BEARERS FOUGHT IN THE STREETS OF HAMBURG. TWO WERE INJURED AND SEVEN ARRESTED.

IN THE RUHR, A LOUDSPEAKER VAN WAS STONED AND FIGHTING BROKE OUT BRIEFLY.

AT FLENSBURG, NEAR THE DANISH BORDER, OTHER FIGHTING FLARED WHEN A GROUP BEGAN DEFACING ELECTION POSTERS.

A GROUP OF YOUTHS MARCHING AND SHOUTING THE OLD NAZI CRY "SIEG HEIL" WAS DISPERSED IN KELHEIM BY POLICE LAST NIGHT.

THE SOVIET FLAG WAS TAKEN DOWN BY POLICE FROM IN FRONT OF ONE VOTING PLACE IN DARMSTADT, IN THE AMERICAN ZONE.

NAZI SWASTIKAS WERE PASTED OVER ELECTION POSTERS AT OLDESLOE, NEAR HANNOVER.

EXTREME RIGHTWING GROUPS, SOME NOT OPNELY LINKED WITH OFFICIALLY LICENSED PARTIES, PLACARDED STREETS IN NORTHERN GERMANY WITH CALLS FOR A "VOTERS' STRIKE."

ONE LEAFLET DEMANDED A UNITED GERMANY STRETCHING FROM EAST PRUSSIA IN THE RUSSIAN ZONE TO THE FRENCH-OCCUPIED SAAR.

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A TEAR GAS BOMB WAS HURLED AT THE COMMUNIST LEADER MAX REIMANN AT A POLITICAL MEETING IN THE RUHR SATURDAY NIGHT. STONES AND FENCE PICKETS THROWN AT DR. HANS EHARD, MINISTER-PRESIDENT (GOVERNOR) OF BAVARIA, AT A CHRISTIAN DEMOCRAT RALLY AT BAMBERG.

POLICE WERE REINFORCED THROUGHOUT WEST GERMANY AND WERE STATIONED AT ALL VOTING BOOTHS. EXTRA POLICE GUARDED ALL CROSSING POINTS ON THE BRITISH-SOVIET BORDER.

THESE INCIDENTS WERE BELIEVED TO BE ONLY THE FROTH OF THE CAMPAIGN, HOWEVER. THE TURNOUT OF VOTERS, APPARENTLY HEAVIER THAN EXPECTED, WAS BELIEVED TO ENSURE DEFEAT OF THE GROWING NUMBER OF RADICAL PARTIES, BOTH OF THE LEFT AND RIGHT.

INDICATIONS FROM ALL PARTS OF GERMANY--FROM THE TOP OF THE HIGHEST MOUNTAIN, THE ZUGSPITZE, TO THE BALTIC--WERE THAT THE VOTERS WERE TAKING THEIR RESPONSIBILITIES SERIOUSLY.

ON THE ZUGSPITZE VACATIONERS FOUND A POLLING BOOTH AND TOOK TIME FROM THEIR SPORTS TO MARK BALLOTS.

SPECIAL VOTING BOOTHS WERE SET UP AT RAILROAD STATIONS WHERE TRAVELERS COULD VOTE FROM MIDNIGHT ON. MANY SHOWED UP AT THESE PLACES WEARING SHORTS AND CARRYING RUCKSACKS. THEY VOTED AND WERE WELL ON THEIR WAY TO A HOLIDAY IN THE COUNTRYSIDE BY THE TIME REGULAR BOOTHS OPENED AT 8 A.M. OTHERS WEARING BATHING SUITS APPEARED AT SPECIAL BOOTHS AT THE BEACHES.

FOR THE FIRST TIME IN GERMANY, PRISONERS AWAITING TRIAL IN JAILS WERE ALLOWED TO VOTE. THOSE ALREADY CONVICTED COULD NOT VOTE. THE 58 PRISONERS AT WIESBADEN JAIL VOTED ALONG BAVARIA'S TRADITIONAL CONSERVATIVE PATTERN--29 FOR CONSERVATIVE PARTIES, 18 FOR SOCIAL DEMOCRATS AND SEVEN FOR COMMUNISTS.

FORTY-THREE STUDENTS AT A SCHOOL FOR THE BLIND AT WIESBADEN VOTED BY ANNOUNCING THEIR CHOICES TO A RELATIVE, DOCTOR OR NURSE. THEY CAST 28 CONSERVATIVE VOTES, 14 SOCIALIST AND ONE COMMUNIST.

SCHOOLS SERVED AS VOTING PLACES IN MOST INSTANCES. BUT BEER HALLS ALSO WERE PRESSED INTO SERVICE. THE CITIZEN COULD CAST HIS VOTE THERE, THEN EXCHANGE POLITICAL OPINIONS WITH A FRIEND OVER GLASSES OF BEER.

A16

THE RESULTS WERE AWAITED WITH KEEN INTEREST ABROAD. WESTERN GERMANY IS IN THE FRONT LINE OF THE EAST-WEST POLITICAL BATTLE. WITH THE INDUSTRIAL RUHR, WEST GERMANY STILL IS ONE OF THE MOST POWERFUL FACTORS IN EUROPE.

INTEREST WAS HEIGHTENED BY THE TENDENCY OF THE PARTIES TO APPEAL TO THE NATIONALISTIC INSTINCTS OF THE GERMAN VOTER IN THE HEAT OF THE CAMPAIGN. MANY OBSERVERS WONDERED WHETHER THE GROWING ASSERTIVENESS OF THE WEST GERMAN AND HIS READINESS TO CRITICISE THE WESTERN OCCUPATION POWERS PRESAGED A REVIVAL OF THE MILITARY SPIRIT.

NATIONALIST PARTIES TRIED THEIR BEST TO ATTRACT THE VOTES OF 3,500,000 NAZIS RESTORED TO VOTING RIGHTS SINCE THE 11 STATES ELECTED THEIR OWN LEGISLATURES IN 1946 AND 1947. THE 5,000,000 GERMAN REFUGEES FROM THE EAST ALSO WERE A QUESTION MARK.

WESTERN ALLIED OBSERVERS FELT, HOWEVER, THAT THE MAJORITY OF GERMANS WOULD VOTE FOR THE BIG PARTIES PLEDGED TO POLITICAL FREEDOM.

THE BIG ISSUE BETWEEN THE TWO LARGEST PARTIES, THE CHRISTIAN DEMOCRATS AND THE SOCIAL DEMOCRATS, WAS FREE ENTERPRISE VERSUS SOCIALISM ON THE BRITISH MODEL.

WITH 16 OTHER PARTIES READY TO CLAIM A SHARE OF THE VOTE, HOWEVER, IT APPEARED UNLIKELY THAT EITHER BIG PARTY WOULD GET AN ABSOLUTE MAJORITY IN THE BUNDESTAG.

THE ELECTION WAS WATCHED FOR AN INDICATION OF WHETHER COMMUNISTS ARE GAINING OR LOSING. THEY GOT ABOUT 10 PER CENT OF THE VOTE IN STATE ELECTIONS IN 1946.

IN BERLIN, THE SOVIET-LICENSED TAEGLICHE RUNDSCHAU ATTACKED THE WESTERN ELECTIONS AS A "BITTER JOKE."

"THE ELECTIONS ARE NOT A GERMAN AFFAIR, BUT AN AMERICAN AFFAIR." IT SAID. "GERMANY IS TO BE SPLIT FOREVER."

IN MOSCOW THE COMMUNIST PARTY NEWSPAPER IZVESTIA DECLARED THE AMERICANS HAD "RIGGED THE ELECTIONS" AND THAT EXTREME RIGHTIST PARTIES WERE BEING FINANCED BY FOREIGN CAPITALISTS WHILE MEMBERS OF THE COMMUNIST PARTY WERE HUNTED DOWN.

BESIDES CHRISTIAN DEMOCRATS, SOCIAL DEMOCRATS, COMMUNISTS AND FREE DEMOCRATS OTHER PARTIES INCLUDED:

CENTER PARTY; BAVARIAN PARTY, RIGHT WINGERS DEMANDING AN INDEPENDENT BAVARIA; ECONOMIC RECONSTRUCTION PARTY, A BAVARIAN GROUP URGING GOVERNMENT BY EXPERTS; RADICAL SOCIALIST FREEDOM PARTY, WITH A SOCIAL CREDIT PLATFORM; SOUTH SCHESWIG ASSOCIATION, A PRO-DANISH PARTY NEAR DENMARK'S FRONTIER; PEOPLE'S PARTY, SEEKING AN INDEPENDENT RHINELAND; AND THE SAMMLUNG ZUR TAR, A RIGHT WING GROUP IN THE FRENCH ZONE.

THERE WERE 31,000,000 GERMANS ELIGIBLE TO VOTE AND REPORTS SAID BETWEEN 70 AND 85 PERCENT TURNED OUT AT THE POLLS. THIS WAS HIGHER THAN EXPECTED AFTER THE APPARENT APATHY OF VOTERS DURING THE BITTERLY ANTI-ALLIED CAMPAIGN.

ALL THREE OF THE LEADING PARTIES ARE BITTERLY ANTI-COMMUNIST.

THEIR VOTE WAS SEEN AS FAVORING THE CHANCES OF THE WEST GERMAN REPUBLIC BEING ACCEPTED IN THE NEW EUROPEAN COUNCIL. THIS WOULD BE THE GERMANS' FIRST RETURN TO INTERNATIONAL RECOGNITION SINCE THE WAR. LEADERS OF THE EUROPEAN COUNCIL SAID THEY WERE CONSIDERING INVITING GERMANY TO JOIN IF THE GERMANS ELECTED A STRONG MAJORITY SYMPATHETIC TO THE WEST.

THE ECONOMIC POLICY OF THE CHRISTIAN DEMOCRATS FAVORING FREE ENTERPRISE IS POPULAR WITH AMERICAN OFFICIALS. THEIR STAND FOR A FEDERAL TYPE GOVERNMENT INSTEAD OF A STRONGLY CENTRALIZED ONE PLEASES GERMANY'S EUROPEAN NEIGHBORS WHO FEAR A REVIVAL OF NATIONALISM.

THE FREE DEMOCRATS HAVE VOTED WITH THE CHRISTIAN DEMOCRATS ON ECONOMIC MATTERS BUT HAVE BACKED THE SOCIAL DEMOCRATS IN SEEKING A STRONG CENTRAL GOVERNMENT.

WITH NO PARTY LIKELY TO WIN A MAJORITY IN THE PARLIAMENT, A FREE DEMOCRAT-CHRISTIAN DEMOCRAT COALITION TO NAME A CHANCELLOR (PRIME MINISTER) AND CONTROL PARLIAMENT SEEMED A STRONG POSSIBILITY.

RIVAL POLITICAL WORKERS CLASHED IN STREET FIGHTS IN SEVERAL CITIES.

IN HAMBURG, TWO SQUADS OF POLITICAL PLACARD-BEARERS FOUGHT IN THE STREETS. TWO WERE INJURED AND SEVEN ARRESTED. IN THE RUHR COAL BASIN, POLICE REPORTED THAT A LOUDSPEAKER VAN WAS STONED AND FIGHTIN BROKE OUT. IN FLENSBURG, NEAR THE DANISH BORDER, FIGHTING BROKE OUT WHEN ONE GROUP BEGAN DEFACING ELECTION POSTERS, POLICE SAID.

THE TURNOUT OF VOTERS WAS BELIEVED TO BE HIGHER THAN PREVIOUSLY EXPECTED. CONSERVATIVE ESTIMATES WERE THAT MAYBE 75 PER CENT OF THE ELIGIBLE VOTERS WOULD CAST THEIR BALLOTS.

SUCH A TURNOUT WOULD LIKELY ENSURE A DEFEAT FOR THE GROWING NUMBER OF RADICAL PARTIES, BOTH OF THE LEFT AND OF THE RIGHT. THREE YEARS AGO, WEST GERMANY HAD ONLY FOUR PARTIES. TODAY IT HAS 18.

THE AVERAGE CITIZEN WAS EXPECTED TO VOTE FOR ONE OF THE TWO MAJOR PARTIES--THE CONSERVATIVE CHRISTIAN DEMOCRATS (CDU) OR THE LEFT OF CENTER SOCIAL DEMOCRATS (SPD).

AUG 15 1949

THE EXTREME PARTIES OF THE LEFT AND THE RIGHT CONTINUED THROUGHOUT THE ELECTION DAY TO USE ANTI-ALLIED PROPAGANDA IN A LAST MINUTE EFFORT TO PERSUADE VOTERS TO REJECT THE MAJOR PARTIES.

THE COMMUNISTS WENT ALL OUT IN MANY INDUSTRIAL CITIES WITH LOUD SPEAKER VANS AND TACTICS SUCH AS BLACKING OUT THE CAMPAIGN POSTERS OF OTHER PARTIES.

THE SOVIET FLAG WAS TAKEN DOWN BY POLICE FROM IN FRONT OF ONE VOTING PLACE IN DARMSTADT, IN THE U.S. ZONE.

EXTREME RIGHIST GROUPS, SOME OF THEM NOT OPENLY LINKED TO OFFICIALLY-LICENSED PARTIES, PLACARDED THE STREETS IN NORTHERN GERMANY WITH CALLS FOR A "VOTERS" STRIKE.

ONE LEAFLET URGED "PASSIVE RESISTANCE" AGAINST THE ELECTIONS. ANOTHER PUT OUT BY THE EXTREME RIGHT GERMAN CONSERVATIVE PARTY (DKP) DEMANDED A UNITED GERMANY STRETCHING FROM EAST PRUSSIA TO THE SAAR--INCLUDING RUSSIAN-CONTROLLED EASTERN GERMANY.

SWASTIKAS APPEARED PASTED OVER ELECTION POSTERS AT OLDESLOE, NEAR HANNOVER.

THESE PARTIES WERE MAKING A BIG EFFORT TO ATTRACT THE 3,500,000 NAZIS RESTORED TO VOTING RIGHTS SINCE THE STATES OF THE WESTERN GERMANY ELECTED THEIR LEGISLATURES IN 1946 AND EARLY 1947.

THE BIG ISSUE BETWEEN THE TWO LARGEST PARTIES IS FREE ENTERPRISE VERSUS SOCIALISM ON THE BRITISH MODEL.

NEITHER THE CDU NOR THE SPID IS LIKELY TO WIN A MAJORITY IN THE ELECTIONS, AND THE FUTURE ECONOMIC STRUCTURE OF WEST GERMANY MAY BECOME THE DOMINANT ISSUE WITHIN THE FUTURE GOVERNMENT.

THE PARLIAMENT ELECTED TODAY WILL MEET FOR THE FIRST TIME SEPT. 7. TWO DAYS LATER, THE GERMAN DEPUTIES WILL ELECT THE FIRST PRESIDENT OF WESTERN GERMANY.

GH1141AED

ELECTION SEPARATE (300)

FRANKFURT, GERMANY, AUG.14-(AP)-THE INFANT WEST GERMAN REPUBLIC WILL BEGIN LIFE WITH A TOTAL OF 18 POLITICAL PARTIES, MORE THAN MOST OLD, ESTABLISHED NATIONS.

THERE ARE ALSO NEARLY 40 ASSOCIATIONS OR GROUPS BACKING INDEPENDENT CANDIDATES, AND SEVERAL OF THEM PROBABLY WILL TURN INTO POLITICAL PARTIES AS SOON AS THEY NO LONGER NEED A LICENSE FROM THE ALLIED MILITARY GOVERNMENT.

THE GROWTH OF MINOR PARTIES IS ENCOURAGED IN GERMANY BY USE OF THE PROPORTIONAL REPRESENTATION SYSTEM OF ALLOTING PARLIAMENTARY SEATS ACCORDING TO THE PERCENTAGE OF THE TOTAL VOTE WON BY EACH PARTY. THIS GIVES EVEN SMALL GROUPS A CHANCE TO WIN A FEW SEATS.

THE 18 PARTIES AND THEIR POLITICAL COMPLEXIONS ARE:

CHRISTIAN DEMOCRATIC UNION (CDU)--RIGHT OF CENTER, DEFENDER OF FREE ENTERPRISE, CLOSELY LINKED WITH THE ROMAN CATHOLIC CHURCH.

SOCIAL DEMOCRATIC PARTY (SPD)--LEFT OF CENTER, WITH A SOCIALISTIC PROGRAM AKIN TO BRITAIN'S LABOR PARTY.

FREE DEMOCRATS (FDP)--A RIGHTIST PARTY FAVORING A STRONG CENTRAL GOVERNMENT.

COMMUNIST (KPD)--AS USUAL, ON THE EXTREME LEFT.

WORKERS' PARTY--LEFT WING.

BAVARIAN PARTY--EXTREME RIGHT, A SEPARATIST GROUP URGING INDPENDENCE FOR THE STATE OF BAVARIA.

BREMEN DEMOCRATIC PEOPLE'S PARTY--A LOCAL, RIGHTIST GROUP.

GERMAN PARTY--EXTREME RIGHT WING, REGARDED AS A LIKELY MAGNET FOR FORMER NAZI VOTERS.

GERMAN CONSERVATIVE PARTY--EXTREME RIGHT WING.

GERMAN RIGHTIST PARTY--ALSO EXTREME RIGHT WING.

EUROPEAN PEOPLE'S MOVEMENT--A LOCAL CENTRIST PARTY.

REPUBLICAN PARTY--RIGHTIST, LOCAL.

RADICAL SOCIAL FREEDOM PARTY--LEFT OF CENTER, WITH A SOCIAL CREDIT PROGRAM.

RHENISH-WESTPHALIAN PEOPLE'S PARTY--RIGHTIST, SEPARATIST.

SOUTH SCHLESWIG VOTERS' ASSOCIATION--A PRO-DANISH GROUP NEAR THE BORDER OF DENMARK.

VATERSTADT LEAGUE HAMBURG--RIGHTIST, LOCAL.

ECONOMIC RECONSTRUCTION PARTY--RIGHT WING, ACTIVE ONLY IN BAVARIA.

CENTER PARTY--CENTRIST.

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AUG 15 1949

EDITORS

FRANKFURT, GERMANY--FOURTH LEAD ELECTION, INSERT AFTER SECOND GRAF BEGINNING "THE CONSERVATIVE" AND ENDING MARK.

THE CHRISTIAN DEMOCRATS AND FREE DEMOCRATS ARE CONSIDERED LIKELY TO JOIN A COALITION GOVERNMENT BECAUSE OF THEIR COMMON ECONOMIC VIEWS. BOTH FAVOR THE FREE ENTERPRISE SYSTEM, AS CONTRASTED WITH THE SOCIAL DEMOCRATS' ADVOCACY OF NATIONALIZATION OF INDUSTRIES.

COMPLETE RETURNS X X X THIRD GRAF AS BEFORE.

HJ1257AED

HAMBURG, GERMANY, AUG. 14-(AP)-THE BRITISH-CONTROLLED GERMAN NEWSPAPER WELT AM SONNTAG REPORTED TODAY THAT 20 SOVIET ARMY OFFICERS WERE KILLED IN THE EXPLOSION OF A BOMB AT A SOVIET OFFICERS' CLUB IN POTSDAM ON JULY 25.

THERE WAS NO CONFIRMATION OF THE STORY FROM ANY OFFICIAL SOURCES.
THE NEWSPAPER SAID THE BOMB WAS EXPLODED IN A PLOT TO KILL SOVIET MARSHAL KONSTANTIN ROKOSSOVSKY, WHO COMMANDS A LINE OF COMMUNICATION TROOPS IN THE SOVIET ZONE OF GERMANY. DURING THE WAR HE COMMANDED THE SOVIET ARMIES WHICH DROVE GERMAN TROOPS FROM PRESENT POLISH WESTERN TERRITORIES.
THE NEWSPAPER QUOTED "RELIABLE SOURCES OF THE GERMAN PROVINCIAL GOVERNMENT IN BRANDENBURG" AS GIVING THIS ACCOUNT:
ROKOSSOVSKY WAS EXPECTED IN POTSDAM ON A VISIT AND THE RUSSIANS ARRANGED A RECEPTION AT THE MARBLE PALACE THERE.
A WAITER PLANTED A BOMB IN THE DRAWER OF A BUFFET. THE EXPLOSION RIPPED OUT THE FRONT OF THE BUILDING.
THE WAITER WHO PLANTED THE BOMB ESCAPED. ANOTHER 45 WAITERS WHO WERE EMPLOYED AT THE RECEPTION HAVE NOT RETURNED TO THEIR FAMILIES SINCE THE INCIDENT.
THE NEWSPAPER DID NOT SAY WHETHER ROKOSSOVSKY WAS IN THE BUILDING AT THE TIME.
SN940PED

TRNAVA, SLOVAKIA, AUG 14-(AP)-A SUDDENLY-IMPOSED TRANSPORT BLOCK-$3 FAILED TO STOP THE ROMAN CATHOLIC CHURCH FROM CONSECRATING TWO NEW TITULAR BISHOPS HERE TODAY.
LOCAL TRAINS FAILED TO HALT HERE FOR "TECHNICAL REASONS." BUS AND TAXI SERVICE ALSO STOPPED. VIRTUALLY ALL METHODS OF PUBLIC TRANSPORT INTO THIS CITY WERE CUT OFF.
BUT SOME 6,000 CATHOLICS JAMMED IN AND AROUND ST.NICHOLAS CHURCH, TRNAVA'S BIGGEST, FOR THE CEREMONIES. THREE THOUSAND CROWDED INTO THE BUILDING AND THE REST STOOD OUTSIDE. NO UNIFORMED POLICE WERE VISIBLE.
THE CHURCH HIERARCHY HAD DEFIED A GOVERNMENT ORDER THAT ALL CHURCH MEETINGS AND PILGRIMAGES MUST OBTAIN PRIOR APPROVAL FROM THE GOVERNMENT. THE CHURCH ALSO HAD NOT SUBMITTED THE CANDIDACIES OF THE NEW BISHOPS FOR GOVERNMENT APPROVAL.
BECAUSE OF THESE CIRCUMSTANCES, MANY CZECH AND SLOVAK CATHOLICS HAD BEEN APPREHENSIVE OF INTERFERENCE BY THE COMMUNIST-RULED GOVERNMENT.
ARCHBISHOP JOSEF MATOCHA WAS THE CONSECRATING BISHOP.
THE NEW BISHOPS ARE MSGR. AMBROSIUS LAZIK, WHO HAS BEEN SERVING AS APOSTOLIC ADMINISTRATOR OF TRNAVA, AND MSGR. ROBERT POBOZNY, WHO HAS BEEN CAPITULAR VICAR OF ROZNAVA.
THE VATICAN CONTENDED THAT IN BY APPOINTING THEM TITULAR BISHOPS INSTEAD OF BISHOPS IN RESIDENCE IT WAS NOT REQUIRED TO SEEK PRIOR GOVERNMENT APPROVAL FOR THE APPOINTMENTS.
SF848AED

BUDAPEST, HUNGARY, AUG.14-(AP)-THE RED BANNER OF COMMUNISM DOMINATED A FIELD OF FLAGS IN SUBURBAN BUDAPEST, WHERE THE WORLD FESTIVAL OF YOUTH AND STUDENTS OPENED TODAY.
THOUSANDS OF BOYS AND GIRLS, IN NATIONAL COSTUMES, SPORTS JACKETS AND MILITARY UNIFORMS MARCHED BEFORE OTHER THOUSANDS OF CHEERING SPECTATORS.
THE DELEGATIONS FROM THE "PEOPLE'S DEMOCRACIES," INCLUDING THE RUSSIAN ZONE OF GERMANY, CARRIED FLAGS AND HUGE POSTERS WITH PICTURES OF PRIME MINISTER STALIN AND OTHER COMMUNIST LEADERS.
DELEGATIONS FROM THE UNITED STATES AND BRITAIN HELD ALOFT THE STARS AND STRIPES AND THE UNION JACK. A POSTER CARRIED BY THE U.S. DELEGATION SAID "AMERICAN YOUTH DEMANDS PEACE, JOBS AND DEMOCRACY."
THE CHINESE GROUP, GRINNING WHILE THE CROWD CHEERED ITS COMMUNIST LEADER, WAS LAVISHLY SUPPLIED WITH LARGE FLAGS.
FOLLOWING SPEECHES BY THE YOUTH LEADERS, WHITE DOVES WERE RELEASED AS THOUSANDS SHOUTED "PEACE, PEACE," IN THEIR NATIVE TONGUES.
HUNGARIAN AIRPLANES CRUISED ABOVE THE CROWDS, DROPPING FLOWERS.
WB706PED

VIENNA, AUSTRIA, AUG.14-(AP)-THE BODY OF DR. THEODOR HERZL, FOUNDER OF ZIONISM, WAS REMOVED TODAY FROM THE DOEBLINGER CEMETERY TO THE SYNAGOGUE AT THE SEITENSTETTENGASSE, IN VIENNA'S INTERNATIONAL DISTRICT, PRIOR TO TRANSFER TO ISRAEL.
THE COFFINS OF HERZL, WHO DIED IN AUSTRIA IN 1904, AND HIS PARENTS, WERE TRANSPORTED BY AUSTRIAN POLICE.
ABOUT 200 MEMBERS OF VIENNA'S JEWISH COMMUNITY, AND DR. KURT LEVIN, ISRAELI'S POLITICAL REPRESENTATIVE IN AUSTRIA, ATTENDED THE CEREMONY.
LS423PED

BY SEYMOUR TOPPING
NANKING, AUG.14-(AP)-REPORTS IN THIS COMMUNIST CITY SAY A WIDE VARIETY OF RUSSIAN MANUFACTURED GOODS NOW IS ON SALE IN MANCHURIA.
AMONG RUSSIAN PRODUCTS MENTIONED ARE TEXTILES, GLASS, BICYCLES, JEEPS, TRUCKS, TIRES, RADIOS, PHOTOGRAPHIC EQUIPMENT, SHOES AND TOBACCO.
RUSSIAN GASOLINE IS SAID TO BE SELLING FOR THE EQUIVALENT OF $1.25 A GALLON BUT A NUMBER OF VEHICLES ARE BEING CONVERTED TO CHARCOAL GAS.
A CONSIDERABLE TRADE ALSO IS REPORTED BETWEEN MANCHURIA AND COMMUNIST NORTH KOREA.
A ONE-YEAR TRADE PACT BETWEEN RUSSIA AND MANCHURIA RECENTLY WAS ANNOUNCED (AND WAS PROTESTED BY THE NATIONALIST CHINESE GOVERNMENT WITHOUT RESULT).
IN EXCHANGE FOR MANUFACTURES, THE RUSSIANS ARE SAID TO BE RECEIVING SOYA BEANS, CORN, VEGETABLE OIL AND RICE FROM MANCHURIA.
THESE REPORTS AROUSED INTEREST IN FOREIGN DIPLOMATIC CIRCLES BECAUSE CHINA IS NORMALLY A FOOD-DEFICIT AREA AND IS NOW SUFFERING FROM A CRITICAL FOOD SHORTAGE DUE TO FLOODS, DROOUGHT AND MILITARY OPERATIONS.
IN THE OPINION OF NUMEROUS WESTERN DIPLOMATS, THE TRADE AGREEMENT SERVES TO INCREASE RUSSIAN INFLUENCE OVER MANCHURIA. RUSSIA ALREADY HAS MANY SPECIAL RIGHTS IN MANCHURIA, INCLUDING JOINT OPERATION OF MAJOR RAILWAYS, BY ITS 1945 TREATY WITH NATIONALIST CHINA, WHICH THE SOVIETS STILL RECOGNIZE DIPLOMATICALLY.
(THESE ANONYMOUS REPORTS FROM COMMUNIST TERRITORY, INDICATING A HUGE AND IMMEDIATE SUCCESS FOR TRADE WITH RUSSIA SHOULD BE REGARDED WITH RESERVE.
(THE CHINESE REDS HAVE BEEN MAKING A GREAT BID FOR SOVIET INDUSTRIAL PRODUCTS, BUT THE CONSENSUS OF ALL PREVIOUS ACCOUNTS, MANY OF THEM FROM COMMUNIST AREAS, HAS BEEN THAT THE RUSSIANS DID NOT HAVE ENOUGH TO MEET THE DEMAND ON ANY APPRECIABLE SCALE.)
JS1129APS

BYVFRED HAMPSON
(THE COMMUNIST ARMY CENSORS ALL DISPATCHES FROM SHANGHAI)
SHANGHAI, AUG.14-(AP)-THE PRO-COMMUNIST PRESS TODAY PUSHED AN INTENSIVE CAMPAIGN AGAINST RUMOR-MONGERING WHICH GREW FROM A REPORT OF A CLASH BETWEEN WORKERS AND RED SOLDIERS AT A LARGE COTTON MILL.
THE STORY--WHICH IS BEING DENIED DAILY--WAS THAT A GROUP OF MECHANICS BEGAN DISMANTLING THE MILL'S MACHINERY PREPARATORY TO MOVING IT TO THE INTERIOR AS PART OF THE COMMUNIST PROGRAM OF DEPOPULATING SHANGHAI.
ACCORDING THE RUMOR, MILL WORKERS, ANXIOUS TO SAVE THEIR JOBS, TRIED TO PREVENT THE DISMANTLING, AND THE CLASH FOLLOWED.
THE ASSOCIATED PRESS CORRESPONDENT VISITED THE MILL AND COULD SEE NO EVIDENCE OF EITHER DISMANTLING OR A CLASH. RUMORS OF THIS SORT, HOWEVER, RUN WILD AND GROW DESPITE DENIALS SINCE THE RED-CONTROLLED PRESS HAS SUPPLANTED THE OLD INDEPENDENT PAPERS.
MEANWHILE SHANGHAI'S BUDDHIST MONKS HERE ON THE MOVE. SO FAR MORE THAN 8,000 OF THE CITY'S 10,000 BUDDHIST CHURCHMEN HAVE LEFT FOR THE INTERIOR.
JS1015APS

TOKYO, AUG.14-(AP)-THE JAPANESE MINISTRY OF TRADE AND INDUSTRY REPORTED TODAY THAT ONLY 9.2 PER CENT OF JAPAN'S INDUSTRIAL PRODUCTION WAS EXPORTED IN 1948, COMPARED WITH 38 PER CENT BEFORE THE WAR.
THIS, IT SAID IN A SPECIAL REPORT, WAS THE PRINCIPAL REASON FOR JAPAN'S PRESENT ECONOMIC TROUBLES.
THE REPORT NOTED THAT HALF OF JAPAN'S 80,000,000 POPULATION WERE FARMERS AND HALF ENGAGED IN INDUSTRY AND TRADE, BUT THAT THE COUNTRY WAS NOT ABLE TO FEED ITSELF.
SINCE IT STILL IS IMPOSSIBLE TO BUY SUFFICIENT RAW MATERIALS AND EXPORT ENOUGH FINISHED PRODUCTS, THE MINISTRY CONCLUDED, JAPAN IS UNABLE TO SUPPORT ANY POPULATION INCREASE IN THE FUTURE.
FOOD, IT STATED, NOW MAKES UP HALF THE COUNTRY'S IMPORTS.
THE MINISTRY SUGGESTED THAT JAPAN TURN MORE TO HEAVY INDUSTRY AND CHEMICALS FOR EXPORT SINCE WARTIME DEVELOPMENT OF LIGHT INDUSTRIES IN MANY PARTS OF THE WORLD HAD DECREASED EXPORT OPPORTUNITIES IN THAT FIELD.
JS1132APS NM AXD

TOKYO,MONDAY,AUG.15-(AP)-THE FOURTH ANNIVERSARY OF JAPAN'S DECISION TO SURRENDER IN WORLD WAR II PASSED TODAY WITH HARDLY A RIPPLE.
KOSEN HIROKAWA, SECRETARY OF THE DEMOCRATIC LIBERAL PARTY, CHOSE THE OCCASION FOR A STATEMENT SAYING THE GREATEST OBSTACLE TO A PEACE TREJTY FOR JAPAN IS THE COMMUNIST PARTY'S "PLAN FOR A VIOLENT REVOLUTION."
ALL NEWSPAPERS PUBLISHED EDITORIALS ON JAPAN'S PROGRESS SINCE THE SURRENDER, GENERALLY TAKING THE LINE THAT THE JAPANESE HAVE FOLLOWED FAITHFULLY THE CONDITIONS LAID DOWN BY THE ALLIES.
ALL EXCEPT THE COMMUNIST PARTY PAPER GAVE EFFUSIVE THANKS TO GENERAL MACARTHUR AND THE UNITED STATES FOR AID JAPAN HAS RECEIVED.
RECENTLY THE JAPANESE GOVERNMENT INDICATED IT INTENDS TO SHIFT THE OBSERVANCE TO SEPT. 2, WHEN OCCUPATION FORCES MARK THE SURRENDER. THIS WAS THE DATE IN 1945 WHEN THE SURRENDER TERMS WERE SIGNED ON THE BATTLESHIP MISSOURI IN TOKYO BAY.
(X XXMANILA,XXXXXTOKXXE

BATTLESHIP MISSOURI IN TOKYO BAY.
(IN MANILA, THE FOUR-YEAR-OLD PHILIPPINE REPUBLIC OBSERVED THE ANNIVERSARY BY SENDING GREETINGS TO THREE FREE SISTER NATIONS OF ASIA WHICH ARE EVEN YOUNGER.
(THE FOREIGN OFFICE CONGRATULATED INDIA AND PAKISTAN ON THEIR SECOND ANNIVERSARY AND THE KOREAN REPUBLIC ON ITS FIRST YEAR OF INDEPENDENCE.
(THE PHILIPPINES HOPES TO BRING THESE THREE COUNTRIES INTO ACTIVS PARTNERSHIP IN AN ANTI-COMMUNIST ECONOMIC AND POLITICAL BLOC.
UM803PPS

XXADVANCE FOR USE AT 6:30 P.M., EASTERN STANDARD TIME, TONIGHT, SUNDAY, AUG.14)
BY WILLIAM R.MOORE
(ADVANCE) SEOUL, KOREA, MONDAY, AUG.15-(AP)-"THE GREAT VICTORY WON BY AMERICAN ARMS IN THE PACIFIC IS IN PRIL," PRESIDENT SYNGMAN RHEE DECLARED TODAY IN OBSERVING THE FIRST ANNIVERSARY OF THE U.S.-SPONSORED REPUBLIC OF KOREA.
"THE FIRES OF COMMUNISM, WHICH MAY HAVE BEEN ALLAYED IN EUROPE, RAGE UNHINDERED IN THE FAR EAST," RHEE SAID IN AN ADDRESS PREPARED FOR THE BIRTHDAY PROGRAM IN FRONT OF THE CAPITOL.
HIS LITTLE REPUBLIC RULES ONLY THE SOUTHERN HALF OF KOREA. IT IS OPPOSED BY A SOVIET-SPONSORED REGIME IN THE NORTH. EACH CLAIMS SOVEREIGNTY OVER THE ENTIRE COUNTRY.
REVIEWING THE PAST YEAR, RHEE WARNED THAT "SLAVERY, ACTUAL AND EFFECTIVE, IS THE PRICE OF COMMUNISM."
THE FIGHT AGAINST IT, HE SAID, MUST BE WAGED ON A GLOBAL--NOT A REGIONAL--BASIS.
THE 75-YEAR-OLD PRESIDENT DECLARED: "THE FIGHT WE MAY BE CALLED UPON TO FIGHT IS THE FIGHT OF ALL DECENT MEN EVERYWHERE. AS WE ARE HELPING THE CAUSE OF GLOBAL FREEDOM AT THE RISK OF OUR LIVES, WE ARE NOT ASHAMED TO CALL UPON THE REST OF THE WORLD FOR AID."
RHEE SAID THAT IN THE FIRST YEAR OF THE REPUBLIC, "THE NECESSARY ELIMINATION OF TRAITORS SEEKING TO BETRAY OUR COUNTRY INTO FOREIGN CONTROL HAS BEEN ACHIEVED, WHILE AVOIDING THE OPPOSITDANGER OF CREATING A ONE-PARTY STATE."
(END ADVANCE FOR USE AT 6:30 P.M., EST, TONIGHT, SUNDAY, AUG.14)
JS215PPS

BY SPENCER DAVIS
MANILA'S AUG. 14-(AP)-AMERICA'S TOP CAREER DIPLOMAT IN THE PHILIPPINES LEAVES FOR HOME TOMORROW WITH THE BELIEF THAT SOME FORM OF UNION OF SOUTHEAST ASIATIC COUNTRIES IS "BOUND TO COME."
THOMAS HICKMAN LOCKETT, OF HENDERSON, KY., CHARGE D'AFFAIRES WHO IS RETURNING TO WASHINGTON FOR REASSIGNMENT, SAID IN AN INTERVIEW THAT HE FELT ASIA WAS DEFINITELY ON THE MARCH. HE DECLINED TO FORECAST THE COURSE OR SCOPE OF A UNION, BUT SAID THAT, WHETHER WESTERNERS LIKED IT OR NOT, ASIA FELT THAT COLONIALISM BELONGED TO A DEAD ERA.

THE PHILIPPINES RECENTLY HAS TAKEN THE LEAD IN EFFORTS TO ORGANIZE AN ANTI-COMMUNIST PACIFIC UNION ALONG NON-MILITARY LINES.

LOCKETT SAID HE FELT THAT THE UNITED STATES WOULD BE WISE TO TRY TO CHANNEL POPULAR FEELING IN THIS PART OF THE WORLD TOWARD DEMOCRACY AND FREEDOM NOW, RATHER THAN SEE IT STREAM INTO COMMUNISM LATER.

LOCKETT AND HIS WIFE WILL GO TO WASHINGTON BY WAY OF EUROPE, ARRIVING HOME IN OCTOBER.

AMBASSADOR MYRON TCOWEN, NO

ARRIVING HOME IN OCTOBER.

AMBASSADOR MYRON M.COWEN, NOW IN THE UNITED STATES, IS DUE TO RETURN TO MANILA THURSDAY.

GM438PCS NM

DAMASCUS--FIRST ADD SYRIAN (A5-6) X X X MISSIONS.

THE HIGH COMMAND CALLED ON ALL CIVIL SERVANTS TO CARRY ON QUIETLY AND ORDERED POLICE FORCES TO PUT DOWN ANY DISTURBANCES IN COOPERATION WITH THE ARMY.

IN HIS LAST INTERVIEW WITH THE ASSOCIATED PRESS THREE DAYS AGO, ZAYIM TOLD OF HIS HOPES FOR SOMETHING LIKE THE ATLANTIC PACT FOR THE MIDDLE EAST COUNTRIES AND SAID HE WOULD SPONSOR IT. HE WAS AGAINST INCLUDING ISRAEL, HOWEVER, CONTENDING THE ZIONIST PALESTINE WOULD PROVIDE AN ENTRY FOR COMMUNISM.

ALTHOUGH ZAYIM WAS ARDENTLY ANTI-ISRAEL HE HAD MOVED RECENTLY TO PROTECT JEWS OF SYRIA AND TOOK SHARP MEASURES TO ROUND UP TERRORISTS WHO BOMBED A SYNAGOGUE A WEEK ATQHDO FRIDAY AND

PROTECT JEWS OF SYRIA AND TOOK SHARP MEASURES TO ROUND UP TERRORISTS WHO BOMBED A SYNAGOGUE A WEEK AGO LAST FRIDAY AND KILLED SEVERAL WORSHIPPERS.

A COMMUNIQUE SAID THE NEW COUP BECAME NECESSARY BECAUSE ZAYIM'S REGIME HAD PROVED TO BE MORE CORRUPT AND GENERALLY WORSE THAN THE ONE IT REPLACED.

(REPORTS FROM AMMAN SAID ZAYIM HAD QUARRELED ONE BY ONE WITH ASSOCIATES WHO SUPPORTED HIS MARCH COUP AND THAT HE HAD EXILED SEVERAL.

(A SYRIAN SOURCE IN A NEIGHBORING COUNTRY SAID ZAYIM WAS MARKED FOR DISPOSAL BY THE DISSIDENT GROUP JULY 7 AFTER THE ARREST OF ANTON SAADEH, LEADER OF THE SYRIAN NATIONAL PARTY, WHO WAS TURNED OVER TO LEBANON AND EXECUTED A FEW HOURS AFTER BEING TAKEN ACROSS THE BORDER.

(CENSORS IN LEBANON AND SYRIA NEVER PERMITTED PUBLICATION OF THE FACT THAT SAADEH, SUPPOSEDLY A CONFIDANT OF ZAYIM, WAS ARRESTED IN SYRIA; OFFICIAL ANNOUNCEMENTS ALWAYS SAID HE WAS ARRESTED IN LEBANON, THIS SOURCE SAID. HE ADDED THAT ZAYIM'S POLICIES INFURIATED SOME OF THE OLDEST AND MOST INFLUENTIAL DAMASCUS FAMILIES.)

THE SECOND IN THE SERIES OF COMMUNIQUES AFTER THE DOUBLE EXECUTION NAMED A SUPREME WAR COUNCIL APPOINTED BY HENNAWI AND INCLUDING: LT. COL. BAHIJ KALLAS, LT. COL. ALAMEDDIN KAWWAS, MAJ. AMIN ABOUASSAF, AND CAPTAINS MOHAMMAD MAROUF, ISSAM MURAYWED, KHALED JADA, MAHMOUD REFAI, MOHAMMED DIAB AND HASSAN HAMIN.

THE COUNCIL'S FIRST MISSION, THE COMMUNIQUE SAID, WAS TO TRY THE "TYRANT HUSNI ZAYIM, THE REPUBLIC'S FALSE PRESIDENT, AND THE TRAITOR MUHSEN BERAZI." IT SAID THE TWO HAD BEEN SENTENCED TO DEATH AND SHOT IN THE EARLY MORNING.

TWO NEWSPAPERS IN DAMASCUS, ONE AT HOMS AND ANOTHER AT ALEPPO WHICH ZAYIM HAD SUPPRESSED WERE ALLOWED TO RESUME PUBLICATION.

LS235PED NM

SYRIAN BROADCASTS, REFERRING TO ZAYIM ONLY AS "THE TRAITOR," ACCUSED HIM OF BEING UNDER THE INFLUENCE OF THE FRENCH, WHO RULED SYRIA UNDER A LEAGEU OF NATIONS MANDATE UNTIL THE SYRIANS WON THEIR INDEPENDENCE IN 1945.

AUTHORITATIVE NEUTRAL SOURCES HAVE CONTENDED--WITHOUT ANY CONFIRMATION FROM FRANCE OR SYRIA--THAT FRANCE SUPPLIED ZAYIM WITH SEVERAL SHIPMENTS OF SMALL ARMS AND OTHER MUNITIONS AFTER HE SEIZED THE SYRIAN GOVERNMENT.

A41

DIPLOMATS HERE FELT ZAYIM'S DEATH COMPLICATED MATTERS PARTICULARLY FOR THE UNITED STATES AND FRANCE. NOTHING MUCH IS KNOWN OF COL. SAMI HENNAWI, WHO TOOK OVER IN DAMASCUS.

BRITAIN HAS MAINTAINED AN ALOOF ATTITUDE TOWARD THE SYRIAN REGIME, BEING MORE CONCERNED WITH THE BRITISH POSITION IN OTHER ARAB COUNTRIES SUCH AS JORDAN AND EGYPT.

ZAYIM TOLD THIS CORRESPONDENT OF HIS AMBITIONS THREE DAYS AGO IN AN INTERVIEW AT DAMASCUS. THEY WERE MAINLY TO BUILD UP THE ARMY, HIS PET PROJECT. HE WAS ONCE A SECOND LIEUTENANT IN THE OLD TURKISH EMPIRE ARMY AND JUMPED HIMSELF FROM COLONEL TO FIELD MARSHAL WHEN HE WAS ELECTED PRESIDENT, UNOPPOSED, IN JUNE.

HE LOVED TO WEAR HIS MARSHAL'S UNIFORM WITH GOLD BRAID AND ROW ON ROW OF DECORATIONS.

IN THE INTERVIEW LAST WEEK HE SAID HE EXPECTED THE SYRIAN ARMY TO BE "200 PER CENT IMPROVED" BY THE END OF THIS YEAR. HE PLANNED TO FORTIFY ALL THE FRONTIERS--AGAINST ANY INTRUSIONS BY ISRAEL AND AGAINST ANY EFFORT BY ABDULLAH TO REALIZE HIS DREAMED-OF "GREATER SYRIA."

INTIMATES SAID ZAYIM HOPED TO MAKE SYRIA THE LEADING LEVANTINE POWER, PERHAPS INCLUDING LEBANON AND PARTS OF ARAB PALESTINE. ZAYIM'S PICTURE WAS PLASTERED ON MANY WALLS IN SYRIA.

ZAYIM SAID RECENTLY THAT HE WAS WILLING TO SPONSOR A SET-UP LIKE THE ATLANTIC PACT ALLIANCE FOR THE MIDDLE EAST IF THE UNITED STATES WOULD PROVIDE ECONOMIC AND MILITARY AID. HE SAID ISRAEL WOULD HAVE TO BE EXCLUDED, THOUGH. HE CONTENDED THAT STATE WOULD PROVIDE ENTRY FOR A COMMUNIST FIFTH COLUMN.

GOVERNMENT OFFICIALS IN WASHINGTON SHOWED NO INTEREST IN ZAYIM'S SUGGESTION FOR A MIDDLE EAST PACT.

ZAYIM SAID HE HAD ASKED THE UNITED STATES, FRANCE AND TURKEY TO GIVE SYRIA MILITARY ADVISERS AND THAT SYRIAN OFFICERS WERE ALSO BEING TRAINED IN BRITAIN.

LS310PED

WITH DAMASCUS

AMMAN, HASHEMITE JORDAN, AUG 14-(AP)-KING ABDULLAH OF HASHEMITE JORDAN (TRANS-JORDAN) CALLED AMERICAN, BRITISH, FRENCH AND ARAB DIPLOMATIC REPRESENTATIVES TO HIS PALACE IMMEDIATELY AFTER LEARNING OF THE ASSASSINATION OF PRESIDENT HUSNY EL ZAYIM AND PREMIER MUHSEIN BARAZI OF SYRIA.

WELLS STAEBLER, CHARGE D'AFFAIRES, REPRESENTED THE UNITED STATES.

THERE WAS IMMEDIATE SPECULATION HERE AS TO THE EFFECT OF THE REVOLUTION ON THE AMERICAN-OWNED TRANSARABIAN OIL PIPELINE.

ZAYIM HAD AGREED TO LET THE PIPELINE PASS THROUGH SYRIA TO THE MEDITERRANEAN AFTER PREVIOUS SYRIAN GOVERNMENTS HAD REFUSED TO SIGN SUCH AN
AGREEMENT.

A HIGH HASHEMITE JORDAN GOVERNMENT OFFICIAL SAID THE SYRIAN ERUPTION MAKES AN IMMEDIATE MEETING OF THE ARAB LEAGUE POLITICAL COMMITTEE ESSENTIAL.

THE COMMITTEE, ON WHICH HASHEMITE JORDAN, SYRIA, EGYPT, SAUDI ARABIA, LEBANON, AND IRAQ ARE REPRESENTED, IS PRESENTLY SCHEDULED TO MEET IN ALEXANDRIA, EGYPT, AUGUST 20.

ZAYIM MADE NO SECRET OF THE FACT THAT HE AIMED TO DESTROY KING ABDULLAH'S DREAM OF ABSORBING SYRIA AND OTHER NEIGHBORING LANDS INTO A "GREATER SYRIA" RULED OVER BY HIS HASHEMITE DYNASTY BASED AT AMMAN.

HE HAD ALSO TOUGHENED HIS COUNTRY'S ATTITUDE TOWARD ISRAEL.

DN703AED

INTEREST IN THE EXPLOSION HAS BEEN CENTERED AROUND SPECULATION AS TO WHAT WILL HAPPEN TO THE CHURCH OF THE HOLY SEPULCHRE, ABOUT 450 YARDS AWAY. THE ROTUNDA OF THE CHURCH WAS CRACKED BY AN EARTHQUAKE 22 YEARS AGO AND THE DOME IS SHORED UP BY SCAFFOLDING. WORSHIP IN THE CHURCH OFTEN HAS BEEN CURTAILED FOR FEAT THE CHURCH MIGHT COLLAPSE.

SN840PED

WITH DAMASCUS

CAIRO, AUG. 14-(AP)-KING FAROUK TODAY ORDERED ROYAL COURT MOURNING FOR THREE DAYS FOR THE DEATHS OF SYRIAN PRESIDENT HUSNI ZAYIM AND PREMIER MUHSEN BEY BERAZI.

DESSOUKI ABEZA PASHA, MINISTER OF WAKFS (ADMINISTRATION OF MOSLEM ESTATES), SAID ZAYIM "WAS CLOSE TO US; WE FEEL SORRY FOR HIS DEATH. WE HOPE SYRIA WILL EMERGE ALL RIGHT FROM THIS CRISIS."

HJ814PED

BRITISH CRISIS

WASHINGTON,AUG.14-(AP)-THOMAS C.BLAISDELL, ASSISTANT SECRETARY OF COMMERCE, SAID TODAY A RETURN TO FREE EXCHANGE OF CURRENCIES WOULD HELP OVERCOME THE BRITISH ECONOMIC CRISIS, AND THE SOONER IT HAPPENED THE BETTER.

BLAISDELL SAID INCREASED INVESTMENT ABROAD BY AMERICANS IS ONE THING NEEDED TO HELP RESTORE THIS FREE EXCHANGE--WHICH WOULD MEAN UNRESTRICTE EXCHANGE OF BRITISH POUNDS STERLING FOR AMERICAN DOLLARS. INCREASED FOREIGN SALES IN THE U.S. ALSO WOULD HELP, HE SAID.

THE COMMERCE DEPARTMENT OFFICIAL DID NOT SAY ANYTHING ON THE MUCH-DISCUSSED POSSIBILITY OF A DEVALUATION OF THE BRITISH POUND IN BRIEF, RECORDED REMARKS BROADCAST ON A RADIO (NBC UNIVERSITY OF CHICAGO ROUNDTABLE) DISCUSSION PROGRAM ON THE BRITISH SITUATION.

ANOTHER PROGRAM PARTICIPANT, REVDERS O'PIE, AN OFFICIAL OF AN AMERICAN CONCERN, SAID EVIDENCE IS INSUFFICIENT THAT DEVALUATION OF THE POUND ACTUALLY WOULD BE HELPFUL TO THE BRITISH POSITION. HE SAID IT HAS BEEN HURT MORE BY A DECLINE FROM PREWAR "INVISIBLE" ITEMS--RECEIPTS FROM SHIPPING, BANKING AND BRITISH OVERSEAS INVESTMENTS--THAN FROM SALE OF BRITISH GOODS.

CALVIN B.HOOVER, DUKE UNIVERSITY ECONOMIST WHO IS FREQUENTLY CONSULTED BY U.S. OFFICIAL AGENCIES, DESCRIBED THE BRITISH PLIGHT AS A "CONTINUING CRISIS THAT WE MIGHT AS WELL GET USED TO." HE SAID THE U.S. "COULD--AND SHOULD" GIVE BRITAIN A LARGER SHARE OF MARSHALL PLAN AID.

HOOVER SAID THAT THE BRITISH PEOPLE "ARE GOING TO HAVE TO ACCEPT A LOWER STANDARD OF LIVING THAN THEY WISH."

O'PIE, ONCE AN ECONOMIST FOR THE BRITISH EMBASSY HERE, EXPRESSED BELIEF THAT THE ONLY WAY BRITAIN COULD ACHIEVE THE 75 PERCENT INCREASE OVER PREWAR IN HER EXPORTS THAT SHE REQUIRES FOR RECOVERY GOALS WOULD BE FOR AN INCREASE OF WORLD TRADE IN GENERAL TO THAT EXTENT.

TO ACHIEVE THIS INCREASE IN WORLD TRADE, HE SAID, IT WILL BE NECESSARY TO RESTORE FREE TRADE, GETTING RID OF RESTRICTIONS ON CURRENCY EXCHANGE AND MOVEMENT OF GOODS, AND GETTING AWAY FROM THE TWO-COUNTRY BARTER DEALS THAT HAVE BEEN ON THE INCREASE RECENTLY.

V554PED

(ADVANCE FOR USE AT 6 P.M.,EASTERN STANDARD TIME,TODAY,SUNDAY, AUG. 14)

PEACE CONGRESS (370)

(ADVANCE)-WASHINGTON,AUG 14-(AP)-A CALL FOR AN "AMERICAN CONTINENTAL CONGRESS FOR PEACE" IN MEXICO CITY MADE THE STATE DEPARTMENT SEE RED TODAY. A DEPARTMENT OFFICIAL SAID IT APPARENTLY WILL BE "MOSCOW DIRECTED."

THE CALL WAS ANNOUNCED BY THE NEW YORK OFFICE OF THE CONGRESS IN THE NAME OF SOME 300 EDUCATORS, ARTISTS, WRITERS AND UNIONISTS IN THE UNITED STATES AND OF SIMILAR GROUPS IN OTHER AMERICAN COUNTRIES.

AMONG THOSE LISTED AS MEMBERS OF THE U.S. COMMITTEE FOR THE CONGRESS WERE DR.W.E.B.DUBOIS, ANTHROPOLOGIST; DR.LINUS PAULING, SCIENTIST; PAUL ROBESON, THE NEGRO SINGER; ACTOR CHARLES CHAPLIN; AND O' JOHN ROGGE, FORMER U.S. ASSISTANT ATTORNEY GENERAL.

A STATEMENT ISSUED BY THE NEW YORK OFFICE SAID THE CONGRESS IS MEETING SEPT. 5-10 TO DISCUSS WAYS TO PREVENT WORLD WAR THREE. IT DECLARED THE SPONSORS BELIEVE THAT "WAR PREPARATIONS AND ACCOMPANYING ANTI-DEMOCRATIC MEASURES" ARE HINDERING EFFORTS OF THE AMERICAN PEOPLES TO LIVE TOGETHER, IN PEACE AND FREEDOM, IN A FREE AND PEACEFUL WORLD.

ROGER W.TUBBY, A NEWS OFFICER FOR THE STATE DEPARTMENT, TOLD A REPORTER:

"IT APPEARS THAT IT WILL BE ANOTHER MOSCOW-DIRECTED CONFERENCE. WE FULLY EXPECT THAT THE ACTIVITIES WILL BE DEVOTED TO PROVIDING AN APOLOGIA FOR THE MOSCOW POINT OF VIEW."

TUBBY SAID ALSO THAT "IN OUR VIEW IT WILL MERELY BE A CONFERENCE SIMILAR TO THAT HELD IN NEW YORK CITY UNDER THE SPONSORSHIP OF HARLOW SHAPLEY."

THE NEW YORK MEETING TO WHICH HE REFERRED WAS THE "CULTURAL AND SCIENTIFIC CONFERENCE FOR WORLD PEACE" HELD LAST MARCH. DR.HARLOW SHAPLEY, HARVARD ASTRONOMER, IS CHAIRMAN OF THE NATIONAL COUNCIL OF THE ARTS, SCIENCES AND PROFESSIONS, WHICH SPONSORED THAT MEETING. HENRY A.WALLACE, FORMER VICE PRESIDENT, WAS ONE OF THE PRINCIPAL SPEAKERS THERE.

SHAPLEY ALSO IS LISTED AS A SPONSOR OF THE MEXICO GATHERING.

THE ANNOUNCEMENT FROM THE "AMERICAN CONTINENTAL CONGRESS FOR PEACE" SAID THAT BODY WILL MEET IN MEXICO CITY FROM SEPT. 5 TO 10. IT SAID THAT THE POET, ENRIQUE GONZALES MARTINEZ, WILL PRESIDE AND THAT LUIS ENRIQUE DELANO WILL BE SECRETARY-GENERAL.

A FORMAL CALL DATED JUNE, 1949, MEXICO CIT

A FORMAL CALL DATED JUNE, 1949. MEXICO CITY, WAS MADE PUBLIC WITH

THE STATEMENT. IT INVITED "ALL MEN AND WOMEN OF GOOD WILL OF THE AMERICAS" TO ATTEND THE CONGRESS.

"THE ACTIVITIES OF THOSE WHO WOULD PROFIT FROM ANOTHER WORLD WAR ARE BEING FELT MORE INTENSELY EACH DAY BY THE PEOPLES OF THE AMERICAS," SAID THE CALL. "THE WAR-MAKERS HAVE STARTED AN ARMAMENT RACE WHICH ALREADY AFFECTS MANY NATIONS OF THIS CONTINENT. THEY HAVE BURDENED THE PEOPLES WITH UNBEARABLE WAR BUDGETS, HAVE IGNORED THE SOVEREIGNTY OF NATIONS, HAVE ORGANIZED AGGRESSIVE MILITARY BLOCS, HAVE WEAKENED THE ECONOMIC CONDITIONS OF THE PEOPLE AND HAVE VIOLATED OUR SACRED DEMOCRATIC RIGHTS."

(END ADVANCE FOR USE AT 6 P.M., EASTERN STANDARD TIME, TODAY, SUNDAY, AUG. 14)

GG640PED

LOS ANGELES, AUG 14-(AP)-ALTHOUGH CHINA IS "AFIRE WITH COMMUNISM" IT STILL IS NOT TOO LATE TO CHECK THE SPREAD, SAYS ELPIDIO QUIRINO, PRESIDENT OF THE PHILIPPINE REPUBLIC.

SPEAKING TO NEWSMEN, PRESIDENT QUIRINO SAID HIS ADMINISTRATION IS COMBATTING COMMUNISM BY IMPROVING ECONOMIC CONDITIONS OF THE AVERAGE FILIPINO, LENDING MONEY FOR FARM EQUIPMENT AND MAKING IT POSSIBLE FOR THE COMMON FARMWORKER TO BECOME A FARM OWNER. THE GOVERNMENT, HE SAID, IS BUYING UP LARGE LAND HOLDINGS AND RESELLING THEM TO FARMWORKERS IN SMALL PARCELS.

QUESTIONED ABOUT JAPANESE REPARATIONS, THE PRESIDENT SAID THE PHILIPPINES IS NOT WILLING TO ACCEPT EQUIPMENT.

"THE PHILIPPINES MUST WAIT AND GET CASH," HE SAID. "WE INTEND TO EXACT FROM JAPAN EVERY LAST CENTAVO OF PAYMENT FOR THE PROPERTY AND THE LIVES OF FILIPINOS TAKEN BY THE JAPANESE."

SW249PPS

NEW YORK, AUG. 14-(AP)-DR.D.SOEMITRO ARRIVED BY AIR LATE TONIGHT FROM JOGJAKARTA ENROUTE TO THE HAGUE WHERE HE WILL SERVE AS ECONOMIC AND FINANCIAL ADVISOR TO THE INDONESIAN DELEGATION AT THE ROUNDTABLE CONFERENCE.

HE MADE A STATEMENT FOR THE PRESS ON ARRIVAL, SAYING HE HOPES FOR A PEACEFUL SETTLEMENT AT THE HAGUE.

HE ADDED: "IT WOULD BE SUICIDE FOR THE DUTCH TO CONTEMPLATE ANY DELAYING TACTICS FOR A THIRD MILITARY ACTION.

"WE SURVEYED THE POSITION OF THE REPUBLICAN ARMY AND FOUND IT BETTER THAN OUR MOST OPTIMISTIC EXPECTATIONS. MORALE AND DISCIPLINE ARE HIGH. THE AGREEMENT BETWEEN THE BFO (FEDERALISTS) AND THE REPUBLIC TO USE THE TNI (INDONESIAN NATIONAL ARMY) AS THE NUCLEUS FOR THE NEW UNITED STATES OF INDONESIA ARMY INDICATES AN UNSHATTERABLE UNITY AMONG OUR PEOPLE.

"THE MOST DELICATE PROBLEM AT THE HAGUE CONFERENCE WILL BE ECONOMIC AND FINANCIAL ARRANGEMENTS. THE SINCERITY OF THE DUTCH WILL BE PROVED BY THEIR PROPOSALS AND ACTIONS ON THESE TWO SUBJECTS."

DR.SOEMITRO WILL REMAIN IN NEW YORK A FEW DAYS CONFERRING WITH THE INDONESIAN MISSION TO THE UNITED NATIONS, CONVEYING INSTRUCTIONS FROM JOGJAKARTA, BEFORE PROCEEDING TO THE HAGUE.

VS1208AED

SYRIANMINTERPRETIVE (380)

(EDITOR'S NOTE: JOHN RODERICK, WRITER OF THE FOLLOWING ARTICLE, HAS JUST RETURNED FROM THE MIDDLE EAST, WHERE HE HAS BEEN STATIONED ON ASSIGNMENT WITH THE ASSOCIATED PRESS FOR THE PAST 10 MONTHS.)

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BY JOHN RODERICK

NEW YORK, AUG.14-(AP)-THE OVERTHROW OF THE SYRIAN GOVERNMENT AT DAMASCUS IS LIKELY TO CAUSE MORE THAN ONE TURBANED HEAD IN THE ARAB MIDDLE EAST TO REST UNEASILY.

ONE OF THE MOST RESTLESS PROBABLY WILL BE KING ABDULLAH OF HASHEMITE JORDAN. IT HAS BEEN HIS AMBITION FOR YEARS TO BRING SYRIA, THE NEIGHBORING REPUBLIC OF LEBANON AND ARAB PALESTINE UNDER HIS SWAY.

WHEN COL. HUSNI ZAYIM LEAPED FROM OBSCURITY TO POWER IN SYRIA FOUR AND A HALF MONTHS AGO, THE BEARDED MONARCH RUBBED HIS HANDS WITH SATISFACTION. ZAYIM HAD BEEN FAVORABLE TO ABDULLAH'S GREATER SYRIA PLANS. BUT, SUDDENLY AND WITHOUT WARNING, ZAYIM DECIDED HE WANTED NO PART OF ANY PROGRAM INVOLVING ABDULLAH.

THE HASHEMITE KING, OUTRAGED, DISPATCHED TROOPS TO THE SYRIAN BORDER. BUT ZAYIM CALLED HIS BLUFF AND MOVED HIS OWN SOLDIERS TO THE OPPOSITE SIDE. IN A FURTHER GESTURE OF DEFIANCE, THE SYRIAN CLOSED THE BORDER FOR A FEW DAYS. ABDULLAH BACKED DOWN.

ABDULLAH SAYS HE IS THE HISTORIC LEADER OF THE ARABS, HAVING INHERITED THAT MANTLE FROM HIS FATHER, SHERIF HUSSEIN OF MECCA, WHO SPEARHEADED THE WORLD WAR I ARAB REVOLT AGAINST THE TURKS.

THE DIMINUTIVE RULER'S AMBITION TO BE NO.1 MAN AMONG THE ARABS IS DISPUTED BY HIS ROYAL COLLEAGUE, STOCKY, YOUNG KING FAROUK OF EGYPT.

FAROUK, WHO IS NOT AMUSED BY ABDULLAH'S GREATER SYRIAN ACTIVITIES, HAS USED SYRIA TO COUNTERACT THEM.

HE IS JOINED BY GOUTY, OLD KING IBN SAUD OF SAUDI ARABIA, WHO ALSO HAS NO LOVE FOR ABDULLAH. THE REASON FOR THIS LIES IN AN OLD ENMITY OVER POSSESSION OF THE HEJAZ AREA OF SAUDI ARABIA. ABDULLAH SAYS IT BELONGS TO HIS FAMILY. IT IS AN IMPORTANT REGION BECAUSE IT INCLUDES THE CITIES OF MEDINA AND MECCA, HOLY TO ALL MOSLEMS.

IRAQ, RULED BY ANOTHER HASHEMITE KING, YOUNG FEISAL, ALIGNS HERSELF WITH JORDAN, BUT NOT WITH WHAT COULD BE DESCRIBED AS ENTHUSIASM. FEISAL'S BRANCH OF THE FAMILY FEELS RATHER STRONGLY THAT IN ANY NEW UNIFICATION OF THE ARABS IT AND NOT ABDULLAH'S CLAN SHOULD BE THE RULERS.

MANY STUDENTS OF THE MIDDLE EAST SAY IT WAS THIS SORT OF QUARRELING THAT CREATED ARAB DISUNITY IN THE WAR AGAINST ISRAEL.

NOW, SYRIAN COL. SAMI HENNAWI, THE HEAD OF THE MILITARY JUNTA WHICH ERASED ZAYIM AND HIS PREMIER, HOLDS THE KEY TO THE COMPLICATED SITUATION.

LS420PED

UNDATED SYRIA (140)

BY THE ASSOCIATED PRESS

SYRIA, TROUBLE SPOT OF THE ARAB WORLD THIS SPRING AND SUMMER, IS ANCIENT IN HISTORY AND NEW AS AN INDEPENDENT REPUBLIC.

IN BIBLICAL AND PRE-CHRISTIAN TIMES IT WAS CONQUERED SUCCESSIVELY BY THE ASSYRIANS, BABYLONIANS, PERSIANS, MACEDONIANS AND ROMANS. THE EARLY MOHAMMEDAN ARABS CONQUERED IT IN 636 A.D., PASSING IT ALONG TO OTHER MOSLEMS, THE EGYPTIANS AND TURKS. TURKEY,

DEFEATED BY THE ALLIES IN WORLD WAR I, TURNED OVER BOTH SYRIA AND LEBANON TO A MANDATORY POWER, FRANCE, IN 1920.

AN INDEPENDENT SYRIAN STATE WAS SET UP UNDER FRENCH MILITARY SUPERVISION SEPT. 8, 1936. FREE FRENCH AND BRITISH FORCES TOOK OVER IN JUNE, 1941, DURING WORLD WAR II. THE FREE FRENCH PROCLAIMED IT A REPUBLIC SEPT. 16, 1941. NEARLY ALL POWERS WERE TRANSFERRED TO RESPECTIVE SYRIAN AND LEBANESE GOVERNMENTS IN DECEMBER, 1943, AND ALL FOREIGN TROOPS WERE WITHDRAWN IN APRIL, 1946.

SYRIA'S ESTIMATED POPULATION IN 1946 WAS 3,006,000. IT HAS AN AREA OF APPROXIMATELY 54,300 SQUARE MILES. DAMASCUS IS THE CAPITAL. THE CHIEF INDUSTRIES ARE AGRICULTURE AND CATTLE BREEDING.

LS455PED

AUG 15 1949

ANNECY, FRANCE, AUG.12-(AP)-THE MEMBER STATES OF THE 1947 GENEVA AGREEMENT HAVE AUTHORIZED CUBA TO IMPOSE SPECIAL IMPORT RESTRICTIONS TO PROTECT THE CUBAN SISAL INDUSTRY, THE INTERNATIONAL TRADE ORGANIZATION SECRETARIAT ANNOUNCED HERE TODAY.

AUTHORITY FOR IMPORT RESTRICTIONS IS REQUIRED UNDER THE TERMS OF THE AGREEMENT, AND WAS GRANTED TO CUBA DURING THE CURRENT THIRD SESSION OF THE MEMBER STATES WHICH OPENED HERE LAST APRIL. CUBA WAS ALLOWED TO CONTINUE THE RESTRICTIONS FOR A PERIOD OF FIVE YEARS, PROVIDED THAT THERE WAS NO DISCRIMINATION IN THE ENFORCEMENT OF THE RESTRICTIONS.

SINCE THIS AUTHORITY WAS RECEIVED BY CUBA, A DISAGREEMENT WITH THE MEMBER STATES OVER A CUBAN DESIRE TO PREVENT REDUCTION OF HER UNITED STATES TARIFF PREFERENCES LED TO THE WITHDRAWAL OF THE CUBAN DELEGATION FROM THE SESSION.

FRANKFURT, AUG 12-(AP)-NEW POSTWAR RECORDS WERE SET BY BIZONAL GERMANY IN IRON AND STEEL PRODUCTION DURING JULY, ANGLO-AMERICAN AUTHORITIES ANNOUNCED TODAY.

PRODUCTION TOTALED 624,216 TONS OF PIG IRON, 776,795 TONS OF STEEL INGOTS AND 529,580 TONS OF HOT ROLLED PRODUCTS.

BY334PED

(300) WASHINGTON, AUG.12-(AP)-UNITED STATES IMPORTS FROM COUNTRIES IN THE MARSHALL PLAN AID PROGRAM DECLINED TO $65,500,000 (M) IN JUNE FROM $72,400,000 (M) IN MAY AND A MONTHLY AVERAGE OF $95,100,000 (M) FOR THE FIRST QUARTER OF 1949.

THIS DEVELOPMENT, REPORTED BY THE CENSUS BUREAU TODAY, WILL BE A MAJOR WORRY FOR OFFICIALS OF ALL COUNTRIES CONCERNED--A REDUCTION IN FOREIGN EARNINGS OF DOLLARS NEEDED TO PAY FOR FOREIGN PURCHASES IN THIS COUNTRY.

AUG 15 1949

MAKING THE "GAP" IN FOREIGN TRADE WORSE, WHILE U.S.IMPORTS WENT DOWN, U.S.EXPORTS TO MARSHALL PLAN COUNTRIES INCREASED. THEY WENT FROM $387,600,000 (M) IN MAY TO $406,700,000 (M) IN JUNE, WELL ABOVE THE MONTHLY AVERAGE OF $386,400,000 (M) FOR THE FIRST QUARTER OF 1949.

THE GAP BETWEEN FOREIGN PURCHASES IN THIS COUNTRY AND FOREIGN SALES TO THE U.S.HAS TO BE TAKEN CARE OF BY U.S.FINANCIAL HELP FOR THE MOST PART, SINCE THE GOLD AND DOLLAR CURRENCY RESERVES OF MOST OF THESE COUNTRIES HAS FALLEN TO LOW LEVELS--BELOW, IN THE CASE OF BRITAIN, WHAT OFFICIALS CONSIDER THE "DANGER POINT."

BRITISH SHIPMENTS TO THIS COUNTRY FELL TO $14,700,000 (M) IN JUNE FROM $15,200,000 (M) IN MAY, A MONTHLY AVERAGE OF $22,700,000 (M) IN FIRST QUARTER 1949 AND $24,100,000 (M) IN 1948.

BRITAIN STILL LED ALL OTHER MARSHALL PLAN COUNTRIES IN SHIPMENTS TO THE U.S.

GREATEST DECREASES IN SHIPMENTS TO THIS COUNTRY FROM MAY TO JUNE WERE LISTED AS: FROM GERMANY, OFF FROM $4,400,000 (M) TO $2,900,000

(M); NORWAY, $3,700,000 (M) TO $700,000; TURKEY, $8,700,000 (M) TO $3,600,000 (M).

ON THE OTHER HAND, IMPORTS FROM THE NETHERLANDS ROSE FROM $4,600,-000 (M) IN MAY TO $8,000,000 (M) IN JUNE, AND ITALY FROM $3,800,000 (M) TO $6,100,000 (M).

ON THE EXPORT SIDE, SHIPMENTS TO FRANCE ROSE FROM $41,000,000 (M) IN MAY TO $62,100,000 (M) IN JUNE. EXPORTS TO GERMANY FELL FROM $81,700,000 (M) TO $59,200,000 (M). "EXPORTS TO OTHER WESTERN EUROPEAN COUNTRIES "DID NOT VARY GREATLY FROM THEIR MAY LEVELS," THE BUREAU SAID.

AUG 15 1949

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(320) WASHINGTON,AUG.12-(AP)-RUSSIA SHIPPED MANGANESE ORE--A VITAL STEEL-HARDENING METAL WHICH THE U.S.STOCKPILES AGAINST A WAR EMERGENCY-TO THIS COUNTRY IN JUNE FOR THE FIRST TIME IN THREE MONTHS, THE CENSUS BUREAU REPORTED TODAY.

JUNE RECEIPTS OF THE ORE WERE ONLY $100,000 IN VALUE COMPARED WITH $600,000 IN MARCH AND AN $800,000 MONTHLY AVERAGE LAST YEAR.

NEVERTHELESS, IT WAS A CHANGE FROM THE APPARENT EMBARGO ON MANGANESE SHIPMENTS IMPOSED BY THE RUSSIANS. OFFICIALS HERE HAD CONSIDERED THE HALT ON SHIPMENTS A SOVIET RETALIATION AGAINST THE U.S.BAN ON MOVEMENT OF "WAR POTENTIAL" GOODS TO RUSSIA.

THE RUSSIAN HOLD-BACK ON MANGANESE HAS NOT BROUGHT ANY EASING OF THE U.S.RESTRICTIONS ON SUCH SHIPMENTS TO THE SOVIET. THE U.S.HAS, HOWEVER, STEPPED UP EFFORTS TO DEVELOP ALTERNATIVE SOURCES OF MANGANESE IN AFRICA, INDIA, AND BRAZIL.

U.S.EXPORTS TO ALL EASTERN EUROPEAN COUNTRIES, INCLUDING THE SATELLITE COUNTRIES ALONG WITH RUSSIA, FINLAND AND YUGOSLAVIA, DROPPED FROM $12,700,000 (M) IN MAY TO $7,300,000 (M) IN JUNE.

THE JUNE FIGURE IS FAR BELOW THE 1948 MONTHLY AVERAGE OF $13,800,-000 (M) AND UNDER THE $9,800,000 (M) MONTHLY AVERAGE FOR THE FIRST QUARTER OF 1949.

AUG 15

EXPORTS TO POLAND AND DANZIG FELL FROM $4,300,000 (M) IN MAY TO $2,300,000 (M) IN JUNE. THOSE TO RUMANIA FELL FROM $1,200,000 (M) TO $100,000, AND TO RUSSIA ITSELF, FROM $400,000 TO $100,000.

IMPORTS FROM THESE COUNTRIES INCREASED FROM $8,600,000 (M) TO $10,-700,000 (M), REFLECTING MINOR INCREASES IN RECEIPTS FROM NEARLY ALL THE COUNTRIES. JUNE IMPORTS WERE 18 PERCENT UNDER THE MONTHLY AVERAGE VALUE FOR 1948 BUT 23 PERCENT ABOVE THE MONTHLY AVERAGE IN THE FIRST QUARTER OF THIS YEAR.

RUSSIAN SHIPMENTS TO THE U.S., INCLUDING THE MANGANESE, ROSE IN TOTAL FROM $4,200,000 (M) TO $4,600,000 (M). HOWEVER, IMPORTS OF FURS DECLINED FROM $4,200,000 (M) IN MAY--ALMOST THAT ENTIRE MONTH'S SHIP-MENTS TO THE U.S.FROM RUSSIA--TO $3,500,000 (M) IN JUNE.

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AUG. 14, 1949

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West German Voters Reject Communism

European council may split over admission of West Germany. [Wirephoto on Page 3.]

Frankfurt, Germany, Aug. 15 (AP). Western Germany has handed its right-wing parties a mandate to direct the new federal republic for the crucial next four years.

More than 24,000,000 Germans swarmed to the polls yesterday, in their first free election since Hitler took over in 1933. They handed communism its fourth major defeat in western Europe since the war. France, Italy and West Berlin said "no" to the Reds in earlier elections.

Western Germany's rebuff marks the retreat of communism to the River Elbe where the Red Army stands guard.

Communists got about six per cent of the vote.

Voting Is Orderly

West German voters also rejected socialism and extreme right pro-Nazi groups, giving control of the 402-member Parliament to the free-enterprise parties whose policies have the confidence of American officials.

In bright, hot weather, the people strolled to the heavily policed polls in sober family groups. There were a few street fights in some cities but for the most part voting was orderly.

Topping the popular vote with 7,356,025 were the conservative Christian Democrats.

Conservative Cabinet Seen

Close behind with 6,932,303 were the Social Democrats who want to nationalize big industries. They closely resemble Britain's ruling Labor party.

The Free Democrats, who favor the free enterprise system with no reservations, surged into third place with 2,827,948 votes.

By joining with the Christian Democrats they can assure a controlling bloc in Parliament and will be able to form a conservative cabinet.

Trailing the field of the major parties were the Communists who slumped from ten per cent of the popular vote in 1946 state elections to about six per cent—1,360,469 votes.

Red Chief Rejected

Even Max Reimann, chief of the Communist party in West Germany, was spurned by his home district.

Reimann, nevertheless, will probably be named to the Parliament as a member for North Rhine-Westphalia under the proportional representation system.

Minor parties and the votes they polled were:

Center party, 727,554; German party (Right wing), 940,088; German Right party (extreme Right wing), 440,698; Emergency Association, 292,963; Radical Socialist Freedom party (left of center), 192,044; Economic Reconstruction Association (Right), 681,981; Bavaria party (extreme right), 986,606; Rally for Action (Rightist), 26,159; Rhenish-Westphalian Peoples' party (Rightist), 21,305; South Schleswig Voters Association (pro-Danish), 75,387; Workers' party (Left), 5,791; Independents, 839,393.

Seats In Parliament

Parliamentary seats allotted to the parties on the basis of completed election returns:

Christian Democrats, 139; Social Democrats, 131; Free Democrats, 52; Germany party, 17; Bavarian party, 17; Communists, 15; Economic Reconstructionists, 12; Center party, 10; German Right party, 5; Emergency Association, 1; Radical Socialist Freedom party, 1; independents, 2.

The Christian Democrats carried seven of the eleven West German states—Bavaria, North Rhine-Westphalia, Schleswigholstein, South Baden, Wuerttemberg-Baden, Rhineland-Palatinate and Wuerttemberg-Hohenzollern.

The Social Democrats led in Hesse, Hamburg, Bremen and Lower Saxony.

Oppose Socialization

The Christian Democrats, Free Democrats and the right wing German party are uncompromisingly opposed to the Social Democrats' program of socializing basic industries.

Whether Western Germany can have a strong government able to resist the political ambushes of the splinter parties apparently depends on the statesmanship of the Christian Democratic and Free Democratic leaders.

They will be under a strong propaganda attack from Russia which has already tried to portray them as stooges of American "imperialists."

Attacks On Allies

During the campaign the conservative parties joined the Communists in attacking policies of the occupying powers—Britain, France and the United States.

Singled out for bitter blasts were the dismantling of German industries, the placing of the Ruhr under international authority and the military security board designed to checkmate possible future German aggression.

Except for Reimann, all major party leaders were elected from their home districts.

Social Democrat Kurt Schumacher won Hanover with 55 per cent of the total vote in his district.

Adnauer Elected

Dr. Konrad Adnauer, Christian Democrat chairman, got a majority over all other candidates in his home district, Bonn, future West German capital.

Vote percentages were:

Christian Democrats, 31; Social Democrats, 29.4; Free Democrats, 11.95, and Communists, 5.74.

The two extreme Right-Wing groups got 5.83 per cent, or just about the same as the Communists.

Vote Is Heavy

The election brought out a whopping big vote with 78.56 per cent of the 31,179,422 eligible voters going to the polls.

Seeming apathy during the campaign had caused pre-election forecasts that only 65 or 70 per cent would vote.

The showing squelched Communist and Nazi hopes that a large number of Germans would boycott the elections as a protest against the formation of anything except an all-Germany government.

GERMANS LOOK TO COALITION

Adenauer And Heuss Likely To Head New Republic

Frankfurt, Germany, Aug. 15 (AP). A scholarly politician and an author were in the line today to head the West German Republic as a result of the Sunday election victory of anti-Socialist parties.

Konrad Adenauer, 73-year-old chairman of the conservative Christian Democrats, appeared to be the natural choice for chancellor, a position equivalent to Prime Minister.

Theodor Heuss, 65, author of more than twenty books, whose father took part in the abortive German revolution of 1848, was widely mentioned for president, a job with a bigger title but less power. He is head of the right-wing Free Democrats.

Coalition Move Starts

Christian Democrats and Free Democrats moved quickly toward a coalition to govern 47,000,000 Germans following a complete count of the Sunday vote in which 402 deputies were chosen for West Germany's first parliament.

The election proved a decisive setback for the Communists, who gathered but 5.74 per cent of the vote, and two extreme nationalist parties—the German party and the German Right party, who together got only 5.83 per cent.

Although the Social Democrats, who favored a program similar to the British Labor party, ran second with 29.4 per cent, they had no socialistic allies to whom they could turn to organize a coalition.

Together, the Christian Democrats and Free Democrats lacked only eleven seats of having a majority. It appeared they could easily pick these up by linking with one of the small right-wing parties also opposed to socialism.

Germany's first freely elected Government since Adolf Hitler appeared likely to set a course against socialism, favor a free economy, align with the Western powers in international politics, and seek entry into the family of European nations at Strasbourg.

Complete Results

The complete official returns showed these results:

	Pop'l'r Vote	Seats
Christian Democrats	7,357,579	139
Social Democrats	6,932,272	131
Free Democrats	2,788,563	52
Communists	1,360,443	15
Bavarian party	986,606	17
German party	940,088	17
Economic Reconstructionists	681,981	12
Center party	727,343	10
German Right party	428,959	5
Radical Socialist Freedom party	217,627	0
South Schleswig Association	75,387	1
Refugees Emergency Association	292,263	1
European Peoples party	26,155	0
Bremen Peoples party	39,229	0
Rhenish-Westphalian Peoples party	21,910	0
Independent Candidates	847,994	2
Totals	23,724,479	402

These results showed the Communists lost 300,000 votes from their total in the 1946 and 1947 state elections. In the state elections of those years they received 9.4 per cent of the vote.

All the other better known parties polled more votes than in those years, due partly to the increased population. But the Christian Democrats and Social Democrats lost ground percentage-wise. In 1946-47 the Christian Democrats got 37.7 per cent compared with 31 per cent this year. The Social Democrats slumped from 35 per cent to 29.2 per cent. The Free Democrats, however, boosted their percentage to 11.7 from 9.1 in 1946-47.

Both Heuss of the Free Democrats and a spokesman in Christian Democrat headquarters emphasized the similarity of the two party programs.

"A coalition between the Christian Democrats, Free Democrats and other right-wing parties could work well," said Heuss.

Chief Disagreement

The chief disagreement between the two parties is over centralization of the government. the Christian Democrats have stood firmly for federal government with strong states rights. The Free Democrats, like the Social Democrats, favor a strong central Government.

Adenauer declared tonight the election "stressed that the German people do not want to have anything to do with socialization," and added:

"It has been furthermore proved that some nationalistic tendencies in Germany have no significance at all. This might quiet down the outside world."

The losing Social Democrats said in a statement that "the political result probably will lead to the formation of a bourgeoise bloc—the defense of property at the cost of large masses of the people."

"Reaction," Says Reimann

Max Reimann, West German Communist leader, defeated in his own district but elected as a member at large under proportional representation, called the election "a revival of the forces of reaction."

In Berlin, John J. McCloy, United States high commissioner, congratulated the German people "on the evidence of good citizenship" in the election in which nearly 80 per cent of the 31,000,000 eligible voters cast ballots.

Adenauer, a lawyer who was jailed three times by Hitler's Gestapo, is a devout Catholic. As chairman of the Parliamentary Council, he piloted the new West German constitution through the deliberations at Bonn. As Chancellor, he would wield the real executive power of the government.

Nazis Burned His Book

Heuss was a member of the Reichstag until ousted by the Nazis in 1933. One of his widely known books, "Study of Hitler," was translated into four languages—and burned in Germany by the Nazis. As president he would be largely a figurehead.

The new *Bundesrat* which was elected Sunday will meet in Bonn on September 7 along with 400 delegates chosen by the eleven state legislatures. It will elect the president. The president then names the chancellor who chooses a cabinet.

Political circles speculated that the key post of Economics Minister would go to Dr. Ludwig Erhard, who now runs the economy of the combined British-American zones.

West Germany's Admission May Split Council

Strasbourg, France, Aug. 15 (AP). The Right-wing victory in yesterday's West German elections has boosted that country's chances of joining the Council of Europe, observers here believe.

Intimates of Winston Churchill said Britain's wartime Prime Minister would now throw the full weight of his personal prestige behind the battle for German membership.

They said he will probably introduce the subject Tuesday or Wednesday. Churchill had said he would take this step if the elections produced a "really free, Western-type government."

Clash Expected

Such a move is virtually certain to bring about heated debate on the floor of this assembly which hopes in time to be the parliament of a united Europe.

British Laborites are expected to make a last-ditch stand against it. Foreign Secretary Ernest Bevin is reported so opposed that he may use his veto in the upper house of the assembly (the Committee of Foreign Ministers) to block any discussion of Germany at this session.

France May Hold Key

He is reported to feel that the Council should wait to see what the policies of the new German Government will be.

The attitude of France, always fearful of a German revival, will have important bearing on chances for German membership.

Meanwhile, members of the twelve-nation assembly are taking a breather before starting work on a nine-point agenda.

COUNCIL FACES GERMAN ISSUE

Debate Expected On Bid To Joint European Group

Strasbourg, France, Aug. 15 (AP). Representatives in the European Consultative Assembly squared off tonight for what may be their biggest battle—the issue of Germany's admission to the European Council.

Two other conflicts were ing up—a new resolution on European federation and the old Irish partition question. Any one of the three may crop up when the assemblymen reconvene tomorrow after a week-end holiday.

Churchill Preparing Speech

Britain's Winston Churchill, his aides reported, is preparing a major address to the assembly urging the council to invite the West German Republic to become at least an associate member at once.

Herbert Morrison, Britain's Deputy Prime Minister, who acts as a sort of Labor party whip on the Assembly floor, declined comment. He said he would hold a news conference tomorrow or Wednesday, and would give the Labor party's viewpoint on Germany then.

Meanwhile, a group of assemblymen planned to introduce a resolution for the creation of a European agency with limited functions but real power before the end of 1950. This, they said, would be the first step toward a definite federal regime for Europe.

Under the project, the assembly would designate a commission to work out detailed proposals for submission to the various national parliaments and report back here next year.

Ireland's Eamon de Valera was reported working on a statement which would bring the Irish partition problem before the Assembly.

Irish representatives feel there is one change in Europe's political structure which would make Anglo-Irish co-operation more effective. This would be, they feel, to make Northern Ireland a part of the Irish Republic.

Russ Chief Escapes But 20 Die: Report

Hamburg, Germany, Aug. 15 (AP). The British-licensed German newspaper *Welt am Sonntag* says twenty Soviet Army officers were killed July 25 in a plot aimed at Soviet Marshal Konstantin Rokossovsky.

There was no confirmation from other sources. Nor has there been any indication of such an incident in reports of Rokossovsky since that date. He was made an honorary citizen of Wroclaw, Poland, last week.

"Reliable Sources"

The newspaper yesterday quoted "reliable sources in the German provincial government of Brandenburg." It said a time bomb was placed in the Potsdam marble palace, timed to coincide with a reception for Rokossovsky chief of the Soviet Western Armies. It did not say whether Rokossovsky was in the building at the time.

The waiter who planted the bomb was said to have escaped. Forty-five other waiters who were employed at the palace in a Soviet officers' club have not returned to their families since the incident, the newspaper said.

Seriously Doubted

A high American intelligence officer in Berlin said the first his office knew of the report was from the newspaper.

"We know nothing of such an explosion or plot," he said. "And we seriously doubt that such a thing could have occurred practically in our own back yard without our learning of it."

Potsdam is about 15 miles from Berlin in the Soviet zone.

"There is no security involved," the officer said. "We are investigating the report as a matter of procedure, but itis my frank opinion that it is not founded on fact."

HUNT U.S. YOUTHS IN RUSSIAN ZONE

Frankfurt, Aug. 15 (A. P.).—United States Army officers said today that a search is under way for two American youths who may have been arrested in the Russian zone of Germany. Missing are Walter Oelsner, 20, of Benton Harbor, Mich., and Peter H. Sellers, 18, of Philadelphia. They disappeared five days ago during a bicycle tour of Germany.

They last were seen at Goettingen in the British zone, where they inquired about the possibility of riding their bikes to Berlin through the Russian zone. British officials referred them to the American Military Government in Frankfurt.

United States Army headquarters announced that it has been asked to investigate.

Sellers is the son of socially prominent Mr. and Mrs. Lester H. Sellers, whose home is at Radnor on Philadelphia's main line. His mother said that Oelsner's father, owner of a New York shipping line, instituted the search. She said the youths had been scheduled to board one of the line's freighters to return home August 2.

Oelsner is a junior at the University of Pennsylvania.

TWO MISSING IN GERMANY

U.S. Youths May Have Been Detained By Germans

Frankfurt, Germany, Aug. 15 (AP). Army highway patrols searched tonight for two American youths who disappeared during a bicycle tour of Germany.

The missing youths, who may have been detained in the Russian zone, are Warren Oelsner, 20, of Oyster Bay, N. Y., and Peter H. Sellers, 18, of Philadelphia.

[Edward G. Oelsner, Jr., brother of Warren, said in Oyster Bay tonight the State Department had told his father the boys last were seen July 30 at Buechen, where customs men turned them back.

Eight-Day Inquiry

[After an eight-day inquiry in the British and American zones, the State Department seemed satisfied the two had gone into the Russian zone. American authorities in Berlin were instructed to make representations to the Russians for their return, Oelsner said.

[Finally, Edward G. Oelsner, Sr., of the U. S. Navigation Company, instituted a search. He said the Hamburg agents of the company sent an emissary into the Russian zone to try to find the youths.]

Army headquarters in Frankfurt said High Commissioner John J. McCloy had sent a cable last week from the United States, asking the Army to lend aid in the hunt.

The boys arrived in Germany last month, after visiting London and Paris. They were to have sailed from Hamburg August 2 for home. Arriving there July 28, they decided on a week end bicycle tour.

Young Oelsner is a junior at the University of Pennsylvania. Sellers is the son of socially prominent Lester H. Sellers and Mrs. Sellers, of Philadelphia. AP

ArmyHunts2 U.S.Youths Missing on German Tour

FRANKFURT, Aug. 15 (AP). — United States Army officers said today that a search is under way for two American youths who are missing on a bicycle tour in Germany. They are Warren Oelsner, twenty, of Oyster Bay, L. I., and Peter H. Sellers, eighteen, of Philadelphia. They disappeared five days ago.

The youths last were seen at Goettingen, in the British Zone, where they inquired about the possibility of riding their bicycles to Berlin through the Russian zone. British officials referred them to the American Military Government i Frankfurt.

[The State Department said in Washington that the two youths were seen July 30 near Luebeck, a short distance from the Russian zone. According to this report, they said they would not try to travel through the Russian zone, but would go nearly to the town of Gudow on the British zone border of the Russian zone.]

U.S. Zone Reported Nearly Free Of Nazis

Frankfurt, Germany, Aug. 15 (AP)—The de-Nazification program in the United States occupation zone of Germany has been 99.8 per cent completed, the American Military Government said today.

Of 13,199,778 persons registered under the law, 26.1 per cent were found to be chargeable cases under the de-Nazification laws. By June 30, 1949, the announcement said, 3,436,690 or 99.8 per cent of these had been completed.

Soviet Envoy To Tito Named To New Post

London, *Tuesday*, Aug. 16 (AP)—Tass said today Anatole I. Lavrentiev, the Soviet Ambassador to Yugoslavia, had been appointed a deputy minister of foreign affairs.

The official Soviet news agency made no mention of a successor to Lavrentiev in Belgrade. The appointment was made by the Council of Ministers of the Soviet Union.

The switch in posts for Lavrentiev came only a few days after the Kremlin had addressed a sharp note to Yugoslav Premier Marshal Tito's Government, denouncing it as an "enemy" of Russia. There was no indication whether the two actions were connected.

Lavrentiev has served as Soviet Minister to Romania and Bulgaria.

U. S. Warships Visit France.

Cherbourg, Aug. 15 (A. P.).—The battleship Missouri led United States Task Force 61 into the harbor here today and dropped anchor for a visit to France. Aboard the battleship, nine destroyers and naval transports were 5,200 midshipmen, officers and men under command of Rear Admiral Allen Smith.

U.N. Unit Draws Plan For Backward Nations

Geneva, Switzerland, Aug. 15 (AP)—A complete blueprint for helping underdeveloped countries to achieve economic and social stability was drawn up tonight by the United Nations Economic and Social Council.

The plan, which will be sent to the General Assembly for final approval, was undertaken largely on the initiative of the United States. It closely parallels President Truman's proposal for aid to backward countries.

The plan was adopted by a 15-to-0 vote, with the three Soviet-bloc states—the Soviet Union, White Russia and Poland—abstaining.

The program involves the expenditure of a maximum of $36,000,000 next year through the United Nations and special agencies, and an estimated $50,000,000 the following year. AP

Body Of First Zionist On Way To Tel Aviv

Vienna, Aug. 15 (AP)—The body of Dr. Theodore Herzl, the founder of Zionism, was taken by plane tonight for burial in Tel Aviv, capital of Israel—the Jewish national state that came into being 44 years after his death.

The bodies of his parents and sisters also were aboard the plane. They will be given a state burial in Tel Aviv.

Church Defies Czech Reds

Consecrates Two Bishops Despite Prohibition—6000 Attend Rites.

Trnava, Czechoslovakia, Aug. 15 (A. P.).—The Roman Catholic Church defied an order by Czechoslovak's Communist Government and consecrated two new bishops yesterday. The Government order prohibits such ceremonies unless prior approval is obtained. It also prohibits pilgrimages to the ceremonies. A large crowd attended, however, despite a Government transport blockade.

The Government claims, under an unofficial agreement made before the war, the right to reject or approve a candidate for bishop proposed by the Vatican. Diplomatic representatives of the Vatican explained this was circumvented by making the two churchmen titular bishops of dioceses outside Czechoslovakia, rather than bishops in residence. The new bishops are Mgr. Ambrosius Lazik, apostolic administrator of Trnava, who was named titular bishop of Appia, and Mgr. Robert Pobozny, capitular vicar of Roznava, made

titular bishop of Neila. Archbishop Josef Matocha, of Olomouc, Moravia, officiated.

The transport blockade cut the attendance to half of the expected numbers. Pilgrims found Bratislava a bottleneck. Railway agents advised travelers there would be no trains stopping in Trnava yesterday because of "technical reasons." Sunday bus service was eliminated. Bratislava taxi drivers refused to take passengers to Trnava.

Despite these restrictions, 3,000 persons witnessed the ceremony and 3,000 more stood outside. All Czech and Slovak bishops were present except Archbishop Josef Beran in seclusion in Prague.

Vitsi Gain Claimed By Greeks

Athens, Aug. 15 (AP)—Tension grew along the Greek-Albanian border tonight as the Greek Army claimed it had wiped out organized Communist guerrilla resistance in the Vitsi Mountain redoubt.

The Greek general staff announced that the bodies of twenty Albanian soldiers had been picked up two miles inside Greek territory near Kroustalopiyi on the west side of the demolished redoubt. Along with the bodies, the staff said, were recovered the records of an Albanian Army company which gave "precious information on Albanian aid to the guerrillas."

Later a special communiqué announced that guerrillas had made four new assaults from Albania on positions around Kamenic Mountain on the border north of Konitsa and southwest of the Vitsi area.

Control Supply Routes

The mountain positions are important in controlling guerrilla supply routes into the Grammos area. Front line dispatches said it was expected the bulk of the national forces would be moved from the Vitsi scene to attack the Grammos area, last important guerrilla stronghold. About 4,500 guerrillas are reported in the Grammos area. Nearly twice that many were routed from the Vitsi redoubt.

A second special communiqué issued tonight by the general staff said Albanian soldiers were taken prisoners among more than 1,200 casualties inflicted on the guerrillas in Vitsi.

Arms And Ammunition Taken

The guerrilla dead were counted at 952. The captured numbered 349, while 74 surrendered. Hundreds of others in destroyed pillboxes and fortified positions were uncounted, the communiqué said.

In addition, large quantities of arms, ammunition and supplies were taken. The booty included 32 artillery pieces, 207 German machine guns and hundreds of other weapons, 1,500 mines and a storehouse full of ammunition.

A spokesman for the United States military mission denied a guerrilla radio report that an American officer was killed in the Vitsi battle Saturday.

[A Greek rebel broadcast said 480 Government soldiers had been killed in the sector Sunday and 611 on Saturday, while 3,400 were wounded in the two days.]

Tested To The Limit

News dispatches from Kastoria, near the border, said the people of that town, encouraged by the Government victory at Vitsi, would welcome an invasion by Albania. Newspapers there have been advocating an attack on Albania.

Greek officers reported they had been tested to the limit several times to restrain their men from going into Albania to silence batteries firing upon them during the Vitsi operation.

The situation in the Vitsi area was reported in front dispatches to be largely a problem of wiping up isolated bands who were bypassed when the American-trained troops sliced into the redoubt and cut the main lines of communications.

Many of these guerrilla units are now hiding in the mountains, waiting for a chance to escape.

The United States Navy escort carrier Sicily, carrying 49 Helldiver planes, arrived at Phaleron Bay. The Helldivers were turned over to the Greek air force to be used in the war against the guerrillas and "help this country maintain its independence," Lieut. Gen. James A. Van Fleet, head of the American military mission, said.

Greece Reports Vitsi Area Cleared

Kastoria, Greece, Aug. 15 (AP)—The Greek Army reports that Communist-led guerrilla forces in the Vitsi area near the Albanian border have been conquered.

The Army said Government troops were driving north and west to seal off the Albanian border.

Lieut. Gen. James A. Van Fleet, head of the American Military Mission to Greece, says reports from Greek commanders and his own advisers indicate the Communists in Vitsi had been destroyed.

Two Miles From Border

The Greek high command's communique says that although the Vitsi stronghold has been taken, fighting continues to "complete the exploitation of results already gained."

It adds that the army has reached Krystallopiyi village on the main supply road into Albania and is less than two miles from the border.

In the Grammos mountain sector, the communique says, pressure continues on Government forces. With Vitsi out of the way, the bulk of the army is expected to be concentrated on the Grammos sector, where offensive operations have been under way for more than two weeks.

Finn Challenges Communists, Reveals 'Crushing Defeat' Plan

Helsinki, Finland, Aug. 15 (AP)—A member of the governing Social Democratic party has disclosed the Government is set on inflicting a "crushing defeat" on Communists "bent on paralyzing the nation."

Unto Varjonen said in a speech yesterday that the Government had taken all necessary steps to safeguard the normal functioning of the community while strike movements continue.

"If the Communists wish to pit force against force, let them try," he said. "We shall see which is stronger: the Finnish community or the fanatic Communist crowd. There is no doubt the Communists will lose the fight, and we shall make their defeat as crushing as possible."

Lost Fourth Of Seats

[Finland, bound by her peace treaty with Russia, has been steering a cautious course between the East and West. In elections in July, 1948, the Swedish Communists lost a fourth of their seats in Parliament to Social Democrats and Conservatives. Subsequently that month the Cabinet was reshuffled to include only Social Democrats, the one Communist member being dropped. Moscow has been extremely critical of the Social Democrat regime.]

Varjonen said recent strikes had been planned by the Communist Politburo, "desperately attempting to bring chaos to the country" in order to set up a "people's democracy" in Finland. He continued:

"Every citizen who values freedom and democracy should rise to fight those forces who thought it opportunely, in the present dangerous position, to thrust a dagger into the back of society."

Floods Threaten In North

Varjonen referred to a strike of woodworkers at Kemi, in northern Finland. There the Kemi River is threatening to break dams and flood the city because millions of cubic feet of logs lie unsorted in the water as loggers refuse to work.

Other Communist-dominated unions have threatened to strike later this week.

The Government tonight gave the Kemi loggers until Wednesday to resume work. Otherwise, the Government will apply the economic power act under which it can order any able-bodied man to work. These powers are intended for use in labor conflicts when the vital interests of the country are threatened.

U. S. ENVOY, STALIN HOLD CONFERENCE

American, Soviet Relations Reported Reviewed in Kremlin Talk

MOSCOW, Aug. 15 (AP)—Ambassador Alan G. Kirk met for about 45 minutes in the Kremlin tonight with Prime Minister Stalin. An informed source said Kirk had reviewed United States and Soviet relations in general terms.

The ambassador told newsmen after the conference "I don't think I will have anything to say about my visit tonight, but I may have something to say tomorrow."

Called 'Courtesy Visit'

The U. S. Embassy described the call as a "courtesy visit." It was learned that Kirk had requested the meeting—the first time any high American official has seen Stalin in almost a year.

(The Moscow Radio said Soviet Foreign Minister Andrei Vishinsky was also present at the meeting).

Kirk, a retired admiral in the navy who succeeded Lt. Gen. Walter Bedell Smith as ambassador to Moscow, arrived in the Soviet capital late last June.

He was accompanied to the Kremlin by Walworth Barbour, counselor of the American Embassy, and George Morgan, first secretary. They drove to the Kremlin from Kirk's residence shortly before 10 p.m., (3 p.m. Eastern Standard Time). They returned to the U. S. Embassy, across Kremlin Square, about 45 minutes later. Kirk messaged Washington and then went back to Spasso house, his residence.

The new British ambassador, Sir David Kelly, who came to Moscow shortly before Kirk, called on Stalin June 18. This also was described as a "courtesy visit."

First Meeting with Stalin

Tonight was the first time the 61-year-old American ambassador had ever met Stalin. It was also the first time an ambassador or any high American official had seen the Soviet leader in almost a year. The last time such a meeting was held was Aug. 23, 1948, when Stalin received U. S. Ambassador Walter Bedell Smith along with the British and French envoys during four-power talks on Germany.

In Washington the State Department said tonight Ambassador Kirk's call on Premier Stalin was a routine courtesy visit and that "nothing of special significance was discussed."

Press Officer Roger Tubby who made this comment noted that all new American ambassadors call on the Russian leader after taking over in Moscow.

Tubby said the State Department would have nothing to say about the subjects discussed at the meeting.

Chinese Reds Extend Attack

Canton, Aug. 15 (AP)—Chinese Communist forces have bypassed besieged Kanhsien and attacked Nankang, 195 miles northeast of Canton, the Nationalist refugee capital.

The Nationalist military admitted this serious development today in the Kiangsi province fighting, but said Kanhsien itself still was in Government hands.

Official dispatches said the Reds swung to the west of Kanhsien, 215 miles northeast of Canton, and began an assault on Nankang, 20 miles southwest of the Kiangsi capital which the provincial government abandoned last week.

20 Miles From Border

Nankang, on the traditional invasion route to Kwangtung province, is only 20 miles from the border of that province. Canton is in Kwangtung. Unofficial reports said the Nationalists are reinforcing southern Kiangsi in an effort to keep the Reds from Kwangtung.

Kanhsien is reported under attack by the Reds from several directions. Nationalist planes are supporting the defenders, dispatches said, and casualties on both sides were described as heavy.

On the northern approaches to Canton, the Nationalists said their Hunan province forces have stalled a southward Communist offensive along the Hankow-Canton railway. Heavy Red losses are claimed.

May Bypass Hengshan

Press reports said the Communists would try to bypass Hengshan, 290 miles north of Canton, for

a direct attack on the rail junction bastion of Hengyang, 265 miles north. Private reports earlier had indicated that Hengshan had been bypassed or captured as fighting was then going on south of the town.

In coastal Fukien province, northeast of Kwangtung and east of Kiangsi, other Red forces are hammering closed to Foochow, the provincial capital.

Dispatches said Keling, 18 miles southwest of Foochow, is under Red attack. The Reds have been reported 30 miles southwest and 38 miles northwest of Foochow.

Pai Returns To Front

Gen. Pai Chung-hsi, Nationalist commander in central China, has returned to the Hunan front after conferences here with Acting President Li Tsung-jen, Premier Yen Hsi-shan and other Government leaders.

An Army spokesman has disclosed that 50,000 to 60,000 Nationalist troops had been removed from the Hengyang front for fear they would desert to the Reds.

Independent Chinese reports in Hong Kong said the Communists were carrying out an amphibious assault on the Miao Islands off the Shantung peninsula in northeastern China, with three of the islands already captured. ADD

Government personnel assigned to Chungking or Formosa.

The Foreign Office still had not advised foreign diplomats of any move.

General Ma Pu-fang and Hu Tsung-nan, commander and deputy commander from the distant northwest front, flew to the island base of Formosa to press Generalissimo Chiang Kai-shek for additional arms.

[There was no fresh word from the Nationalist side concerning the northwest, but the Communist radio reported capture of towns 80 miles southeast and 100 miles northeast of Lanchow, Kansu province capital.

[Nor was there further news on the Communist amphibious attack on the Miao islands off Shantung, from which the Nationalist navy has been blockading the coast of North China. Dispatches via Hong Kong previously credited the Communist with capture of three of the eight islands.]

Reds Warn Amoy CustomsMen

HONG KONG, Aug. 15 (AP).—M. Wout, a former Amsterdam resident retiring from the Chinese custom service after twenty-four years, said today customs officials in Amoy have been warned by underground Communists there not to destroy their records or leave Amoy. Amoy is in the South China coastal area still controlled by the Nationalists. The warnings were slipped under the doors of the customs office three weeks ago, he said.

Communism Raging In Far East, Rhee Says

Seoul, Korea, Aug. 15 (AP)—"The great victory won by American arms in the Pacific is in peril," President Syngman Rhee declared today in observing the first anniversary of the United States sponsored Republic of Korea.

"The fires of communism, which may have been allayed in Europe, rage unhindered in the Far East," Rhee said at the birthday program in front of the capitol.

His little republic rules only the southern half of Korea. It is opposed by a Soviet-sponsored regime in the north. Each claims sovereignty over the entire country.

Rhee warned that "slavery, actual and effective, is the price of communism."

The fight against it, he said, must be waged on a global, not a regional, basis.

A sharp burst from a firing squad yesterday at the great Mazza military barracks ended the rule of the stocky little Zayim who had seized power four and a half months ago.

Brains Of Regime

Zayim's bespectacled Premier, Muhsen Bey Berazi, generally considered the brains of the regime, died with him.

Colonel Hennawi issued communiqués telling of the shootings. They called the dead rulers "traitors" and "tyrants," and ordered the Army and police to join forces to maintain calm.

[Dispatches from Syria are subject to censorship].

Col. Hennawi summoned a meeting of about 50 prominent Syrian politicians last night. He told them Zayim was guilty of "conceit and despotism." He said the revolution was forced by the President's reckless spending of Government funds and his failure to follow through on promises of reform.

Old And Respected

The assembled politicians, including Faris el Khouri, Syria's delegate to the United Nations, called on former President Hasem Bey Attassi to form a new Government. He accepted.

Hashem Attassi, in his eighties, is Syria's oldest and most respected politician. He served as President of the Republic from 1936 to 1940.

He named eleven men to serve in his Cabinet, including former Syrian Minister to Washington Nazem Kudi, as Minister of Foreign Affairs. Gen. Abdullah Attfeh, top officer in the Syrian Army, was named Minister of Defense. Attfeh held the same position under Zayim.

Pipeline Question

The new Cabinet, or Council of Ministers, will assume all executive as well as legislative powers until the return of parliamentary rule to the country.

Speculation immediately arose as to the fate of the cross-Syria pipeline of the American-owned Trans-Arabian Oil Company. ADD

CABINET TAKES OVER IN SYRIA

Group Formed After Coup To Rule Temporarily

Damascus, Syria, Aug. 15 (AP)—A coalition cabinet headed by the aged Premier Hasem Bey Atassi assumed control of Syria today.

The Government announced it was only temporary. The cabinet was formed after yesterday's military coup during which President Husni Zayim and Premier Muhsen Bey Berazi were seized, tried and executed by a firing squad.

Col. Sami Hennawi, who led the coup, officially turned authority over to Premier Atassi, who is in his 80's. Hennawi said the army's task was over and that the Government was in civilian hands.

Promises Constitutional Rule

This was confirmed by the cabinet in a communiqué which said a constitutional government would be set up as soon as possible. The cabinet promised to rule "without personal ambitions or interests," work for friendship with the neighboring Arab governments, uphold the Arab League and attempt to retain friendly relations with foreign powers.

An official statement said the coup was motivated by the failure of Zayim and his followers to keep pledges made when he overthrew the previous administration last March.

The broken pledges were said to have stemmed from Zayim's dictatorial ambitions, resulting in failure to bring about promised freedoms and causing personal quarrels with Hashemite Jordan, Iraq and Lebanon.

Holds All Authority

The cabinet statement said the new coup was free of any personal ambitions. It added the cabinet will hold temporarily the powers of the presidency and all other executive and legislative authority.

The announcement said a constitutional assembly will be called to frame a new constitution "free from the mistakes of the past." No indication was given as to when the assembly will meet.

Colonel Hennawi refused any political office in the new government, saying he is a soldier, not a politician. ADD

Abdullah Expected Syrian Military Coup

Amman, Hashemite Jordan, Aug. 15 (AP)—King Abdullah of Hashemite Jordan (Trans-Jordan) said today he had been expecting the coup in which President Husni Zaim of Syria lost his life.

"I was expecting it because Syria was building on the wrong foundation," the Monarch of Syria's Arab neighbor said.

"If the man who made the first coup (Zaim) had left the administration of the country to the proper people and did not change the Constitution but left that to the Constitutional Assembly, he would have been praised and left a good reputation."

"Made People Angry"

"He did not do that. He made his people angry and received the result."

Abdullah will fly to London by way of Alexandria, Egypt, Wednesday. He said the visit to Britain is "only for a holiday because I need a rest."

Abdullah said he would accept the invitation of Generalissimo Francisco Franco's Government to visit Spain.

"The Soviets show the same enmity toward Franco and me," he said. "Both of us are good for our countries, for our people want us. I am going to Spain because I wish to see the person (Franco) who, with me, is so hated by the Soviets."

No U.S. Invitation

Abdullah said he would not visit the United States because he had not received an invitation. In Britain, he said, he has "no intention of doing anything unless to tighten relationships between our two countries and get something for refugees—agricultural tools, irrigation material and so forth."

[This apparently referred to refugees from the Palestine war between Israel and the Arab nations, in which Abdullah's army played the leading role on the Arab side. The Arab Legion of Hashemite Jordan was built up under British officers and a British subsidy.] ADD

Nankang Lost, Canton Hears

Canton, China, Aug. 15 (AP)—The Nationalists have "very reliable information" that Mao Tze-tung, China's No. 1 Communist, died of tuberculosis July 17 in Peiping, an army spokesman said today.

Canton, China, Aug. 15 (AP)—Reliable private reports tonight said the Communists had captured Nankang, 195 miles northeast of Canton and were striking rapidly southward.

Chinese Nationalist military spokesmen acknowledged the Communists had bypassed Kanhsien, stubborn Nationalist resistance point 215 miles from Canton, and had attacked Nankang. The loss of Nankang was not yet admitted officially, however.

Private reports said the Communists already were very near the border of Kwangtung province, which is only 20 miles south of Nankang. Canton is the capital of Kwangtung province as well as of the Nationalist Government.

Nationalist reports also said there was heavy fighting near Kengshan on the railway that leads almost due south 290 miles to Canton.

The war news caused a hastening of departures of foreigners and of

MAO IS REPORTED DEAD

Nationalists Hold Red Leader Succumbed to Tuberculosis

CANTON, China, Aug. 15 (AP)—A Nationalist Army spokesman told a news conference today that Mao Tze-tung, top Chinese Communist leader, had died in Peiping July 17 of tuberculosis. The spokesman attributed the report to "very reliable information." However, there was no elaboration.

It was the second time in two days the Chinese Nationalists had mentioned Mr. Mao's death. They asserted Saturday that he was either dead "or critically ill," quoting intelligence reports. That account was regarded as dubious.

According to a dispatch on Sunday by the New China News Agency, an official Chinese Communist bureau, Mr. Mao spoke at a meeting in China on Saturday.

Recognition Given Korea

Canberra, Australia, Aug. 15 (AP). Australia today formally recognized the Republic of (Southern) Korea as an independent state. The announcement was made by the Department of External Affairs.

Syrian Military Coup Rocks Middle East

Damascus, Syria, Aug. 15 (AP)—The shooting of Syria's President and Premier in a lightning military coup brought repercussions today which thundered through the explosive Middle East.

Col. Sami Hennawi, 51, Syrian hero of the Palestine war, led the group of senior army officers who overthrew the Government of Marshal Husni Zayim.

Arab Neighbors Favor New Regime In Syria

Amman, Hashemite Jordan, Aug. 15 (AP)—The whole Arab world except Egypt expressed satisfaction today with the new Syrian Government which replaced the regime of Husni Zayim.

Syria's neighbors hung back more than a day wondering whether one military dictator would be merely replaced by another.

30:24- 5063

Broadcasts and dispatches from the Arab capitals tonight indicated the swift turnover to a civilian Cabinet headed by former President Hashem Atassi reassured the Arab states. A promise to erase the police state trappings of the Zayim regime also reportedly pleased Syria's neighbors.

Abdullah Expected Coup

King Abdullah, in an exclusive interview with the Associated Press, said he was very sorry Zayim was killed but he had been expecting such a coup.

He added: "If the new Syrian Government is good and represents the will of the people, Hashemite Jordan will be the first power to recognize it."

Egypt, biggest and most powerful Middle Eastern power, is observing three days of mourning over the death of Zayim on reported orders of King Farouk. The Zayim regime had been playing ball with Egypt, and Arab politicians are wondering whether the mourning might be construed as an affront to the new government at Damascus and consequently sour Egyptian-Syrian relations.

Iraq approves the removal of Zayim, who charged last spring that Iraqi troops were massing on the Syrian border, a contention disputed by neutral observers.

Parties In Name Only

Syria is traditionally governed by personalities rather than parties, which exist in name only, and the new government follows that pattern. It is considered unlikely to produce any startling reforms in land distribution or social progress.

Dispatches from Damascus reported general agreement among neutral observers in Syria that the coup brought a change for the better.

In forming this opinion they looked at the new Cabinet roster and the fact that Sami Hennawi promised to take himself and the military out of the political picture when the new government takes over.

Observers in Damascus said no change in foreign policy is expected and that there was no doubt the new regime is anti-Communist.

Karens Take Burma Town

Government Mounts Counterattack on Capital of Southern States

RANGOON, Burma, Aug. 15 (AP).—Government sources acknowledged today that rebel Karen tribesmen have captured Taunggyi, capital of the southern Shan states, about 100 miles southeast of Mandalay.

Details were lacking, but the Karen attack apparently came from Loikaw, the Karenni state capital, which lies about eighty miles south of Taunggyi.

The government suspended all flights to Taunggyi and said the army is mounting an offensive to retake the town. A government statement said a large rebel force attacked Taunggyi Saturday and overwhelmed its small garrison.

The Karens are fighting for a nation of their own.

Aramco to Hire Refugees

Oil Firm to Replace Americans With Arabs in Saudi Arabia

BEIRUT, Lebanon, Aug. 8 (By mail) (AP).—The Arabian-American Oil Company (Aramco) is slicing its roll of American employees from 2,700 to around 1,350 in Saudi Arabia.

A thousand Arab refugees from Palestine will be hired, partly to replace Americans and partly in line with Aramco's policy to give employment preference first to Saudi Arabians and thereafter to other Middle Easterners.

This will be the first major effort by private industry to fit back into the area's economy some of the 1,000,000 (by United Nations estimates) Arab refugees who fled their homes in Israel during the Arab-Jewish war.

URGES STRONG ISRAEL

Tel Aviv, Aug. 15 (A. P.).—Premier David Ben-Gurion urged the Knesset (Parliament) today to keep Israel's armed forces strong, up-to-date and on the alert to guard her independence.

"The peace in the Middle East will be an armed peace for a long time to come," he said, adding that Israel is peace-loving and desires the friendship of the Arab neighbors who fought this country in the Palestine war.

Marks India's Independence.

New Delhi, Aug. 15 (A. P.).—Prime Minister Jawaharlal Nehru, speaking on the second anniversary of Indian independence, appealed to his countrymen today to rededicate themselves to the service of the nation in the spirit of Mohandas Gandhi.

Moslem Killed, 5 Shot By Pakistan Police Unit

Karachi, Pakistan, Aug. 15 (AP).—Police fired on a Moslem crowd today, killing one person and injuring five others. The crowd was protesting the display of an Indian flag in Karachi on the second anniversary of India's independence.

The Moslems tried to enter the residential quarters of the Indian high commissioner's Hindu staff and remove the flag. When the crowd resisted an order to disperse, the police opened fire.

BULK OF MONEY EARMARKED FOR TREATY NATIONS

Committee Votes So-Called 'Anti-Five Percenter' Amendment

SPLIT IS ORDERED

Appropriations Divided Between Cash, Contract Authority

WASHINGTON, Aug. 15.—(AP) The House Foreign Affairs Committee approved tonight, without any fundamental change, the administration's $1,450,000,000 arms aid program to bolster foreign nations against any Russian aggression.

Chairman Kee (D-WVa) did not announce the vote but said there was "a sufficient majority." Other members said the bill was approved by a margin of three to one.

May Reach House Tomorrow

It will go to the house floor perhaps Wednesday.

The bill includes the $1,160,990,000 requested for arming North Atlantic Pact nations.

At the last minute, the committee threw in a so-called "anti-five percenter" amendment. It would penalize anyone who leaves federal employment and within two years takes a gift or payment in connection with purchases for the arms program. It also would penalize any one who offers such a payment.

The amendment was inspired by the current senate investigation into whether the award of government contracts has been improperly influenced.

The committee also wrote in an amendment letting congress end the arms program any time. It adopted in all 29 amendments, most of them minor.

In granting the full sum asked by the administration, the committee split it up in a way designed to make sure that the Western European recipients set up mutual defense plans under the North Atlantic Pact satisfactory to the United States.

The committee voted to make half the $1,160,990,000 available in cash, and give the president authority to enter into contracts covering the rest.

But the members, by a reported 10 to 9 vote, directed that use of both cash and contract authority shall end on next March 31 unless the president certifies to congress that the United States has approved by mutual defense plans worked out by the defense command of the Atlantic Pact nations.

During hearings, legislators had raised questions whether the United States could be assured that European nations would see eye to eye on defense plans and would cooperate fully. Administration spokesmen expressed firm belief they would so cooperate.

The committee, whipping the bill into shape for possible house consideration this week, turned down an attempt by Rep. Lodge (R-Conn) to make $200,000,000 available for non-communist China.

However, it expressed hope unanimously that non-communist nations of the Far East will work out a pact, with U. S. cooperation, for mutual development and defense.

In the senate, Senators Vandenberg (R-Mich) and Dulles (R-NY) formally proposed broad restrictions on the arms program, saying such curbs wouldn't delay the program at all.

They sought to slash $160,990,000 off funds for the pact nations, leaving $1,000,000,000 which they would split into half cash and half contract authority. Also they would fit this part of the arms aid into any defense plan accepted by this country under the North Atlantic treaty.

How Funds Were Spiit

The House committee split the funds for Atlantic Pact nations this way:

Cash: $498,130,000 for use up to next March 31, and $157,710,000 between then and June 30.

Contract authorization: $428,100,000 up to March 31 and $77,050,000 from March 31 to June 30.

Rep. Kee (D-WVa), chairman of the committee, said the decision to split up the fund was in his opinion "very satisfactory."

The committee then moved on to consider funds for other countries in the bill—Greece, Turkey, Iran, Korea and the Philippines. All told the administration has asked $1,450,000,000 for the whole undertaking.

The changes Vandenberg and Dulles proposed in the Senate would not affect funds for Greece, Turkey, Iran, Korea and the Philippines.

Vandenberg said the amendments had not received administration backing.

The two influential GOP foreign policy leaders announced their sweeping revision proposals on the eve of Senate committee action on the bill. The administration is urging speedy approval so arms can begin pouring into the areas which are under the shadow of Russian military might.

The 25 members of the Senate committees on foreign relations and armed services, acting jointly, will begin tomorrow putting together a bill for Senate consideration.

GOP Leaders Ask Changes

Vandenberg and Dulles proposed:

1. Trim the fund for Atlantic Pact nations back to $1,000,000,000 principally by cutting off a $155,000,000 item for encouragement of munitions manufacture in Europe. They said the decision on expanding this industry on the continent should be left to the treaty nations.

2. Make the program a stop-gap action by working it into any plan worked out by the Atlantic Treaty council when it goes into action. They observed that this country must agree to any such plan before it can go into effect.

This proposal has encountered stiff opposition from those who argue this country is furnishing the arms and therefore should control their distribution throughout.

3. Permit Congress or the President to recall any equipment it found is not being used in full accordance with the program. Either could end aid to any nation at any time.

4. Make half of the aid for pact nations available in cash, and half in contract authority to be paid for the second year.

Vandenberg said he would favor giving the Reconstruction Finance Corporation authority to advance part of the $500,000,000 for Western Europe.

This would permit the program to start without the delay of formal appropriations for the entire amount.

As it stands, the bill carries a $125,000,000 RFC loan authority.

SENATORS SPEED FREEZERS PROBE

WASHINGTON, Aug. 15.—(AP) The man whose company assembled and shipped home freezers to Mrs. Harry S. Truman and other Washington notables said today they were "the best obtainable at the time."

And Senator McCarthy (R-Wis) said that a would-be smuggler once worked for the perfume company which is reported to have paid the bill.

McCarthy said he wanted it clear that he doesn't think any blame should be attached to Mrs. Truman. "She is the type of lady who is incapable of doing anything improper," he said.

Quality of Freezers Checked

The question of the quality of the freezers came up Saturday.

Maj. Gen. Harry Vaughan, President Truman's military aide, said in a statement that the seven freezers had been given to him in 1945, and that he had kept one and sent the others to friends.

One went to the "Little White House" in Independence, Mo.

Vaughan said the bill was paid by friends of his—officials of the Albert Verley Co., a Chicago perfume house.

It was his understanding, Vaughan said, that the freezers were experimental models of no commerical value.

But Albert J. Gross of Milwaukee, who assembled and shipped the units, and Robert Quirk, vice president of a Cudahy, Wis., company which makes freezer cabinets, denied this today.

The first were heard, in a closed session, by the Senate investigations sub-committee, which started all this by deciding to look into the activities of "five percenters"—men who try to help land government contracts in return for a percentage fee.

Later Quirk and Gross answered reporters' questions.

Had Commercial Value

Yes, said Quirk, the cabinets had commercial value. They were good cabinets, he said.

Yes, said Gross, the freezers were in demand at the time.

"They were of wartime, substitute materials, but everybody wanted them, whether they were made of mud, or brick, or what," Gross said.

"We did have trouble with them because they were of war materials, but they were the best obtainable at the time."

McCarthy made his comment on Mrs. Truman in a statement at today's hearing.

"There is nothing in the record," he said, "suggesting that there was anything even remotely improper on the part of Mrs. Truman."

And McCarthy added:

"I don't think she knew anything about the perfume company's connection with John Maragon.

Smuggling Angle Probed

"I am sure, for example, she knew nothing about the attempted smuggling activities on the part of an employe of this company."

Who tried to smuggle? What was he smuggling? When and where did it all happen?

These questions remained unanswered, for the present, by the subcommittee.

But two weeks ago it began to investigate a report that Maragon, a onetime Kansas City shoeshiner, had been charged $1,600 duty on some valuable perfume essence he was said to be bringing home from France.

The report was published in the New York Herald Tribune. The paper said the customs charge was made after an alert customs guard had discovered the essence.

The Herald Tribune said Maragon had tried to bring in $8,000 worth of perfume, disguised as champagne.

The oft-mentioned Maragon, who has been questioned behind closed doors by the committee but still hasn't appeared publicly, said in an interview that he is friendly with many Washington officials. Among these is General Vaughan.

McCarthy's statement, that Mrs. Truman isn't to blame for having a deep freezer show up at her old home, brought forth this comment from Senator Hoey (D-NC), the subcommittee chairman:

"I think that statement is very proper."

Senator O'Conor (D-Md) said he was sure that McCarthy, in defending Mrs. Truman, "did not mean to imply that there was anything improper in the actions of the others" who got freezers.

The inquiry is continuing, O'Conor said. "It is necessary to keep an open mind."

McCarthy said he wasn't trying to imply that the others were wrong just beause he had said he thought Mrs. Truman blameless.

As for Vaughan, McCarthy said: "I wasn't attempting to indicate that the President's aide was acting either properly or improperly."

GREENWICH FIRM LINKED IN PROBE

5 Pct. Group Told of White House 'Pressure' During Contract Talks

WASHINGTON, Aug. 15 — (AP) An Army colonel testified today that he was informed last spring that White House "pressure" was being exerted to determine the "status" of negotiations with a Connecticut firm for a research contract.

Col. John A. MacLaughlin, commanding officer of the chemical corps technical command at the Army chemical center in Maryland, told the Senate investigations subcommittee about the matter.

The committee is trying to find out whether improper influence with government officials figures in the activities of "five percenters"—people who help land government contracts and charge a fee for doing it.

Sought $20,000 Contract

MacLaughlin was put on the stand to tell the committee about the negotiations of the Chemical Corps with the Deering-Milliken Research Trust, Greenwich, Conn., for a $20,000 contract to do research on the flow of air through cloth.

He said that probably in March or April of this year, a Major Gay, liaison officer in the office of General Alden H. Waitt, recently suspended chief of the Chemical corps, talked to him about the Deering-Milliken negotiations.

Major Gay said that the White House was putting pressure on General Waitt to find out the status of negotiations which might or might not lead to a "contract," MacLaughlin testified. The contract was never awarded because funds for it were later used elsewhere.

MacLaughlin said nothing was said about who at the White House was interested, and he didn't try to "evaluate" it.

Previously a committee investigator testified that James V. Hunt, Washington management counsellor who is a central figure in the inquiry, once agreed to represent the Deering-Milliken trust in its efforts to obtain contracts here.

Hunt has been described to the committee as a friend of Maj. General Harry H. Vaughan, the President's military aide, and of General Waitt.

"Did you think it was very unusual that the White House would express such an interest in one bidder—the Deering-Milliken Co., inquired Senator McCarthy (R-Wis).

"I thought it was unusal," MacLaughlin replied, "in view of the fact that the contract was only for $20,000. It didn't look to me like anybody would worry about it."

Asked Information Only

MacLaughlin emphasized that the request was for information only and said "there never was at any time pressure put on me to try and obtain a contract for Deering-Milliken."

He told the committee that such White House interest had never been expressed before or since in a contract negotiation, to his knowledge.

Gay was a liaison officer between Waitt and the chief of the research and engineering division, Col. William M. Creesy.

"I think he mentioned at the time that Deering-Milliken has some influence at the White House that would prove valuable to him in the future," Gay said.

Red Atomic Spy Ring Again Cited By House Un-American Unit

Washington, Aug. 15 (AP)—The House Un-American Activities Committee said today a Communist cell once active in Berkeley, Cal., was responsible for two attempts to get information on atomic energy development "and one positive case of Soviet espionage."

The statement was made as the committee released hearings on reported Communist efforts to infiltrate the University of California Radiation Laboratory and atomic bomb project at Berkeley during the war. Much of the matter released has been publicized several times.

The one "positive case" of espionage was identified by the committee as that of "Scientist X."

Witnesses Listed

The committee said it knows who Scientist X is, but "he is not to be confused with" the witnesses whose testimony was published.

The witnesses, most of them heard publicly by the committee, were Robert R. Davis and his wife, Charlotte N. Davis; Giovanni Rossi Lomanitz, Steve Nelson, Joseph Weinberg, David Joseph Bohm, and Dr. Frank F. Oppenheimer and his wife, Jacquenette Oppenheimer.

The report said "there is no evidence in the possession of the committee which would indicate" that Lomanitz, Bohm, the Oppenheimers or the Davises "were engaged in espionage."

Ex-Party Members

The Davises testified they are former Communists. He said he worked at the Radiation Laboratory at Berkeley, and she once taught at a nursery school in Los Alamos, N.M. They now live in New York.

Lomanitz, until recently a physics professor at Fisk University, Nashville, Tenn., also worked at teh Radiation Laboratory, as did Bohm, now a professor at Princeton University. Both refused, on grounds of possible self-incrimination, to answer committee questions regarding Community party membership.

Weinberg, a former scientist at the laboratory, is now on the faculty of the University of Minnesota. Nelson is a Communist party organizer once stationed in California.

"Something Transferred"

Dr. Oppenheimer was a top scientist at the Berkeley laboratory. He and Mrs. Oppenheimer admitted having belonged to the Communist party once, but declined to answer questions about the political associations or sympathies of acquaintances.

The committee said the Scientist X case involves Nelson and an unidentified University of California scientist.

Nelson got "a complicated formula" for the scientist in 1943, the committee continued, and later "transferred something" to Peter Ivanov, Soviet vice consul in San Francisco, at a meeting in a San Francisco park.

The committee said the scientist, questioned in closed sessions, has denied knowing Nelson.

Third Communist Resigns And Takes Taft-Hartley Oath

Washington, Aug. 15 (AP)—For the third time within two months, a left-wing labor leader has said that he used to be Communist but no longer belongs to the party.

Maurice Travis, secretary-treasurer of the CIO Mine, Mill and Smelter Workers, issued a statement in Chicago today. He said he had signed a Taft-Hartley non-Communist affidavit, and that he had reluctantly resigned his Communist party membership.

Previously Donald Henderson, national administrative director of the CIO Food and Tobacco Workers, and Max Perlow, secretary-treasurer of the CIO Furniture Workers, had made similar announcements.

This development marks another chapter in the bitter struggle within the CIO between the anti-Communist majority and a minority of left-wing-led unions.

Action Antecedent To Oath

All three men made their announcements in connection with their signing of non-Communist oaths under the Taft-Hartley Act. In these statements, they did not renounce communism as a faith.

The affidavits allowed their unions to share in benefits of the National Labor Relations Board.

Travis said his resignation was "not an easy step." To him his party membership meant he could be "a better trade unionist," Travis said.

Henderson, in announcing last week that he had signed an affidavit, made this statement:

"While it is true that I had been a member of the Communist party, I have resigned my membership therein." He didn't give the date of his resignation.

Perlow announced two months ago that he was resigning from the Communist party in order to sign an affidavit but that he still held the same beliefs he had held as a Communist.

The general counsel of the National Labor Relations Board, Robert N. Denham, today said, "This seems to be a sort of uniform strategy that's all of a sudden made its appearance."

Denham had already called the Justice Department's attention to the Perlow case and the Department has been investigating Perlow's affidavit. Today Denham said the Travis and Henderson cases appeared to be similar to the Perlow case. He said he would call the department's attention to Travis's Chicago statement, too.

What Oath Avers

Union officers who file the affidavits must swear that they aren't Communist party members, that they aren't "affiliated" with the party, and that they don't believe in the violent overthrow of the Government.

The apparent reason the officers of left-wing unions have been recently filing the affidavits is that after two years of the Taft-Hartley Act, noncomplying unions—or at least the smaller, weaker ones—have been squeezed to the point of desperation.

Without complying, a union cannot ask for a plant election and cannot even get on the ballot in such an election when some other union or an employer asks for it. Thus, in many cases, noncomplying unions have been tossed out of their positions as bargaining representatives of the workers, and other unions have been chosen in their stead.

62 Lose U.S. Positions After Loyalty Check

Washington, Aug. 15 (AP)—Out of 9,937 cases handled by Government loyalty boards, 62 Federal employés have been dismissed on grounds of doubtful loyalty.

Jobs have been denied to 29 persons seeking them.

This was reported today by the Loyalty Review Board of the Civil Service Commission. The report covered work on the Government loyalty boards since they were established in March, 1947.

30.24- 5065

Most of the loyalty investigations were conducted by the FBI. However 101 were carried out by the Office of Naval Intelligence and by the commission itself.

There were 914 department of army cases on which no reports were made to the Loyalty Review Board.

French to Buy U. S. Cotton

WASHINGTON, Aug. 15 (AP).—The Economic Co-operation Administration approved today the purchase by France of $20,000,000 worht of cotton from United States suppliers. The spending approval was contained in new recovery grants to eight European countries, Western Germany and Korea. The latest transactions bring total authorizations to $6,330,158,000. The additional aid to Korea boosts to $34,021,000 the funds earmarked for recovery operations there.

Bids Sent to Pacific Chiefs

WASHINGTON, Aug. 15 (AP)—Formal notice was sent today to Gen. Douglas MacArthur and Vice Admiral Arthur C. Badger that two Senate committees wanted them to return and tell what they know about conditions in the Far East.

Secretary of Defense Johnson cabled copies of a resolution adopted Friday by the Senate Foreign Relations Committee by a 13-12 vote. The Armed Services Committee had previously suggested that the two men return. The two committees have been hearing witnesses on the $1,450,000,000 arms aid program.

General MacArthur is Allied commander in Japan and Admiral Badger is commander of United States naval forces in the Far East.

Senate Gives Approval To Bradley And Collins

Washington, Aug. 15 (AP)—Gen. Omar N. Bradley was confirmed by the Senate today as chairman of the joint chiefs of staff.

At the same time, the Senate approved President Truman's choice of Gen. Joseph L. Collins to succeed Bradley as Army chief of staff.

It also confirmed Archibald S. Alexander of New Jersey as Assistant Secretary of the Army, and Tracy S. Voorhees of New York as Under Secretary of the Army.

MacArthur In-Law Naturalized

WASHINGTON, Aug. 15 (AP)—The Russian-born wife of a nephew of Gen. Douglas MacArthur became a citizen of the United States today. She is Mrs. Elena Paula MacArthur, 29. Her husband is Bowman McCalla MacArthur, Washington lawyer. They met in Shanghai when Mr. MacArthur was an Army lieutenant and were married in New York two years ago.

Text of Vandenberg-Dulles Statement on Arms Aid

WASHINGTON, Aug. 15 (AP)—Following is the text of a statement by Senators Vandenberg and Dulles explaining their proposed amendments to the Administration's $1,450,000,000 foreign arms bill:

The Administration has proposed to initiate now a major military assistance program which would run over a two-year period. We believe in beginning now; but also we believe in making certain that what is started now will integrate surely and quickly into the agreed plan for area defense that will emerge from the North Atlantic treaty. That plan must control the situation. We do not want two separate programs running at the same time.

Therefore, we propose (see Amendment 1) to rewrite the basic policy section of the bill (Sec. 101) to provide that the agreements pursuant to which present assistance is rendered will obligate the recipients to use the assistance to promote an integrated defense of the North Atlantic area in accordance with defense plans to be made under Article 9 of the North Atlantic treaty.

Also, we would stipulate that after such defense plans have been agreed to, no military assistance shall be given under the present law except in accordance with the over-all defense plans and that such treaty plans shall prevail as against the non-treaty plans now made. This assures that the present program is in fact an interim program to be geared into the North Atlantic treaty procedure just as rapidly as possible.

AMENDMENT No. 7 (to Sec. 408 of present bill, Sec. 409 in proposed amendments) is a key amendment designed to provide the mechanics for cutting off from this interim program any elements which will not gear into the North Atlantic treaty plan for area defense.

It provides that if any of the equipment or materials procured from an appropriation under the act will not, in the light of developments, serve to promote the self-help, mutual aid and collective capacity to resist armed attack of the parties to the North Atlantic treaty, then the President or the Congress may require such equipment and material to be retained as part of the United States Military Establishment rather than make delivery to any foreign nation.

AMENDMENTS 2 (to Sec. 102) and 3 (adds new Sec. 103) deal with the amount of assistance authorized to be given to North Atlantic treaty countries. The Administration has proposed that $1,160,990,000 be now appropriated. We propose to authorize an appropriation of $500,000,000 for the fiscal year ending June 30, 1950 and to authorize the making of contracts, calling for expenditures thereafter of $500,000,000. That would charge the costs into the budget of the year when, in fact, they will be incurred.

Detail Urged on "Value"

We believe that subsection (c) of Sec. 403, dealing with the "value" of military equipment and materials ought to be further elaborated, particularly in relation to so-called "surplus" or "excess" equipment. But this calls for further technical study.

Our amendments involve a net reduction of $160,990,000. Detailed analysis has shown that there are economies that can be effected in the present program without altering its substance. Also, the proposed reduction could be effected in large part by eliminating funds intended to stimulate increased military production on the Continent.

We believe that the decision of whether and where to develop a permanently expanded munitions industry on the Continent involves very important policy considerations, not merely military, and that it could better be left to a collective judgment under the North Atlantic treaty procedure.

If the council and defense committee and the Governments concerned agree that this is sound policy, then it can be gotten under way within six months.

AMENDMENT NO. 4 (to Sec. 405) eliminates an ambiguity in the present bill which suggests that the President of the United States would have discretion to determine whether or not to comply with a decision of the United Nations Security Council by which, under the charter, the United States would be bound.

AMENDMENT NO. 5 (adds new Sec. 406) provides for termination of assistance to any nation, not only by the President, but also by concurrent resolution by the two Houses of Congress. Comparable provisions were contained in the lend-lease legislation of 1941 and in the act for assistance to Greece and Turkey of 1947.

AMENDMENT NO. 6 (to Sec. 408 of the present bill, Sec. 409 in proposed amendments) is designed to meet the possibility that foreign currencies may be received in payment or part payment for military assistance rendered. The present bill authorizes their use for administrative expenses in the countries concerned, but as to balance, makes no provision.

This means that such foreign currencies might in effect become a revolving fund further expanding the scope of military assistance. Our amendment would provide that such foreign currencies, except as needed for administrative expense abroad, could not be used for any purpose except by the specific authorization of Congress.

Interim Plan Assured

The net effect of the major amendments to be proposed is to make clear the supremacy of the North Atlantic treaty. Its procedures for collective area defense must prevail as against any bilateral or national system to be inaugurated now. Our proposed amendments will not delay by a day, or substantially reduce in scope, the present program.

They do assure that the present program will in reality be only an interim program, to be geared into the integrating processes of the North Atlantic treaty at the earliest practical date.

The amended bill would keep full faith with our partners of the North Atlantic community, assuring them on the one hand a prompt beginning of substantial military assistance, and on the other hand, the transformation of such assistance from national auspices to the collective integrating auspices of the treaty as soon as this is possible.

We believe that, with the amendments outlined, the bill should receive and will receive the support of the Congress and of the country.

SAYS G. I.'S MAKE CHRISTIANS OF JAPS

Philadelphia, Aug. 15 (A. P.).—American service men in Japan are doing more to spread Christianity there than any other force, the Salvation Army commissioner for that country said today.

Masauza Uyemura, back from a world conference of Salvation Army commissioners in London, said that more Japanese are becoming Christians today than before world war II.

He said Japanese watch American's behavior toward others in public. "And when they see an American soldier helping an old Japanese woman across the street they think that is what Christians do," Uyemura explained.

Uyemura, a Christian since he was 17, was trained by the Salvation Army in Tokyo and London.

C. I. O. Ex-Official Gets Year for Illegal Entry

BUFFALO, N. Y., Aug. 15 (AP).—Charles A. Doyle, former international vice-president of the C. I. O. United Chemical Workers, was sentenced today to one year in jail, fined $500 and ordered deported for illegal entry. Doyle was convicted two weeks ago in United States District Court in Jamestown.

The United States Marshal's office said Doyle was returned to jail here in lieu of $5,000 bail pending appeal. Commitment papers have yet to be signed for the prison sentence, which Judge John Knight said would be served in Danbury, Conn.

The Federal government has sought to deport Doyle as an alien with alleged Communist connections. A deportation hearing in New York City was adjourned a year ago subject to recall.

Doyle, forty-four, is a native of Scotland.

Judge Invalidates Maryland's Law on Subversive Activities

BALTIMORE, Aug. 15 (AP)—A Maryland circuit judge today threw out the state's law against people who join or with with subversive organizations.

Judge Joseph Sherbow of Baltimore held that the state cannot punish a person for what he thinks.

It was the first court test of a new law which required loyalty oaths by public employes and candidates for office. It set up heavy fines and prison sentences merely for belonging to a subversive organization.

Attorney General Hall Hammond said he will move promptly for a review by Maryland's court of appeals at Annapolis. He saw the possibility the case will go ultimately to the Supreme Court of the United States.

"The Supreme Court," Judge Sherbow said in his opinion, "has made it clear that laws may punish acts and conduct which clearly, seriously, and imminently threaten substantive evils.

"They may not intrude into the realm of ideas, religious and political beliefs, and opinions.

"The law deals with overt acts, not thoughts. It may punsh for acting, but not for thinking."

A special commission headed by Frank B. Ober, Baltimore attorney, framed the legislation and it took effect April 22.

Anyone actively engaged in subversive activities became liable to 20 years in prison and a $20,000 fine. Five years and a $5,000 fine were provided for just being a member of an organization found to be subversive.

The law did not specifically ban the Communist Party. Its preamble said communism is a treacherous, world-wide conspiracy that fits the definition of subversive activity. Anything which aims at the overthrow of our governments by force was deemed subversive.

Judge Sherbow said the Ober law is too general.

It violates the first, fifth and fourteenth amendments of the federal constitution, he declared, as well as the state constitution and Maryland's Declaration of Rights.

JAP BRUTALITY BARED AT TRIAL OF TOKYO ROSE

SAN FRANCISCO, Aug. 15 (AP) —Stories of Japanese brutality to allied war prisoners were told at the Tokyo Rose treason trial today to bulwark a defense claim that she broadcast through fear.

The first defense witness, Charles H. Cousens, major in the wartime Australian army, choked with sobs as he recounted tales of horror.

Captured in Singapore, Cousens eventually became one of the best-known broadcasters on Radio Tokyo. It was over this station that Mrs. Iva Toguri D'Aquino, 33, and Los Angeles-born, broadcast the prisoner-of-war "Zero Hour" program. The government says that in so doing she committed treason.

Loyal, Defense Contends

The defense contends she was l al to this country; that she prisoners of war conspired to wit the Japanese in the bro

As Cousens told of see men beaten to death, and ing 14 days with 1,500 jammed in the hold of from Singapore to Malaya to pause frequently to co emotion. Mrs. D'Aquino, a fense table, wiped her eye

It was over strenuous of the prosecution that testimony of brutality wa ted to go to the jury. Wa lins, defense attorney, insist testimony was necessary to that broadcasters were under duress and implied threats.

"I saw the Japanese murder two men," Cousens told the jury, adding that some 3,000 other prisoners of war witnessed the same thing.

One man had tried to snatch a can of food. "They threw him on the ground," the witness said. "They put his head under a water tap. As he drew in air when he screamed, he sucked water into his lungs. They beat him with swords or bayonets. He evidently tried to clench his teeth. They broke his face on the tap. Then they threw his body away."

Saw Man Beaten to Death

The defense attorney asked "and the second one?"

His voice breaking, Cousens resumed: "He was an Australian. They beat him to death."

It was Cousens, the jury has heard, who coached Iva Toguri and recommended her for the job in which she became known to American military forces in the Pacific as Tokyo Rose. Cousens wrote her script until he became ill and left the radio, which he served as a prisoner of war.

COMMUNISTS' TRIAL TO COST NEAR MILLION

Clark, In Magazine Article, Reveals Expense Of Trying 11 Leaders

New York, Aug. 15 (AP)—Tom Clark, Attorney General, who has been nominated to the Supreme Court, said today the trial of the Communist leaders in New York will cost "roughly $1,000,000."

"It is the price we pay to defend ourselves," he wrote in *Look* magazine.

He referred to the eleven Communist leaders who have been on trial for 30 weeks on charges of conspiracy to advocate forcible overthrow of the Government.

"On Way Out"

Summarizing the work of the Justice Department against Communists—the many trials, the Government loyalty program, the deportation proceedings—Clark said:

"Communism is on its way out in this country with a one-way ticket."

Clark also raised the question: "What can we do about Communist lawyers?" Such lawyers, he said, try to "degrade our system of justice." He said he recently had asked an assistant to make a survey to determine:

"1. If a Communist can rightfully practice law as an officer of our courts.

"2. If the bar associations should do more than they have been doing in such matters.

"3. If the situation requires direct action or legislation."

Delicate Question

Clark said the principle of a fair trial "makes the question of the Communist lawyer a delicate one" but he added:

"Every lawyer is obliged to support the Constitution, and so may not advocate overthrow of the Government by force."

Clark said he also believes that "lawyers who are not provably card-carrying Communists, but who act like Communists and carry out Communist missions in offensives against the dignity and order of our courts, should be scrutinized by grievance committees of the bar and the courts."

Slovak General, A D.P., Held As Red In N.Y.

New York, Aug. 15 (AP)—A former high-ranking Slovakian official, seized as he arrived in this country as a displaced person, was detained at Ellis Island today as a suspected Communist.

The ex-official, Gen. Mikulas Ferjencik, 44, was taken into custody along with his wife, Milada, 32.

Inspector Edward Ferro of the United States Immigration and Naturalization Service said the couple would be held at Ellis Island pending further investigation.

Arrived From Germany

The General and his wife were among 822 passengers listed as displaced persons who arrived from Bremerhaven, Germany, on the United States Army transport General Heintzelman.

Among positions which Ferjencik has held were Slovak Minister of the Interior and Minister of Defense.

He remained in Czechoslovakia after the Communists completed their seizure of power. But in July, 1948, he escaped over the border with another Czech general, Antonin Hasal, and both men contacted United States Army authorities in the western zone of Germany.

Promised Army Aid

At that time, Hasal said that if war broke out elements of the Czech army would "certainly try to operate with the west."

When the Ferjenciks were escorted by armed guards from the ship to Ellis Island, the immigration inspector said "the General is being held as a suspected Communist," and declined further comment.

Newsmen were not permitted to talk with the general, but he was heard to say "some good will come of all this."

The general and his wife came to this country as individuals, and were not sponsored by any organization as displaced persons.

Pier Picketed

Before the seizure of the general and his wife, twenty pickets had gathered outside the pier and paraded with placards, which read: Americans, deport bloody General Ferjenick, chief of the N.K.V.D." (Soviet secret police now called the MVD) and "Americans, do not admit General Ferjencik who crashed down Slovak, anti-Red underground."

The pickets said they were members of the American Slovak League and the American Friends of Slovak Freedom.

Lowell E. Jones, honorary president of the American Friends of Slovak Freedom, said in a statement that General Ferjencik joined the Communist uprising in Slovakia—then a partially independent state—and went to Moscow for Communist training.

Lake Success, N.Y., Aug. 15 (AP)—Greece tonight denied Albanian charges that Greek troops had invaded Albanian territory.

In a letter to the United Nations, the Greek Government offered to permit the United Nations Special Committee on the Balkans to investigate the charges on the spot.

AUG 16 1949

london, aug. 15-(ap)-the greek guerrilla radio said tonight

an american army officer, whom it identified only as a maj. hayman,

was killed saturday during a communist national army attack

on rebel positions on the vitsi front.

broadcast by the yugoslav news agency, tanjug, the

report, relayed by tanjug, said government forces lost 611 killed and 1,640 wounded in

saturday's fighting.

AP

LONDON, AUG. 15-(AP)-ALBANIA HAS PROTESTED TO THE UNITED NATIONS OVER ALLEGED INVASIONS OF HER BORDERS BY GREEK GOVERNMENT TROOPS, THE ALBANIAN RADIO ANNOUNCED TODAY. THE BROADCAST, MONITORED IN LONDON, SAID THE TIRANA GOVERNMENT HAD SENT A TELEGRAM TO U.N. SECRETARY-GENERAL TRYGVE LIE "PROTESTING AGAINST REPEATED ACTS OF PROVOCATION PERPETRATED BY GREEK TROOPS. THE ATHENS GOVERNMENT HAS DENIED COUNTRY."

ALBANIA DURING THE LAST TWO WEEKS HAS MADE REPEATED CHARGES OF BORDER VIOLATIONS BY GREEK TROOPS. THE ATHENS GOVERNMENT HAS DENIED THE CHARGES.

RP215PED

30.24- 5067

Night Lead Hoffman

Paris, Aug. 15--(AP)---Paul G. Hoffman, Marshall plan administrator, told a news conference today that cuts in imports from the u.s. was "precisely the wrong way" for europe to cure her dollar shortage.

He also declared automobiles are not "the kind of export that can be increased to the united states.

AUG 16 1949

Hoffman, who was president of the studebaker corporation before he became administrator of the european recovery program, avoided answering questions which invited direct comment on economic policies of the British government. However, the British government recently has announced plans to reduce buying in America. It also has pushed automobile exports to the united states.

AUG 16 1949

"I know of no other constructive way to close a dollar deficit than to earn a dollar income," he said. "certainly to close that gap by drastic curtailment of imports is precisely the wrong way to do it. It could only mean a lower standard of living for europe."

Instead of import cuts Hoffman urged europeans to double or triple their exports to the united states.

Pointing out that europe sold only about $1,000,000,000 worth of goods to the united states last year, he said "if the right type of goods is offered and merchandised that can be doubled or tripled in the next five years."

AUG 16 1949

He also declared that europeans working "on the type of goods where the labor content is high" for export to the U.S. counting money from american tourists, he added, europe could earn $4,000,000,000 from america every year.

"The high level of wages in the u.s. does not allow us to make all the

handicraft goods we could use," he advised.

The administrator said u.s. tariffs were about where they were in

apr ~~hartmans 1735 ccc 140p~~

1914 and denied they were a major barrier to european exports to america.

apr hartmans 1735 ccc 455p

STRASBOURG, FRANCE, AUG 15-(AP)-WINSTON CHURCHILL WAS MADE AN HONORARY CITIZEN OF THIS CITY ON THE RHINE TODAY IN RECOGNITION OF HIS PART IN KEEPING IT FROM BEING RETAKEN BY THE GERAMSN IN THE BATTLE OF THE BULGE IN 1944.

IN A SPEECH OF THANKS AFTER THE CEREMONY IN THE 15TH CENTURY CITY HALL, CHURCHILL SAID IT IS NECESSARY FOR THE NATIONS OF EUROPE TO "STAND TOGETHER, WORK TOGETHER AND THINK TOGETHER."

"IN THE FUTURE, AS IN THE PAST", CHURCHILL ADDED, "A GREAT PROSPECT IS OPEN NOT ALONE TO FRANCE AND TO BRITAIN, BUT TO ALL OF EUROPE."

JJ1106AED

BERLIN, AUG. 15-(AP)-THE LAST NON-COMMUNIST MINITER-PRESIDENT OF THE SOVIET ZONE RESIGNED.

THE BRITISH-LICENSED NEWSPAPER DIE WELT SAID DR. ERHARD HUEBNER, MEMBER OF THE RIGHTIST LIBERAL DEMOCRAT PARTY AND CHIEF EXECUTIVE OF SAXONY-ANHALT, HAS QUIT HIS JOB AND IS FORBIDDEN TO LEAVE THE SOVIET ZONE.

ALL OTHER SOVIET ZONE STATE PRESIDENTS ARE MEMBERS OF THE SOCIALIST UNITY (COMMUNIST) PARTY.

THE SOVIET-LICENSED NEWS AGENCY ADN SAID HUEBNER, 68, HAD RESIGNED BECAUSE OF ADVANCED AGE AND POOR HEALTH.

SJ1118AED

BERLIN, AUG. 15-(AP)-U.S. HIGH COMMISSIONER JOHN J. MCCLOY CONGRATULATED THE PEOPLE OF WESTERN GERMANY IN A STATEMENT TODAY "ON THE EVIDENCE OF GOOD CITIZENSHIP THEY HAVE SHOWN" AT THE POLLS.

"THE RESULTS OF SUNDAY'S ELECTIONS ARE VERY GRATIFYING," HE SAID, ADDING THAT THE TURNOUT SHOWS "A REAL EXPRESSION OF THE INTEREST OF THE GERMAN PEOPLE IN THE FORTHCOMING CREATION OF A NEW GOVERNMENT."

RP142PED

FRANKFURT, GERMANY, AUG. 15-(AP)-"EXERCISE HARVEST," THE BIGGEST AMERICAN TRAINING MANEUVERS IN GERMANY SINCE THE WAR, WILL BRING 110,000 MEN INTO ACTION, THE U.S. ARMY SAID TODAY.

PREPARATIONS ARE NEARLY COMPLETE FOR WHAT WILL BE THE FIRST JOINT MANEUVERS OF U.S.ARMY, AIR FORCE AND NAVY UNITS EVER STAGED IN EUROPE, THE ANNOUNCEMENT SAID. THEY ARE SCHEDULED FOR SEPT.6-17.

"THE PURPOSE OF EXERCISE HARVEST IS TO CONDUCT A TEST OF THE TACTICAL CAPACITY AND THE ABILITIES OF THE AMERICAN FORCE STATIONED IN THE EUROPEAN COMMAND," THE ARMY SAID.

THE MANEUVERS WILL BE IN FULL BLAST WHILE WESTERN GERMANY IS BECOMING A REPUBLIC.

THE "AGGRESSORS" WILL BE MADE UP LARGELY OF THE U.S. CONSTABULARY. THEY WILL WEAR EASILY DISTINGUISHED FOREST GREEN UNIFORMS.

THE FIRST INFANTRY DIVISION WILL MAKE UP MUCH OF THE STRENGTH OF THE U.S. FORCES FOR THE EXERCISE.

WD505PED

FRANKFURT ~~ADD xx Pennsylvania~~

THE STATE DEPARTMENT SAID IN WASHINGTON THAT THE TWO YOUTHS WERE SEEN JULY 30 NEAR THE TOWN OF LUBECK, A SHORT DISTANCE FROM THE RUSSIAN ZONE.

THE STATE DEPARTMENT SAID IT RECEIVED A CABLE FROM HAMBURG STATING THAT THEY HAD BEEN QUESTIONED BY TWO GERMANS ATTACHED TO A BRITISH PUBLIC SAFETY UNIT OF THAT CITY.

ACCORDING TO THIS REPORT, THE YOUTHS SAID THEY WOULD NOT TRY TO TRAVEL THROUGH THE RUSSIAN ZONE, BUT WOULD GO NEARLY TO THE TOWN OF GUDOW ON THE BORDER OF THE BRITISH-RUSSIAN ZONE.

STATE DEPARTMENT OFFICIALS SAID THE MILITARY GOVERNMENT IS CONTINUING A FULL-SCALE INVESTIGATION IN AN EFFORT TO LOCATE THEM.

PF716PED

FRANKFURT--FIRST ADD NIGHT LEAD GERMAN (A5) X X X BRITISH-AMERICAN ZONES.

THE CHRISTIAN DEMOCRATS CARRIED SEVEN OF 11 WEST GERMAN STATES--BAVARIA, NORTH RHINE-WESTPHALIA, SCHLESWIG-HOLSTEIN, SOUTH BADEN, WUERTTEMBERG-BADEN, RHINELAND-PALATINATE AND WUERTTEMBERG-HOHENZOLLERN.

THE SOCIAL DEMOCRATS LED IN HESSE, HAMBURG, BREMEN AND NIEDERSACHSEN.

MD743PED

FIRST LEAD GERMAN ELECTION

BY DONALD DOANE

FRANKFURT,GERMANY,AUG.15-(AP)-WESTERN GERMANY'S CONSERVATIVE PARTIES MOVED TODAY TOWARD A COALITION WHICH WOULD COMMIT THE NEW REPUBLIC TO THE FREE ENTERPRISE SYSTEM DURING THE NEXT FOUR YEARS.

THOSE PARTIES EMERGED IN THE STRONGEST POSITION IN YESTERDAY'S PARLIAMENTARY ELECTION--THE FIRST FREE BALLOTTING OF ITS TYPE SINCE HITLER TOOK OVER IN 1933.

THE VOTERS REBUFFED BOTH THE COMMUNISTS AND THE EXTREME RIGHT PRO-NAZI GROUPS. THE SOCIAL DEMOCRATS (SOCIALISTS) RANKED SECOND IN THE POPULAR VOTE. CONTROL OF THE GOVERNMENT, HOWEVER, IS EXPECTED TO REST WITH THE ANTI-SOCIALIST PARTIES.

THE OUTCOME OF THE ELECTION WAS BELIEVED TO HAVE BOOSTED MATERIALLY WESTERN GERMANY'S CHANCES FOR MEMBERSHIP IN THE NEW 12-NATION COUNCIL OF EUROPE, IN SESSION IN STRASBOURG,FRANCE.

INTIMATES OF WINSTON CHURCHILL SAID BRITAIN'S WARTIME PRIME MINISTER NOW WOULD THROW THE FULL WEIGHT OF HIS PERSONAL PRESTIGE BEHIND THE BATTLE FOR GERMAN MEMBERSHIP IN THE COUNCIL, WHICH HAS SOME OF THE ASPECTS OF A EUROPEAN PARLIAMENT. THERE HAVE BEEN INDICATIONS THE FRENCH, TRADITIONALLY SUSPICIOUS OF GERMANY, ARE COOL TO THE IDEA. SO ARE BRITAIN'S LABORITES.

OFFICIAL FIGURES SHOWED 23,724,479 OF WESTERN GERMANY'S 31,179,422 ELIGIBLE VOTERS PARTICIPATED IN THE ELECTION. THE 402-MEMBER PARLIAMENT WHICH WAS ELECTED WILL MEET SEPT. 7 IN THE NEWLY CHOSEN CAPITAL AT BONN.

THE PARLIAMENT WILL ELECT A PRESIDENT OF THE REPUBLIC TWO DAYS LATER, WITH 400 STATE DELEGATES JOINING THE PARLIAMENTARY DEPUTIES IN THE PRESIDENTIAL VOTE. THE PRESIDENT WILL NAME A CHANCELLOR, A POST SIMILAR TO THAT OF PRIME MINISTER. THE CHANCELLOR IN TURN WILL FORM A GOVERNMENT WITH SOVEREIGNTY OVER 47,000,000 GERMANS LIVING WEST OF THE RUSSIAN ZONE.

DR.KONRAD ADENAUER, CHAIRMAN OF THE CHRISTIAN DEMOCRATS, IS REGARDE AS THE LIKELY CHOICE FOR CHANCELLOR. HIS PARTY RECEIVED THE LARGEST POPULAR VOTE. PROF.THEODOR HEUSS, CHAIRMAN OF THE FREE DEMOCRATS, WAS MENTIONED FOR THE PRESIDENCY. THE FREE DEMOCRATS FINISHED THIRD.

THE CHRISTIAN DEMOCRATS AND FREE DEMOCRATS TOGETHER CAME WITHIN 11 SEATS OF GAINING A MAJORITY IN PARLIAMENT. THEY CAN EASILY PICK UP THOSE SEATS BY ANNEXING ONE OR MORE OF THE SMALL RIGHT WING PARTIES ALSO OPPOSED TO SOCIALISM.

A139

THE COMPLETE OFFICIAL RETURNS SHOWED.

PARTY	VOTES	SEATS
CHRISTIAN DEMOCRATS	7,357,579	139
SOCIAL DEMOCRATS	6,932,272	131
FREE DEMOCRATS	2,788,563	52
COMMUNISTS	1,360,443	15
BAVARIAN PARTY	986,606	17
GERMAN PARTY	940,088	17
ECONOMIC RECONSTRUCTIONISTS	681,981	12
CENTER PARTY	727,343	10
GERMAN RIGHT PARTY	428,949	5
RADICAL SOCIALIST FREEDOM PARTY	217,627	0
SOUTH SCHLESWIG ASSOCIATION	75,387	1
REFUGEES EMERGENCY ASSOCIATION	292,263	1
EUROPEAN PEOPLES PARTY	26,155	0
BREMEN PEOPLES	39,229	0
RHENISH-WESTPHALIAN PEOPLES PARTY	21,910	0
INDEPENDENT CANDIDATES	847,994	2

THE ELECTION WAS REGARDED AS COMMUNISM'S FOURTH MAJOR DEFEAT IN WESTERN EUROPE SINCE THE WAR. THE EARLIER ONES OCCURRED IN FRANCE, ITALY AND WESTERN BERLIN.

IN BRIGHT, HOT X X X FIFTH GRAPH PREV (A45)

MJ1220PED

HE SAID THE PROGRAM "WILL REDUCE TENSIONS AND DANGERS WHICH FLOW FROM DEGRADATION AND INEQUALITY."

THE SOVIET DELEGATE AMASASP ARUTIUNIAN EXPRESSED THE VIEW EARLIER THAT THE UNITED STATES PLANNED TO USE THE PROGRAM TO "INFILTRATE" INTO UNDERDEVELOPED AREAS AND "COLONIALIZE" THEM FOR AMERICAN IMPERIALISM.

MQ815PED

BUCHAREST, ROMANIA, AUG. 15-(AP)-THE CURRENT ISSUE OF THE COMINFORM BULLETIN, OUT TODAY, CALLS GEN. OMAR BRADLEY, U.S. ARMY CHIEF OF STAFF, AND REP. CANNON (D-MO) "AMERICAN CANNIBALS."

THE JOURNAL OF THE MOSCOW-LED COMMUNIST INTERNATIONAL INFORMATION BUREAU SAID BRADLEY AND CANNON WANT TO SEND THE UNEMPLOYED YOUTH OF EUROPE TO FIGHT FOR THE ATLANTIC PACT AGAINST THE SOVIET UNION.

THE COMINFORM CONTINUED ITS ATTACKS ON PREMIER MARSHAL TITO OF YUGOSLAVIA, ACCUSED OF BEING A HERETIC FROM MARXISM-LENINISM. AN ARTICLE BY ANTONIO CERDAN, FORMER REPRESENTATIVE OF THE SPANISH REPUBLIC IN BELGRADE, SAYS TITO IS EVERYTHING THAT A COMMUNIST SHOULD NOT BE.

ANOTHER ARTICLE IS BY GHEORGHE GHEORGHE-DEJ, SECRETARY-GENERAL OF THE ROMANIAN WORKERS (COMMUNIST) PARTY. IT SAYS THE FACT THAT THE NAXIX WERE DRIVEN OUT OF ROMANIA BY SOVIET TROOPS "DETERMINED THE HISTORICAL DEVELOPMENT OF THIS PART OF EUROPE." AUG. 23 IS THE ANNIVERSARY OF ROMANIA'S LIBERATION FROM THE NAZIS.

SJ1116AED

THE LARGEST PART OF THE FUNDS WILL BE ALLOCATED TO THE FOOD AND AGRICULTURE ORGANIZATION (FAO) TO RAISE THE STANDARD OF FOOD PRODUCTION IN THE UNDERDEVELOPED AREAS OF ASIA, AFRICA AND SOUTH AMERICA.

FAO WILL RECEIVE 29 PERCENT OF THE FUNDS AGAINST 23 PERCENT FOR THE U.N., 22 PERCENT FOR THE WORLD HEALTH ORGANIZATION AND 26 PERCENT FOR THREE OTHER AGENCIES.

A MEETING WILL BE CALLED BY THE COUNCIL DURING THE GENERAL ASSEMBLY TO FIGURE CONTRIBUTIONS FROM PARTICIPATING GOVERNMENTS.

"UNDERDEVELOPED AREAS ARE NOW TO BE REGARDED AS WITHIN THE SPHERE OF INFLUENCE OF THE UNITED NATIONS, TO BE ASSISTED IN THEIR OWN INTEREST AND IN THAT OF THE WORLD," COUNCIL CHAIRMAN JAMES THORN OF NEW ZEALAND SAID.

"THE ECONOMIC AND SOCIAL COUNCIL IS FACED WITH PROBLEMS OF POVERTY, IGNORANCE, INJUSTICE AND DISHARMONY AT A STAGE IN HUMAN HISTORY WHEN MATERIAL MEANS FOR THEIR SOLUTION WERE NEVER GREATER."

SECOND CORPS HEADQUARTERS, KASTORIA -- FIRST ADD GREEK (A53)

X X X ~~POSITION~~ xx weeks.

AN ARMY COMMUNIQUE SAID THE BODIES OF 20 ALBANIAN SOLDIERS AND THE RECORDS OF AN ALBANIAN COMPANY WERE FOUND IN GREEK TERRITORY NEAR KRYSTALOPIYI, A VILLAGE MORE THAN TWO MILES FROM ALBANIA'S BORDER.

THE COMMUNIQUE ADDED THAT ISOLATED BANDS OF GUERRILLAS WERE TRYING TO FLEE ACROSS THE BORDER INTO ALBANIA, BUT THE ARMY IS STEADILY CAPTURING MEMBERS OF SUCH GROUPS AND PURSUING OTHERS. IT SAID 11 MEMBERS OF ONE GUERRILLA UNIT WERE KILLED AND 43 OTHERS, INCLUDING BRIG. ZACHARIAS PAPADOUKAKIS, CHIEF OF THE 138TH GUERRILLA BRIGADE, WERE CAPTURED.

THE ARMY SAID ITS LOSSES YESTERDAY TOTALLED 40 KILLED AND 137 WOUNDED.

SJ1146AED

ISTANBUL, TURKEY, AUG.15-(AP)-RELIABLE SOURCES SAID TODAY THE TURKISH MINISTERS' COUNCIL HAS GRANTED PERMISSION FOR FOUR AMERICANS TO SEARCH FOR REMAINS OF NOAH'S ARK ON MOUNT ARARAT.

THE FOUR ARRIVED SIX WEEKS AGO EXPECTING LITTLE TROUBLE IN OBTAINING PERMISSION TO MAKE THE CLIMB. IT HAS TAKEN THEM ALL THIS TIME TO PERSUADE THE TURKISH AUTHORITIES TO AGREE. MOUNT ARARAT IS IN THE TURKISH HIGHLANDS.

THE AREA LEADING DIRECTLY TO ARARAT ON THE RUSSO-TURKISH FRONTIER IS A STRICTLY GUARDED MILITARY ZONE. MANY OBSERVERS BELIEVED THE AMERICANS WOULD NEVER BE PERMITTED TO CROSS IT.

THE MOSCOW RADIO AND PRESS OFTEN HAVE ASSERTED THAT THOSE WANTING TO MAKE THE CLIMB ARE NOT SEEKING THE ARK BUT ARE INTELLIGENCE AGENTS OPERATING AGAINST RUSSIA. THE AMERICANS RECENTLY DENIED THE RUSSIAN ASSERTIONS, BRANDING THEM AS PROPAGANDA.

"WE WILL OPERATE NO CLOSER THAN 20 MILES TO THE FRONTIER," THEY SAID. "IT IS THEREFORE NOT EXACTLY CLEAR TO US WHAT THE RUSSIANS CAN FEEL AFRAID OF."

THE AMERICAN EXPEDITION IS NOW IN ANKARA, THE TURKISH CAPITAL, AND IS REPORTED TO BE PREPARING TO LEAVE IMMEDIATELY FOR ARARAT. ITS LEADERS ARE DR.A.J.SMITH OF GREENSBORO, N.C.; E.J.NEWTON, COLFAX, N.C.; WALTER I.WOOD, SEA CLIFF, N.Y., AND W.G.OGG, KNOXVILLE, TENN.

MD1207AED

(INDEPENDENT CHINESE REPORTS IN HONG KONG YESTERDAY SAID THE COMMUNISTS WERE CARRYING OUT AN AMPHIBIOUS ASSAULT ON THE MIAO ISLANDS OFF THE SHANTUNG PENINSULA IN NORTHEASTERN CHINA. THREE OF THE STRATEGIC ISLANDS WERE SAID TO BE IN RED HANDS ALREADY.

THE MIAO GROUP EXTENDS FROM SHANTUNG ACROSS THE MOUTH OF THE GULF OF CHILI TOWARD PORT ARTHUR, RUSSIAN-HELD NAVAL BASE IN MANCHURIA.

THE NATIONALIST CENTRAL NEWS AGENCY CONFIRMED THE OPERATION WAS UNDER WAY AND SAID RUSSIAN SUBMARINES AND AIRCRAFT HAD SURVEYED THE ISLANDS BEFORE THE RED ASSAULT BEGAN.

SHIPS OF THE NATIONALIST NAVY HAVE BEEN USING THE ISLANDS IN MAINTAINING THEIR BLO

AUG 16 1949

THE ISLANDS BEFORE THE RED ASSAULT BEGAN.

SHIPS OF THE NATIONALIST NAVY HAVE BEEN USING THE ISLANDS IN MAINTAINING THEIR BLOCKADE OF THE COMMUNIST-HELD NORTH CHINA COAST. THE PORT FOR THE COMMERCIAL CENTER OF TIENTSIN IS ON THE GULF OF CHILI.

CY121APS

TOKYO, AUG. 15-(AP)-THE FOURTH ANNIVERSARY OF JAPAN'S DECISION TO SURRENDER TO THE ALLIES PASSED TODAY WITHOUT ANY DIRECT REMINDERS OF THEIR MILITARY COLLAPSE IN WORLD WAR II. THE JAPANESE WERE TOLD INSTEAD HOW MUCH PROGRESS THEY HAVE MADE SINCE THE WAR.

THE ONLY OFFICIA

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AUG 16 1949

THE ONLY OFFICIAL STATEMENT BY AN OCCUPATION OFFICIAL CAME FROM W.J. SEBALD, ACTING U.S. POLITICAL ADVISER TO JAPAN. HE ADVISED THE JAPANESE TO READ AGAIN GENERAL MACART UR'S CONSTITUTION DAY MESSAGE F LAST MAY 3.

IN THAT MESSAGE MACARTHUR SAID HIS PURPOSE WAS TO CONTINUE TO ADVANCE THE TRANSITION OF THE OCCUPATION "

JAPANESE TO READ AGAIN GENERAL MACARTHUR'S CONSTITUTION DAY MESSAGE OF LAST MAY 3.

IN THAT MESSAGE MACARTHUR SAID HIS PURPOSE WAS TO CONTINUE TO ADVANCE THE TRANSITION OF THE OCCUPATION "FROM THE STERN RIGIDITY OF A MILITARY OPERATION TO THE FRIENDLY GUIDANCE OF A PROTECTIVE FORCE."

THIS WOULD BE CARRIED OUT, THE ALLIED COMMANDER SAID, AS RAPIDLY AS THE JAPANESE PEOPLE WERE ABLE TO "ASSUME THE ATTENDING AUTONOMOUS RESPONSIBILITY."

NEWSPAPER EDITORIALS REPORTED ON JAPAN'S POSTWAR PROGRESS, TAKING A GENERAL VIEW THAT THE JAPANESE HAVE FOLLOWED WELL THE ALLIES' CONDITIONS.

AMONG JAPANESE POLITICIANS ONLY DEMOCRATIC LIBERAL PARTY SECRETARY KOSEN HIROKAWA USED THE OCCASION TO ISSUE A STATEMENT. HE SAID THE GREATEST OBSTACLE TO A PEACE TREATY FOR JAPAN IS THE COMMUNIST PARTY'S PLAN FOR A VIOLENT REVOLUTION.

THE JAPANESE GOVERNMENT HAS INDICATED IT PLANS TO SHIFT OBSERVANCE OF THE DAY TO SEPT. 2, DATE THE SURRENDER WAS SIGNED.

CY127APS

MANILA, AUG. 15-(AP)-VICE ADM. OSCAR C. BADGER WILL LEAVE TOMORROW ABOARD THE HEAVY CRUISER ST. PAUL FOR HIS LAST CALL ON CHINA BEFORE HIS DEPARTURE FOR THE UNITED STATES.

BADGER WILL TURN OVER COMMAND OF THE U.S. SEVENTH FLEET TO VICE ADM. RUSSELL BERKEY DURING THE LAST WEEK OF AUGUST.

THERE WAS NO ANNOUNCEMENT TODAY OF HIS CHINA DESTINATION. HE SAID HE WOULD BE BACK IN MANILA BY AUG. 24 AND IN WASHINGTON BY SEPT. 1.

THE ADMIRAL HAS BEEN ASKED BY 10 U.S. SENATORS TO TESTIFY BEFORE A VOTE IS TAKEN ON THE ARMS AID MEASURE.

LW646APS

FOLO DAMASCUS REVOLT (260)

AMMAN, HASHEMITE JORDAN, AUG. 15-(AP)-KING ABDULLAH, WHO HAS MADE NO SECRET OF HIS DESIRE TO INCORPORATE SYRIA INTO HIS HASHEMITE KINGDOM, URGED AN IMMEDIATE MEETING OF THE ARAB LEAGUE TO DISCUSS THE SYRIAN CRISIS.

HOWEVER, DISPATCHES FROM EGYPT, WHERE THE SEVEN-NATION LEAGUE WAS SCHEDULED TO MEET SATURDAY, SAID THAT MEETING HAD BEEN POSTPONED AND NO NEW DATE SET. THEY SAID THE EGYPTIAN CABINET HAD BEEN CALLED INTO EMERGENCY SESSION TO DISCUSS THE SITUATION, BUT THERE WAS NO GOVERNMENT COMMENT.

ABDULLAH MOVED SWIFTLY ON THE DIPLOMATIC FRONT AS NEWS OF THE SYRIAN COUP FLASHED THROUGH THE EAST.

HE CALLED IN THE FOREIGN DIPLOMATIC CORPS INCLUDING AMERICAN CHARGE D'AFFAIRES WELLS STAEBLER.

ZAYIM HAD TOLD THE ASSOCIATED PRESS LAST WEEK HE HAD INTENDED TO FORTIFY ALL SYRIAN FRONTIERS, NOT ONLY AGAINST A POSSIBLE ISRAELI INVASION, BUT AGAINST ANY EFFORT BY ABDULLAH TO INCORPORATE SYRIA INTO HIS KINGDOM.

IN TEHERAN, IRAN, AN ASSOCIATED PRESS CORRESPONDENT SAID HE HAD DISCUSSED THE POSSIBILITY OF ZAYIM'S ASSASSINATION WITH FOREIGN OBSERVERS IN DAMASCUS SEVERAL MONTHS AGO.

THEY TOLD HIM THE WEALTHY LANDOWNER CLASS, MOSELEM RELIGIOUS LEADERS AND CERTAIN GOVERNMENT OFFICIALS WERE OPPOSED TO ZAYIM.

A SYRIAN EXILE IN AMMAN SAID ZAYIM WAS MARKED FOR DEATH JULY 7 WHEN HE TURNED ANTON SAADEH, A LEADER OF THE SYRIAN NATIONALIST PARTY, OVER TO THE NEIGHBTRING REPUBLIC OF LEBANON.

LEBANON EXECUTED SAADEH AS A THREAT TO THE STATE AND A FEW DAYS LATER MADE VARIOUS ECONOMIC CONCESSIONS TO SYRIA, PRESUMABLY AS A "PAY-OFF."

JT349AED

AMMAN -- FIRST ADD ABDULLAH (A111) WHICH MAKE FIRST LEAD FOLO DAMASCUS X X X SUBSIDY.)

ABDULLAH HAS URGED AN IMMEDIATE MEETING OF THE ARAB LEAGUE TO DISCUSS THE SYRIAN CRISIS. THE HASMEMITE MONARCH HAS MADE NO SECRET OF HIS DESIRE TO INCORPORATE SYRIA INTO HIS KINGDOM. #

A25 Damascus Gad xx refused

IN AN INTERVIEW WITH THE ASSOCIATED PRESS LAST FRIDAY ZAYIM TOLD OF HIS HOPES FOR AN "ATLANTIC PACT" COVERING THE MIDDLE EAST. HE SAID HE WOULD SPONSOR IT. THE MARSHAL WAS OPPOSED TO LETTING ISRAEL JOIN THE PROPOSED PACT, HOWEVER, ON THE GROUNDS THAT TO DO SO WOULD GIVE COMMUNISTS ENTRY.

ALTHOUGH ZAYIM WAS ARDENTLY ANTI-ISRAEL HE RECENTLY TOOK STEPS TO PROTECT SYRIAN JEWS AND MOVED SWIFTLY AGAINST A BAND OF TERRORISTS WHO BOMBED A SYNAGOGUE A WEEK AGO FRIDAY.

A SYRIAN BROADCAST DESCRIBED THE COUP THUS:

SUNDAY MORNING THREE CARLOADS OF SYRIAN ARMY OFFICERS RODE TO ZAYIM'S HOME, FORCED THEIR WAY IN AFTER A BRIEF FIGHT WITH SENTRIES, AND SEIZED HIM. THEY THEN DROVE TO PREMIER BERAZI'S HOUSE AND ARRESTED HIM.

A MILITARY TRIBUNAL WAS IMMEDIATELY FORMED, THE MEN WERE CONVICTED OF TREASON,TAKEN TO MAZZA BARRACKS AND SHOT.

THE BROADCAST SAID HENNAWI WAS NOT SEIZING POWER FOR HIMSELF AND QUOTED HIM AS SAYING:

"WE WANT A FREE REPUBLIC OF SYRIA, NOT A GOVERNMENT BY THE MILITARY. WE ARE READY TO TURN OVER POWER TO A GOVERNMENT CHOSEN BY THE PEOPLE."

NAZIR FANSA, ZAYIM'S PRIVATE SECRETARY, AND MAJ. IBRAHIM HUSSAYNI, CHIEF OF THE MILITARY POLICE, ARE UNDER ARREST.

JT344AED

CITY LIFE HERE IS PROCEEDING AS [illegible]AL, WITH LITTLE OUTWARD EXCITEMENT. INFORMED OPINION IS T[illegible] THE COUP WAS ENGINEERED ENTIRELY BY THE ARMY BECAUSE IT BELIEVED ZAYIM HAD BETRAYED ITS TRUST AFTER THE PREVIOUS ARMY COUP HAD PUT HIM IN POWER.

THE LATEST COUP STARTED EARLY SUNDAY WHEN HENNAWI AND OTHER ARMY OFFICERS ARRESTED ZAYIM AT HIS PRESIDENTIAL RESIDENCE AND REPORTEDLY TOOK HIM TO HIS OFFICE CLAD ONLY IN HIS NIGHTCLOTHING.

ZAYIM IS SAID TO HAVE BEEN PERMITTED TO CHANGE INTO HIS UNIFORM BEFORE A SHORT MILITARY TRIAL. THE SWIFT JOINT EXECUTION OF THE PRESIDENT AND PREMIER AT A MILITARY CEMETERY FOLLOWED.

FARIS BEY EL KHOURI, SYRIAN DELEGATE TO THE UNITED NATIONS AND VETERAN POLITICIAN, IS GENERALLY ACKNOWLEDGED TO HAVE TAKEN THE LEADING ROLE IN SETTING UP THE NEW CABINET.

A CURFEW IMPOSED LAST NIGHT WAS LIFTED TONIGHT. THERE WAS NO INDICATION WHEN THE CENSORSHIP IMPOSED DURING ZAYIM'S COUP WILL BE LIFTED.

MQ920PED

RANGOON, BURMA, AUG. 15-(AP)-THE BURMESE GOVERNMENT SAID TODAY REBEL KAREN FORCES HAVE OCCUPIED TAUNGGYI, CAPITAL OF THE SOUTHERN SHAN STATES.

THE SMALL BURMESE GARRISON INSIDE THE CITY WAS OVERWHELMED SATURDAY. THE BURMESE ARMY HAS BEGUN OPERATIONS DESIGNED TO RETAKE TAUNGGYI, OFFICIALS SAID.

ALL PLANE FLIGHTS TO TAUNGGYI, 260 MILES NORTHEAST OF RANGOON, WERE SUSPENDED. THE KAREN TRIBESMEN,ONE OF SEVERAL GROUPS IN REVOLT AGAINST THE GOVERNMENT, WERE BELIEVED TO HAVE ADVANCED UPON THE CITY FROM LOIKAW.

FH1220PED

AUG 16 1949

TEL AVIV, ISRAEL--FIRST ADD BEN-GURION (A171) XXX ~~SWITZERLAND~~. WAR

A STRONG ARMY, NAVY AND AIR FORCE WOULD PROTECT ISRAEL'S ECONOMIC INDEPENDENCE BY WARDING OFF THE THREAT OF A NEW ATTACK, THE PREMIER SAID.

A NEW ARMY BILL ENVISIONS TWO YEARS COMPULSORY MILITARY SERVICE FOR MEN BETWEEN THE AGES OF 18 AND 29 AND A YEAR FOR WOMEN IN THE SAME AGE GROUP. THE SERVICE ALSO WILL INCLUDE EMERGENCY AGRICULTURAL WORK, PARTICULARLY IN THE NEW SETTLEMENTS.

THE PARLIAMENT DECIDED TODAY TO RETURN TO ITS OWNERS ALL PROPERTY OF THE RUSSIAN ORTHODOX CHURCH IN THE ISRAELI-ADMINISTERED PART OF JERUSALEM. THE ACTION CANCELLED A BILL, ENACTED WHEN PALESTINE WAS UNDER BRITISH MANDATE GOVERNMENT, GIVING THE GOVERNMENT AUTHORITY TO SUPERVISE RUSSIAN CHURCH PROPERTY IN THE HOLY CITY.

FH213PED

(350) PEACE CONG[illegible]S

WASHINGTON, AUG.1[illegible]P)-A "CONGRESS FOR PEACE," CALLED FOR NEXT MONTH IN MEXICO CITY, GOT THUMBS-DOWN TREATMENT TODAY FROM THE U.S. STATE DEPARTMENT.

PLANS FOR THE MEETING WERE ANNOUNCED YESTERDAY IN NEW YORK BY THE "AMERICAN CONTINENTAL CONGRESS FOR PEACE" WHICH SAID IT IS BACKED BY SOME 300 EDUCATORS, ARTISTS, WRITERS AND UNIONISTS IN THIS COUNTRY AND THE OTHER AMERICAS.

A STATE DEPARTMENT SPOKESMAN SAID THE CONFERENCE APPARENTLY WILL BE "MOSCOW DIRECTED."

TO THIS, DR.W.E.B.DUBOIS, A MEMBER OF THE U.S.COMMITTEE FOR THE CONGRESS, REPLIED:

"THESE DAYS YOU CAN'T STAND UP FOR ANYTHING THAT'S AGAINST THE POLICY OF THE STATE DEPARTMENT WITHOUT THEM TRYING TO SMEAR YOU."

AMONG THOSE LISTED AS MEMBERS OF THE COMMITTEE, ALONG WITH DR. DUBOIS, AN ANTHROPOLOGIST, WERE PAUL ROBESON, THE NEGRO SINGER; DR. LINUS PAULING, SCIENTIST; ACTOR CHARLES CHAPLIN, AND O.JOHN ROGGE, FORMER U.S. ASSISTANT ATTORNEY GENERAL.

THE ANNOUNCEMENT SAID THE CONGRESS IS MEETING SEPT. 5-10 TO DISCUSS WAYS TO PREVENT WORLD WAR THREE. POET ENRIQUE GONZALES MARTINEZ WILL PRESIDE.

A FORMAL CALL DATED JUNE, 1949, MEXICO CITY, WENT OUT WITH THE ANNOUNCEMENT. IT INVITED "ALL MEN AND WOMEN OF GOOD WILL OF THE AMERICANS" TO ATTEND THE CONGRESS, AND SAID:

"THE ACTIVITIES OF THOSE WHO WOULD PROFIT FROM ANOTHER WORLD WAR ARE BEING FELT MORE INTENSELY EACH DAY BY THE PEOPLES OF THE AMERICAS. THE WARMAKERS HAVE STARTED AN ARMAMENT RACE WHICH ALREADY AFFECTS MANY NATIONS OF THIS CONTINENT."

ROGER W.TUBBY, A NEWS OFFICER FOR THE STATE DEPARTMENT, TOLD A REPORTER:

"IT APPEARS THAT IT WILL BE ANOTHER MOSCOW-DIRECTED CONFERENCE. WE FULLY EXPECT THAT THE ACTIVITIES WILL BE DEVOTED TO PROVIDING AN APOLOGIA FOR THE MOSCOW POINT OF VIEW."

TUBBY SAID ALSO THAT "IN OUR VIEW IT WILL MERELY BE A CONFERENCE SIMILAR TO THAT HELD IN NEW YORK CITY UNDER THE SPONSORSHIP OF HARLOW SHAPLEY."

HE REFERRED TO THE "CULTURAL AND SCIENTIFIC CONFERENCE FOR WORLD PEACE" HELD LAST MARCH. HENRY A.WALLACE, FORMER VICE PRESIDENT, WAS ONE OF THE PRINCIPAL SPEAKERS THERE.

DR.HARLOW SHAPLEY, HARVARD ASTRONOMER, IS CHAIRMAN OF THE NATIONAL COUNCIL OF THE ARTS, SCIENCES AND PROFESSIONS, WHICH SPONSORED THE MEETING. HE ALSO IS LISTED AS A SPONSOR OF THE MEXICO GATHERING.

ES652AED NM

WASHINGTON,AUG 15-(AP)-THE HOUSE PASSED AND SENT TO PRESIDENT TRUMAN TODAY A BILL PROVIDING THAT FUTURE PAYMENTS FROM FINLAND ON ITS WORLD WAR I DEBT BE SPENT IN THIS COUNTRY FOR THE EDUCATION OF FINNISH STUDENTS.

THE BILL WOULD FINANCE GENERAL EDUCATION AND TECHNICAL TRAINING FOR FINNISH STUDENTS, AND THE SENDING OF AMERICAN BOOKS AND TECHNICAL TRAINING EQUIPMENT TO SCHOOLS IN FINLAND.

FINLAND HAS PAID THE UNITED STATES $8,702,980 ON A DEBT ORIGINATING WITH RELIEF SUPPLIES FURNISHED FINLAND IMMEDIATELY AFTER WORLD WAR I. UNDER PRESENT ARRANGEMENTS FINLAND IS DUE TO PAY BETWEEN $264,000 AND APPROXIMATELY $358,000 A YEAR UNTIL 1984 TO COMPLETE RETIRING THE DEBT.

GG1035PED

CHICAGO,AUG.15-(AP)-MAURICE TRAVIS, SECRETARY-TREASURER OF THE CIO MINE, MILL AND SMELTER WORKERS UNION, TODAY ANNOUNCED HIS RESIGNATION FROM THE COMMUNISTY PARTY "WITH A GREAT SENSE OF INDIGNATION."

TRAVIS, A STORM CENTER IN A STORMY UNION, SAID THAT AS A RESULT OF HIS RESIGNATION HE HAS SIGNED A TAFT-HARTLEY NON-COMMUNIST AFFIDAVIT, AND THAT THE UNION IS NOW IN FULL COMPLIANCE WITH THE LAW.

THE RESIGNATION FROM THE COMMUNIST PARTY MEMBERSHIP "WAS NOT AN EASY STOP FOR ME TO TAKE," TRAVIS SAID. "I BELIEVE UNDER OUR BILL OF RI

ESY STEP FOR ME TO TAKE," TRAVIS SAID. "I BELIEVE UNDER O

THE RESIGNATION FROM THE COMMUNIST PARTY MEMBERSHIP "WAS NOT AN EASY STEP FOR ME TO TAKE," TRAVIS SAID. "I BELIEVE UNDER OUR BILL OF RIGHTS, FOR WHICH OUR FOREFATHERS FOUGHT, THAT AN AMERICAN HAS AS MUCH RIGHT TO BE A COMMUNIST AS HE HAS TO BE A REPUBLICAN OR A DEMOCRAT, A JEW OR A CATHOLIC, OR AN ELK OR A MASON.

"MEMBERSHIP IN THE COMMUNIST PARTY HAS ALWAYS MEANT TO ME AS A MEMBER AND OFFICER OF THE INTERNATIONAL UNION THAT I COULD BE A BETTER TRADE UNIONIST X X X."

TRAVIS' UNION WAS ORDERED BY THE CIO TO MERGE ITSELF WITH THE CIO UNITED STEEL WORKERS, AND TRAVIS, WHO WILL RETAIN HIS POST, HAS BEEN IN THE FOREFRONT OF THE FIGHT AGAINST MERGER.

K1005ACD NM

MEMPHIS,AUG.15-(AP)-A NOTED SOUTHERN EDITOR CALLED TONIGHT FOR A PERMANENT UNION OF DEMOCRACIES WHICH WOULD BE "SO STRONG THAT NO AGGRESSOR WOULD DARE ATTACK."

EDWARD J.MEEMAN, EDITOR OF THE MEMPHIS PRESS-SCIMITAR, URGED THE FEDERATION OF FREE NATIONS IN A SPEECH BEFORE THE MEMPHIS CHAPTER OF THE ATLANTIC UNION COMMITTEE.

THE GOVERNORS OF TWO STATES--SID MCMATH OF ARKANSAS AND GORDON BROWNING OF TENNESSEE--WERE GUESTS OF HONOR AT THE SPECIAL DINNER MEETING. BOTH MADE SHORT, INFORMAL TALKS.

MEEMAN SAID WE HAVE LEARNED ENOUGH FROM OUR PAST MISTAKES IN TWO WARS TO HAVE TAKEN TWO REALISTIC STEPS: WE HAVE REARMED. WE HAVE SIGNED THE ATLANTIC PACT WHICH PROVIDES THAT IF ANY FREE PEOPLE IS ATTACKED THE OTHERS WILL CONSIDER IT AN ATTACK UPON ALL.

"BUT A MILITARY ALLIANCE IS NOT ENOUGH," HE ADDED. "WE NEED A PERMANENT FEDERATION OF THE FREE. FOR NO ALLIANCE HAS EVER ENDURED; NO FEDERATION HAS EVER BEEN BROKEN."

MEEMAN SAID WORLD GOVERNMENT--WHICH HE TERMED REMOTE AND IDEAL--IS NOT RATIONAL OR POSSIBLE AT THIS TIME.

"AS REALISTS," HE CONTINUED, "WE MUST RECOGNIZE THAT THERE IS NOT ONLY A DIVISION BETWEEN THE FREE WORLD AND THE COMMUNIST WORLD, BUT THAT THE FREE WORLD ITSELF IS DIVIDED BY CONFLICTING BELIEFS--IN SOCIALISM, IN THE WELFARE STATE OF VARYING DEGREES, AND IN INDIVIDUALISM AND PRIVATE INITIATIVE."

"ON THE OTHER HAND," HE ADDED, "ATLANTIC UNION IS NOT REMOTE--IT IS THE IMMEDIATE STEP WHICH CAN BE TAKEN. IT IS NOT IDEAL; IT FACES THE FACT THAT WE DO NOT ACTUALLY HAVE ONE WORLD, BUT AT LEAST TWO WORLDS AND POSSIBLY MORE."

"BUT IT IS A RATIONAL, POSSIBLE END. IT IS THE NEXT STEP TOWARD THE IDEAL. IT IS CONFINED TO WHAT IS REASONABLE, PRACTICABLE AND JUST."

HE ADDED THAT THE OBJECTIVES OF THE ATLANTIC PACT CAN BE ACCOMPLISHED ONLY IN THE "PARLIAMENT OF MAN, THE PARLIAMENT OF FREE WESTERN MAN--A FEDERAL CONVENTION WHICH WILL EXPLORE HOW FAR THESE FREE PEOPLES CAN APPLY AMONG THEM THE PRINCIPLES OF FREE FEDERAL UNION."

MEEMAN REFERRED TO THE 19TH CENTURY WHEN, HE SAID, THE MIGHT OF THE BRITISH NAVY "WAS THE POWERFUL GUARDIAN OF THE FREE WORLD, INCLUDING OUR OWN COUNTRY."

THE EDITOR SAID THE UNITED STATES ALONE CANNOT ASSUME THAT PREPONDERANT POWER.

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"THAT PREPONDERANT POWER CAN BE CREATED ONLY BY A PERMANENT UNION OF ALL THE DEMOCRACIES. BUT, ONCE SUCH A UNION WAS FORMED, IT WOULD HAVE OVERWHELMING POWER. IT WOULD BE SO STRONG THAT NO AGGRESSOR WOULD DARE ATTACK," HE DECLARED.

MEEMAN SAID THE THREE OBSTACLES IN THE ROAD TO ATLANTIC UNION ARE ISOLATIONISM, THE DREAM OF WORLD GOVERNMENT, AND THE CONFLICT BETWEEN COMMUNISM, SOCIALISM AND STATISM, AND INDIVIDUALISM AND FREE ENTERPRISE.

HE SAID FREE PEOPLES CANNOT PERMANENTLY UNITE ARMED FORCES WITH THOSE OF UNFREE PEOPLES. HE ADDED THAT THERE WOULD ALWAYS BE THE DANGER THAT FREE PEOPLES WOULD BE OUTVOTED IN SUCH A GOVERNMENT, AND THE VERY INTERNATIONAL FORCE THEY HAD CREATED WOULD BE USED AGAINST THEM BY A WORLD DICTATOR.

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NIGHT LEAD COMMUNISTS (410)

NEW YORK, AUG. 15-(AP)-A COMMUNIST WITNESS SAID TODAY IT IS FOOLISH TO THINK OF A REVOLUTION IN THE UNITED STATES AS "SOMETHING BLOODY."

HOWARD JOHNSON, THE COMMUNIST PARTY'S EDUCATIONAL DIRECTOR IN NEW YORK STATE, SAID REVOLUTION DOESN'T MEAN "A SMALL GROUP OF CONSPIRATORS MARCHING UPON WASHINGTON WITH BOMBS AND CLUBS TO TEAR DOWN THE PILLARS OF THE WHITE HOUSE AND CAPITOL."

INSTEAD, HE SAID, IT MEANS THE "MAJORITY OF THE WORKING PEOPLE NO LONGER WANT TO TOLERATE THINGS AS THEY ARE, AND WOULD TAKE STEPS TO CHANGE THE RULE FROM ONE CLASS TO ANOTHER CLASS."

JOHNSON WAS THE 18TH DEFENSE WITNESS IN THE 31-WEEK TRIAL OF 11 MEMBERS OF THE COMMUNIST PARTY NATIONAL BOARD.

THEY ARE CHARGED WITH CONSPIRING TO ORGANIZE THE PARTY IN 1945 TO ADVOCATE AND TEACH THE VIOLENT OVERTHROW OF THE GOVERNMENT.

JOHNSON TOLD FEDERAL JUDGE HAROLD R.MEDINA AND THE DISTRICT COURT JURY OF HIS INSTRUCTIONS TO A GROUP OF COMMUNIST TEACHERS IN THE EARLY SPRING OF 1948.

"I TOLD THEM THERE WAS A CONCENTRATED CAMPAIGN IN PRESS AND RADIO TELLING PEOPLE THAT THE COMMUNISTS ARE THE OPPOSITE TO WHAT THEY REALLY ARE," HE SAID.

"I TOLD THEM THE MAJORITY OF THE AMERICAN PEOPLE DID NOT COME IN CONTACT WITH COMMUNISTS AND DID NOT SEE THEM AS PERSONS WITH FAMILIES AND CHILDREN, BECAUSE THERE WERE NOT ENOUGH TO GO AROUND. BUT I SAID I WOULD LIKE TO SEE IT SOME DAY," JOHNSON ADDED.

AUG 16 1949

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JOHNSON TOOK THE STAND TO DENY THE GOVERNMENT'S CLAIM THAT COMMUNIST TEACHINGS OF MARX AND LENIN ARE BLUEPRINTS FOR VIOLENT REVOLUTION IN THIS COUNTRY.

GOVERNMENT WITNESSES HAVE TESTIFIED THEY WERE TAUGHT THAT THE PARTY'S AIM IS TO CREATE SOCIALISM THROUGH A DICTATORSHIP OF THE PROLETARIAT THAT WOULD OCCUR DURING A VIOLENT REVOLUTION.

JOHNSON TESTIFIED THAT CERTAIN WORDS AND PHRASES IN COMMUNIST TEACHINGS HAVE DIFFERENT MEANINGS AS APPLIED TO THE UNITED STATES. HE SAID THIS MUST BE EXPLAINED TO MEMBERS "BECAUSE SOME PEOPLE ARE TRYING TO DISTORT THEM."

JOHNSON SAID HE TOLD THE COMMUNIST TEACHERS THAT THE WORKING CLASS CANNOT WIN WITHOUT ALLIES.

THESE WOULD BE THE SMALL FARMERS, THE NEGRO PEOPLE, AND THE CITY MIDDLE CLASS--INCLUDING SMALL SHOPKEEPERS, SMALL INCOME PROFESSIONALS, AND INTELLECTUALS, HE SAID.

ANOTHER OF THE MANY CLASHES BETWEEN JUDGE MEDINA AND THE DEFENSE CAME AT THE OUTSET OF JOHNSON'S TESTIMONY.

"THERE WILL BE NO MORE PRELIMINARIES," MEDINA SAID IN RULING OUT A LONG SERIES OF QUESTIONS BY DEFENSE ATTORNEY GEORGE W.CROCKETT, JR.

"GET DOWN TO BUSINESS," HE ADDED.

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NEW YORK, AUG. 15-(AP)-DR. CHOUGH PYUNG OK, KOREAN AMBASSADOR TO THE UNITED NATIONS, SAID TONIGHT SOUTH KOREANS ARE DETERMINED "TO UNIFY KOREA AND DEFEND OUR PEOPLE AND THEIR NEW DEMOCRACY AT ALL COSTS."

DR. CHOUGH SAID IT WAS TO AFFIRM KOREAN PRINCIPALS AS WELL AS TO OBSERVE THE FIRST ANNIVERSARY OF KOREAN INDEPENDENCE THAT A GROUP OF HIS COUNTRYMEN WAS HOLDING AN EARLY EVENING PARTY HERE TODAY.

ATTENDING THE PARTY WERE ABOUT 200 OFFICIALS REPRESENTING THE UNITED NATIONS AND MANY COUNTRIES OF THE WORLD. DIGNITARIES INCLUDED WARREN R. AUSTIN, UNITED STATES AMBASSADOR TO THE UNITED NATIONS, SELIM SARBER, TURKISH AMBASSADOR TO THE UNITED NATIONS, J. J. SINGH, PRESIDENT OF THE INDIA LEAGUE OF AMERICA, MAYOR WILLIAM O'DWYER OF NEW YORK CITY AND A NUMBER OF CONSULATE OFFICERS.

IN THE RECEIVING LINE WERE DR. CHOUGH AND KOREAN CONSUL GENERAL DAVID Y. NAMKOONG.

IN A STATEMENT, DR. CLOUGH SAID:

"WE ARE OBSERVING THE FIRST ANNIVERSARY OF OUR REPUBLIC AND THEO FOURTH ANNIVERSARY OF LIBERATION IN INVITING OUR FRIENDS OF THE UNITED NATIONS AND CONSULS OF OTHER COUNTRIES TO JOIN WITH US IN A SPIRIT OF HAPPINESS.

"WE CELEBRATE THIS FIRST ANNIVERSARY BECAUSE WE ARE GRATEFUL TO THOSE KOREAN PATRIOTS WHO FOUGHT SO BRAVELY FOR OUR CAUSE AND TO SHOW OUR THANKS FOR THE SACRIFICE MADE IN OUR EHALF BY PEOPLE OF OTHER COUNTRIES, PARTICULARLY THE YOUNG SOLDIERS OF AMERICA.

"WE HAVE TO UNIFY KOREA, DEFEND OUR PEOPLE AND THEIR NEW DEMOCRACY AT ALL COST.

"TONIGHT'S GATHERING WILL GIVE THE KOREAN PEOPLE IN NEW YORK AN OPPORTUNITY TO PARTAKE WITH OUR FRIENDS AND TO DEDICATE THEMSELVES TO THE CAUSE OF COMPLETE KOREAN INDEPENDENCE, INDEPENDENCE THAT WILL AND MUST RESULT IN COMPLETE UNIFICATION OF OUR HOMELAND."

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-END-

AUG. 15, 1949

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ADENAUER BARS LINKS TO RUSSIANS

West German Leader Says Collaboration Is Impossible

Bonn, Germany, Aug. 16 (AP)—Dr. Konrad Adenauer, probable Chancellor of the new West German republic, said today he will not collaborate in any way with the Russians.

The 73-year-old chairman of the victorious Christian Democratic party, declared in his first interview since the count of votes in Sunday's election:

"Eastern Germany (the Russian zone) constitutes for us the foremost and most difficult question. We must move very cautiously. We ought not to give the impression, either in Germany or in the United States, that we shall collaborate in any way with the Russians."

Sees Eventual Union

"It is impossible," he continued, for the West German state "to collaborate with any area dominated by the Russians." This, he added, includes the sphere of life—political and economic—in the Soviet zone of Germany.

The veteran political leader was not pessimistic over the chances of eastern and western Germany becoming "a unified state" eventually, but he indicated such unity is not around the corner.

"We cannot allow the people of eastern Germany to feel that we have given them up," he added.

Economic co-operation between eastern and western Germany would be possible, he said, but only after Russian communism and American private enterprise find some way to live together.

Terms Homes First Task

"The first real duty" of the republic, Adenauer said, will be "to make every family a home-owner"—to solve the housing problem.

He added that the new government "will have to re-examine" the touchy problem raised by Allied dismantling of German industrial plants.

"We must try to solve this question without too much narrow-mindedness and too much stubbornness," he said.

The dismantling subject was one of the hottest domestic issues of the recent election campaign.

The new Bonn Parliament will be asked to inquire into the need for dismantling some 150 plants now listed for razing. The United States Senate has recommended that occupation authorities re-examine this list to determine whether European recovery would be hindered without them.

Coalition Parley Called

The new West German Government, dominated by conservatives, will be created in Bonn next week-end. Leaders of the Christian Democratic party were called today to a series of conferences, the goal of which are:

1. To form a coalition of right-wing groups and establish an unchallenged majority over the Socialists, who still are a major party.

2. To choose the first chancellor in Germany since Hitler and recommend a candidate for the presidency.

Adenauer's party won 139 seats in Sunday's balloting. The Free Democrats, likely to join in a coalition with the Christian Democrats, got 52 seats. The Socialists, led by Kurt Schumacher, got 131 seats and represent a powerful minority. The Communists, with only 15 seats, are a negligible factor. More than 100 seats went to candidates representing various minor parties.

ful single individual in West German's politics.

The 75-year-old Adenauer lives near Bonn, worked to get Bonn chosen as the capital, and today is already Chancellor in the minds of the most people in this Rhine River area.

Exhausted from the strain of a bitter campaign, Adenauer went into temporary seclusion after the results of the voting established his party on top.

"Not A Dictator"

His closest associates said Adenauer probably would be meeting with the leaders of his own party toward the end of the week and that the coalition talks would start after that.

"He is not a dictator, nor can he be under our party system," said one official. "There will be no decisions announced until our people are in agreement."

The coalition talks may develop Sunday. The Free Democratic party (FDP), which won 52 seats, has offered its support to the CDU with its 139 seats. Other right-wing parties which can be calculated to follow the CDU policy guarantee Adenauer's forces the necessary majority of the 400-man parliament.

Anti-Nazi Records

Most observers figure the FDP forces will back Adenauer for Chancellor and that the CDU may in exchange support the FDP leader, Theodor Heuss, for president.

Both Adenauer and Heuss had long records of anti-Nazism. The Parliament meets September 7.

The Socialists with 131 seats will represent a powerful minority. With only fifteen places, the badly beaten Communists are a negligible factor.

"Victory For America"

Jubliant CDU men, already starting to arrive here for the forthcoming talks, discounted foreign reaction that triumph for the right wing meant a turn to nationalism in Germany.

"It was a victory as much for the Americans as for us," said one leader. "It was a victory against socialization of industry and a victory for free enterprise."

W. German Regime Being Established

Bonn, Germany, Aug. 16 (AP)—The new West German Government, dominated by conservatives, will be forged here this week end.

Leaders of the Christian Democratic Union party, which topped Sunday's voting, were summoned today to a series of conferences with these goals:

1. Forming a coalition of right-wing parties, which think largely like the Christian Democrats (CDU), to establish an unchallenged majority over the Socialists who still are a major party.

2. Selecting the first Chancellor (Prime Minister) in Germany since Hitler and recommending a president.

Powerful Figure

The calls went out from Dr. Konrad Adenauer, chairman of the CDU, who emerged from the voting for a parliament as the most power-

W. German Vote Causes Softer Press Tone

New West German regime being forged this week end. **[Page 3.]**

Berlin, Aug. 16 (AP)—A surprising tone of conciliation was noted in the Eastern press today as German Communists still reeled from an election trouncing.

Despite a vigorous campaign, featuring tirades against the Allied dismantling program, the Communists won only fifteen of 400 seats in Sunday's election of a West German Parliament.

The conservative Christian Democrats led with 139 seats, and the Left-wing Social Democrats won 131.

Veer To Free Enterprise

Otto Nuschke, president of the Communist-controlled People's Council, frankly admitted that West Germans voted for their convictions.

"It would be foolish to deny that the West German voters have decided in favor of the economic policy of Professor Erhard," said Nuschke, who also is chairman of the East zone Christian Democrat splinter party.

Prof. Ludwig Erhard is bizonal economics director and a strong exponent of free enterprise.

There also was indication that the Communist party may undergo a shakeup as a result of the showing.

Rally Against Reds

Nuschke, who was quoted in the Christian Democrat paper *Neue Zeit*, called attention to what he called a rally of other political parties against the Communists. Then he said:

"The Communist party, which most determinedly stressed the all-German standpoint and fought most consistently for a peace policy had a unique chance.

"That it failed is likely to lead to certain considerations and decisions in its ranks," he said.

Beginning Of Struggle

The newspaper *Neues Deutschland*, organ of the Socialist Unity (Communist) party, came out against the West German state but refrained from vituperation.

It predicted that Germany was only at the beginning of the national struggle for the solution of the basic German questions.

"The occupation powers undoubtedly will take the election as a means of justifying its anti-German, anti-democratic policy. It is the great mass of the workers who will have to pay the bill again."

continued. "Enough harm has already been done like that."

Vice President Francois de Menthon, a Frenchman, presided at the session in the temporary absence of the assembly's president, Paul-Henri Spaak, of Belgium.

French Socialist Says Marshall Aid Is Dividing Europe's Economy

Strasbourg, France, Aug. 16 (AP)—French Socialist Andre Philip said today the Marshall plan's organization for European Economic Co-operation (OEEC) is "dividing rather than unifying" national economies in Europe.

Philip told the Council of Europe's Consultative Assembly that this trend had occurred despite the fact that Marshall plan aid was "generous and intelligent."

He declared the assembly must take rapid, forceful steps to unify Europe's economy to "avoid an absolute catastrophe toward which we are all moving."

Initial Meeting

The Council of Europe is holding its initial meetings here. The twelve-nation body has some of the aspects of a European parliament.

Unification of economies is so urgently needed, Philip declared, that the assembly should override the authority of the Committee of Ministers and change its statutes if necessary to deal with the problem. The Committee of Ministers is the upper house of the council.

Philip opened the assembly's debate on changes in the political structure of Europe necessary to produce greater unity among members. He said:

"One is terrified upon reading the long-term programs turned in to the OEEC by participating nations. These plans are more nationalistic than ever. The results of efforts toward co-ordination have been laughable. The OEEC has thus far led nowhere."

Need For Body

Europe desperately needs an overall economic organization, able to decide problems by a majority vote and to enforce its decisions, he continued. Philip said it was up to the assembly to create this body even if the Committee of Ministers should oppose it.

"The Committee of Ministers must not be just a group of diplomats with the power of veto," he

European Government Proposals Before Council

Strasbourg, France, Aug. 16 (AP). A chain of speakers at the Consultative Assembly today called for a European governing authority with real punch.

The 101 delegates from twelve European nations have power to discuss common problems except defense but have no authority to act for their Governments. They can only recommend action.

Robert Boothby, close Conservative friend of Winston Churchill, declared there must be an "executive, international political authority" to guide a united Europe.

Laborite Offers Proposal

His position appeared close to that of another British delegate, R. W. G. McKay, a Laborite, who submitted a resolution calling for a "European authority with limited functions but real powers."

He said later his resolution aimed at quick formation of a United States of Europe.

Jonkheer M. Van Der Goes Van Naters, Dutch Socialist, also proposed "a European political authority with definite limited powers."

Earlier the French Socialist, Andre Philip, declared Europe desperately needs an overall economic organization able to decide issues by a majority vote and enforce its decisions.

Over Ministers' Opposition

He said it was up to the Assembly to create such an organization to break down national economic barriers even over the opposition of the Committee of Ministers. The Committee of Ministers, composed of a minister from each of the twelve countries, is the upper house of the Council of

Europe. The Assembly is in the lower house.

Philip said the Marshall plan's organization for European economic co-operation is "dividing rather than unifying" the continent.

Would Revise Statute

Although Marshall plan aid is both "generous and intelligent," he said, the participating nations are turning in plans for economic co-operation which are "more nationalistic than ever. The results of these efforts toward co-ordination have been laughable."

Thorkil Kristensen, of Denmark, also proposed that the assembly appoint a commission to study revisions of the European Council's basic statute for action at the next assembly in 1950. The statute limits the council to consultative and advisory functions.

The Dane was supported by Britain's Lord Layton who said Europe needs a federation which will guarantee liberty, peace and security to its millions of people.

"People will accept sweeping changes in desperate times," he said. "This federation must be on an entirely new pattern."

Kristensen said the Assembly eventually must become a European parliament which would produce a real European government with decisive powers. But he urged caution.

"We can discuss later how far and how fast we should proceed," he added.

The resolution of MacKay, a native of Australia, aimed at setting up the nucleus of a United States of Europe within two years. It urged:

Immediate appointment of a commission to draft a constitution for such a federation, early submission of the draft to member governments and parliaments, and debate on the draft in the 1950 session of the Assembly.

On the other side of the question, however, Italy's Giuseppe Cappi said "I do not think the peoples are ready yet to sacrifice sovereignty for unity."

Injects German Proposal

Van Der Goes also injected the question of admitting western Germany to the council for the first time with a concrete proposal.

He proposed the admission of Germany at the Assembly's next session, in 1950.

Ireland's William Norton finally succeeded in raising the question of Northern Ireland on the floor when he appealed to British leaders to end what he called the "military occupation" of the six northern counties. Britain, he declared, is holding "one sixth of our national territory."

U.S. YOUTHS STILL MISSING

Police in Germany Hunt for Two Last Seen Near East Zone

FRANKFORT, Germany, Aug. 16 (AP)—With few clues, police officials pressed a search today for two young Americans who disappeared six days ago while cycling near the Soviet zone border of Germany.

Brig. Gen. Norman H. Schwarzkopf, United States Army Deputy Provost Marshal in Germany, said all policemen in Western Germany had been alerted.

He said that so far as he knew Russian authorities had not been notified because there was no definite evidence the young tourists had gone into the Soviet zone.

The cyclists, Warren Oesiner, 20 years old, of Oyster Bay, N. Y., and Peter H. Sellers, 18, of Philadelphia, last were definitely seen in the British zone near the Soviet zone frontier.

Germans Seize Smuggled Cigarettes And Money

Frankfurt, Aug. 16 (AP)—The seizure of 8,000,000 smuggled cigarettes and $25,000 in United States currency was disclosed today by German customs officials.

The seizure was described as the "largest in the history of the post-war German customs service."

The cigarettes were found in three trucks of the International Refugee Organization in Kalsruhe August 13. The truck drivers were arrested.

Britain Makes Slav Gesture

London, Aug. 16 (AP)—Britain made a friendly gesture toward Yugoslavia today by accepting a Soviet plan to write a Slav bill of rights into a treaty of independence for Austria.

The move, made at a conference of deputy foreign ministers of the Big Four powers, came as a surprise. Diplomatic informants said it had two obvious advantages from the British standpoint:

1. It is a way of pleasing Marshal Tito. Britain is working up a big five-year trade deal with the Yugoslav Government.

2. It may remove one of the obstacles which for two years has kept the Big Four from reaching final agreement on a treaty for Austria.

Separate School Plan

Although Tito is on the outs with Russia, both he and the U.S.S.R. have been demanding guarantees for the Croat and Slovene minorities in southern Austria.

Up to now the Western deputies have favored protecting the rights of these minorities in the treaty but only in general language.

The Russians have put forth a five-point plan specifically guaranteeing the minorities the right to their separate schools, language, customs, press and cultural organizations.

W. I. Mallet, the British deputy, today submitted his own five-point "Slav charter," which agreed with the Russian version in principle, differing only in wording.

Ambassador Withdrawn

The American, French and Russian deputies agreed to study the British plan.

The move came on the heels of the Moscow announcement last night that the Soviet Ambassador to Yugoslavia, Anatole Lavrentiev, has been withdrawn to resume his old job as a deputy foreign minister. No mention of a successor at Belgrade was made.

It coincided, too, with a new attack in the Soviet trade-union paper *Trud*, calling Tito and his chief aides "card sharps" and a "treasonous clique."

The Soviet army newspaper *Red Star* said Tito was trying to buy jet planes from Britain.

A Moscow note to Belgrade last week end said Tito was now regarded as an enemy of the Soviet Union Russia previously had withdrawn its support of Yugoslav demands that part of southern Austria be ceded to Yugoslavia.

Yugoslavia Punishes 1,467 For Sabotage

London, Aug. 16 (AP)—Yugoslavia disclosed tonight that 1,467 persons had been punished for sabotage against Marshal Tito's regime.

The official news agency Tanjug said in a broadcast heard here that this number was dealt with since Yugoslavia's falling out with Russia last year.

Tanjug said 1,416 had signed a resolution repenting their acts. The broadcast gave no details of the sabotage or punishments.

Britons Unload Federal Bonds

London, Aug. 16 (AP)—British investors are shedding Government bonds with frantic haste.

Some kinds can be bought in the London bond market for less than 70 per cent of what the government promises to pay when they come due.

The faith of the British people in their once-proud pound sterling is sorely shaken.

During the first seventeen week's of the Government's fiscal year beginning April 1, they withdrew the equivalent of $89,000,000 more from their national savings accounts than they put in.

Put Into Real Estate

Some sections of the British press are close to shouting "panic." Newspaper financial commentators are waving red warning flags all over Fleet street. They say if this keeps up the Government will have no more credit at home or abroad.

While the Treasury stays mum, vast sums are being taken out of Government bonds and put into things like real-estate and gold-mine stock.

During one three-week period in July and August, the total value of British Government bonds shrank $2,000,000,000 on the London exchange.

Dollar Crisis Obvious Reason

What started this? Here are obvious reasons.

1. What the British call the dollar crisis. The Labor Government has been unable so far to give assurances that British can go on much longer earning, borrowing or obtaining American gifts of dollars it must have to buy food and raw materials.

If the Government fails, Britain faces privation, unemployment and a crippling drop in national income. All this would make it harder to pay off Government bonds when due.

2. Constant talk that the official rate of around $4.03 for the pound must and will be cut—despite Government denials. To the people, bonds represent pounds. If pounds are worth less then bonds are worth less, they reason.

"Bear Raiders" Blamed

Two other theories are less widely cited. One is that the Government has issued too many bonds in payment to former owners of nationalized industry. The other is that "bear selling", upset the market.

The Labor party newspaper, the *Daily Herald*, blames "bear raiders" who sell Government bonds for deferred delivery with the hope of buying them at a lower price when actual delivery is due. Such sales, the paper explained, depress the market.

The Liberal *Evening Star* holds to the "glut" theory. When there is too much of anything, the *Star* explains, the price goes down, and there are too many Government bonds.

Buying Effort Off, Europeans Told

Paris, Aug. 16 (AP)—Marshall Aid Chief Paul G. Hoffman told European trade leaders today their countries are doing less than they should to earn their United States dollars.

He spoke at a meeting of the heads of delegations to the Organization for European Economic Co-Operation at its headquarters here. This is the nineteen-area group charged with dividing up Marshall plan funds.

Fact Not Squarely Faced

Among those present were W. Averell Harriman, special Marshall plan Ambassador to Europe; Sir Edmund Hall-Patch, Britain's top delegate to OEEC, and Herve Alphand, head of the economics section of the French Foreign Ministry.

Hoffman said he saw no way to meet Europe's chronic dollar shortage, except by earning dollars through exports. He had found, he added, little evidence that this fact is being squarely faced except by one or two countries.

Singled Two For Praise

He did not specify which countries he meant.

At a news conference yesterday, Hoffman praised the new British Dollar Export Board for trying to find additional United States markets. He also said then that Belgium was doing work on this line.

He told the OEEC delegates that there is a great need for their governments to give their manufacturers incentives "to win and hold a place in the American market." First, he said, there must be a willingness to earn more dollars; then the United States would see about how it could give this effort technical help.

Van Zeeland Named Council Head

PARIS, Aug. 16 (AP)—Paul van Zeeland, Belgian Minister of Foreign Affairs, was elected president of the Council of the Organization for European Economic Co-operation today. Van Zeeland succeeds former Premier and Foreign Minister Paul-Henri Spaak of Belgium.

Slavs Reportedly Fire On Greek Guerrillas

Rome, Aug. 16 (AP)—The Italian news agency Astra today quoted a Greek rebel broadcast as saying that Yugoslav troops fired on Greek guerrillas reorganizing their lines near the frontier.

Astra said it appeared from the broadcast that the Greek rebels were attempting to flee across the border when they met the Yugoslav fire.

Yugoslavia had been an important base for the Communist-led guerrillas before Premier Marshal Tito's dispute with the Communist International Information Bureau (Cominform) grew intense. Tito said recently that he was gradually closing Yugoslavia's frontier with Greece.

Greeks Report Gains

Athens, Aug. 16 (AP)—The Greek Army said today its units in the Vitsi area had stamped out the last guerrilla resistance west of Mikra.

Greek troops searching the entire Vitsi area near the Albanian border discovered guerrilla installations and "enormous quantities of war material," a communiqué said.

Priests May Perform Reds' Marriages, Vatican Rules

Vatican City, Aug. 16 (AP)—A decree published by the Holy Office today allows Roman Catholic priests to perform marriage ceremonies for Communists, if the Communists promise to raise any children of such unions in the Catholic faith.

The Vatican newspaper, *L'Osservatore Romano*, said the decree would allow the marriage of a militant Communist to a professing Catholic, and also would permit marriage of two Communists who were not active in party affairs. It did not say how it would affect two

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active Communists who might want to be married by a Catholic priest.

Special Status

The recent decree of excommunication published by the Holy Office July 13 placed militant Communists in a special status of excommunication pronounced by the Pope. It had said further that those who exposed themselves to the doctrines of communism knowingly would risk punishment by the Church. Excommunication from the Church involves the denial of the sacraments, of which matrimony is one.

Same Guarantees

L'Osservatore said the marriage of a militant Communist with a professing Catholic will require the same guarantees as the marriage of a Catholic to a non-Catholic.

In such cases the Church asks a formal promise that children of such a marriage will be baptized and reared in the faith and that the non-Catholic spouse will not interfere with the religious life of the other. The marriage is not celebrated in the church but in the chapel or the parish house, without an accompanying ceremony of the mass.

Vatican Decree On Weddings

Vatican City, Aug. 16 (AP)—A militant Communist may participate in the sacrament of matrimony under the terms of a new decree published today by the Holy Office.

Militant Communists — active party members—still are denied all other sacraments of the Catholic Church, however, under the Vatican's July 13 excommunication order.

L'Osservatore Romano, the Vatican newspaper, interpreted the new decree this way: It permits marriage between a militant Communist and a professing Catholic or between two Communists who are not militant party members. But nothing was said by the newspaper concerning two militant Communists who might wish a priest to marry them.

"Inaccurate Interpretations"

The Vatican paper described today's decree as opportune because "inaccurate interpretations, especially with regard to matrimony, have arisen" following issuance of the excommunication order.

"Matrimony is, certainly, a sacrament," the paper said. "Let us add, however, that it is distinct from other sacraments in some of its noted details, among which the following one must be remembered:

"The ministers of the sacrament are the spouses themselves, which means that the sacramental action is really performed not by the assisting priest but by the contracting parties."

The Vatican paper said a marriage between a militant Communist and a professing Catholic will require the same guarantees as the marriage of a Catholic to a non-Catholic — namely, that both spouses promise to raise their children in the Catholic faith.

In Chapel Or Parish House

Another guarantee is that the non-Catholic spouse will not interfere with the religious life of the other.

Such marriages are celebrated in a chapel or parish house and not inside the church proper, where the ceremony of the mass involves the sacrament of the holy eucharist. Militant Communists excommunicated under the July 13 decree are denied the sacrament of the eucharist (communion) in connection with the nuptial mass.

Such marriages can be performed in the same manner as other marriages involving non-Catholics, *L'Osservatore Romano* said, provided there is a "moral certainty" the children will be baptized and educated as Catholics.

Distinction Explained

"But it often will be difficult to obtain this certainty in such cases," the paper added.

Explaining the distinction between the sacrament of matrimony wherein the contracting parties and not the priests are the real ministers, *L'Osservatore Romano* said:

"The priest is the official witness, ordinarily required for the validity of the sacramental contract; he also is the true minister of the rites and the sacred ceremonies, with which the church solemnizes the celebration of matrimony and invokes on the spouses the benediction of God."

The Vatican's July decree put militant Communists in a special status of excommunication pronounced by Pope Pius XII. Excommunication denies persons the sacraments and the society of other Catholics.

Some Forced To Join Party

Two weeks after issuance of that decree, *L'Osservatore Romano*, explained that Catholics who support communism with votes or money, but who reject its "materialistic anti-Christian" doctrine do not fall under excommunication.

The Vatican paper said then the church is aware there are "some faithful, who, against their will . . . and perhaps even with physical violence, are forced to join the Communist party." In such cases, the priest must be the judge of the circumstances, the paper added.

Early this month, *L'Osservatore Romano* lashed out at the imprisonment of a Catholic priest in Czechoslovakia who was accused of refusing to administer the sacrament of extreme unction (last rites) to a gravely ill woman because she was a Communist. The Communist-led Czech Government had announced that the Rev Alois Fajstl, a village priest, was sentenced to eight years on treason charges. The Vatican paper called the sentence an outrageous miscarriage of justice.

Dutch Charge Cease-Fire Violations In Indonesia

The Hague, Aug. 16 (AP)—Republican violations of the cease-fire in Indonesia have been called to the attention of the United Nations, Dr. J. H. Maarseveen, Minister of Overeseas Territories, told Parliament today.

Maarseveen said Dutch authorities in Batavia have discussed the violations charged by this country with the United Nations Commission for Indonesia.

In his announcement, which confirmed earlier unofficial reports, the Minister did not say the Dutch had lodged any protest with the commission. He said the United Nations Commission's observers also had been informed of reported Republican plans to infiltrate Soerabaya and other Dutch-occupied cities.

The cease-fire between the Dutch and Republican guerrillas, negotiated with the aid of the United Nations, went into effect last week. The Dutch have announced they will call a proposed roundtable conference on formation of an autonomous United States of Indonesia only when they are satisfied the order is being fully respected.

Yugoslav Answer

Belgrade, Yugoslavia, Aug. 16 (AP)—Yugoslavia denied tonight charges that its armed forces are aiding the Greek Government against the Communist-led guerrillas in northern Greece.

The statement was made over the officially controlled Belgrade radio a few hours after the Prague radio reported that Yugoslav troops had engaged in conflict with the guerrillas.

The radio did not mention the Prague report directly, but devoted a considerable part of its broadcast to an explanation why such a charge was false.

Tells Of Army Meeting

It told in detail of a five-hour mass meeting of officers and men of the Yugoslav Army stationed at Bitolj, near the Greek-Yugoslav frontier. The men discussed the Greek fighting and the relations between Greece and Yugoslavia.

This resolution was passed at the meeting:

"Because of the slanders which are being spread lately against Yugoslavia and our army we want to inform the people about the truth.

"Yugoslavia always gave great help to the Greek (guerrilla) movement more than any other country and gave more publicity to its fight than any other country. We soldiers and officers know that nobody from our army ever had any contact with the monarcho-fascists."

"No Markos, No Bread"

The statement added that many Greek rebel soldiers had crossed into Yugoslavia. The Yugoslavs asked why and the rebels replied:

"There is no Markos, there is no freedom, there is no bread."

This was a reference to Gen. Markos Vafiades, the deposed former leader of the guerrillas. Reputedly he was a sympathizer with Marshal Tito's campaign for "equal rights" for countries under Communist rule.

The Yugoslav press has charged that Vafiades was removed at the order of the anti-Tito Cominform.

Romanian Minister Heads Here.

Bucharest, Aug. 16 (A. P.).—Ion Mihail Magheru, 39, new Romanian minister to Washington, headed for the United States today. He is flying to Paris and will sail for New York over the week end. Magheru was the former Romanian minister to Switzerland.

2 Yugoslav Ex-Regents Draw Stiff Prison Terms

BELGRADE, Aug. 16 (AP).—A People's District Court today handed out stiff prison sentences to two former Regents of Yugoslavia on charges of hastening this country's collapse before the invading Germans.

Ivo Perovic, a former Governor of Croatia, was sentenced to eleven years. Radenko Stankovic, the other Regent, was given a prison term of twelve years. Both have been in jail since 1945.

With Prince Paul—former King Peter's uncle—they formed the triumvirate which governed Yugoslavia from 1934, when King Alexander was slain in Marseille, until the country fell in 1941.

On trial with them were Milan Antic, former King's Chamberlain, and Danilo Gregoric, an attorney and former newspaperman. Antic got fifteen years, Gregoric eighteen.

Visit With Stalin Pleasant: Kirk

Moscow, Aug. 16 (AP)—United States Ambassador Alan G. Kirk said today his meeting with Prime Minister Stalin in the Kremlin last night was a "courteous, pleasant visit."

The conversation lasted about 45 minutes. It was the first time any high American official had seen Stalin in nearly a year.

It was reported that Stalin and Kirk talked in an informal and relaxed manner. Kirk said the conversation dealt with "general subjects."

First Meeting

Kirk said he had requested the interview with Stalin and described his visit as a "courtesy call" according to protocol. It was the first time the 61-year-old American envoy had met the Soviet leader. Kirk, a retired admiral who succeeded Lieut. Gen. Walter Bedell Smith as Ambassador to Moscow, arrived in the Soviet capital in June.

All Moscow morning newspapers carried front-page stories on the meeting. Soviet-American relations always are a subject of interest here.

Complete Version

A complete version of the meeting is being sent to Washington today. After the visit to the Kremlin was concluded Kirk, Minister Councelor Walworth Barbour and First Secretary George Morgan went directly to the American Embassy where they sent off a first account of the talk.

Barbour and Morgan accompanied Kirk to the Kremlin. On the Soviet side at the meeting, besides Stalin, were Foreign Minister Andrei Y. Vishinsky and Foreign Office Translator Jan Troyanovsky, son of the Soviet Union's first Ambassador to the United States.

It could not be learned whether economic questions were brought up. However, following a similar "courtesy visit" beween Stalin and the New British Ambassador, Sir David Kelly, last June, Russian receptiveness to proposals for increased trade with the West was noticeably emphasized.

Slav Agent Declares Hungary Expelled Him

Belgrade, Aug. 16 (AP)—Devad Midjich, advance agent for Yugoslavia's delegation to the World Youth Festival in Budapest, claimed today he was "kidnapped and expelled" from Hungary.

Midjich said he was given a runaround at the Hungarian Foreign Office and taken forcibly to the Ministry of the Interior. Here, he said, he was placed under arrest for fourteen hours, then put on a train and given his passport only when he reached the Yugoslav-Hungarian border.

Athens, Aug. 16 (AP)—A Greek guerrilla chieftain known as Perdikas was killed by police near Tripolis tonight, the Ministry of Public Order announced. He had been charged with terrorizing the Peloponesus for two years, committing hundreds of slayings and atrocities.

Catholics Hopeful About Polish Talks

Warsaw, Aug. 16 (A. P.).—Quarters close to the Roman Catholic heirarchy expressed optimism tonight concerning talks they said now are taking place between the church and the Communist-led Polish Government.

The talks concern defining relationships between church and state, the informants said.

COMMUNISTS DRIVE CLOSER TO CANTON; FOREIGNERS FLEE

U. S. Plans to Shut Embassy, Consulate — Reds Reported in Kwangtung Province

KANHSIEN BELIEVED LOST

Nationalists, in First Official White Paper Reaction, Find 'Source of Satisfaction'

By The Associated Press.

CANTON, China, Aug. 16—Foreigners fled this refugee capital of China today amid reports that Communist armies were little more than 155 miles away.

Private reports said the Nationalists were withdrawing from Nanhsing (Mamyung), inside Kwangtung Province of which Canton is the capital. Nanhsing is 155 miles northeast of Canton. This suggested the Communists had crossed the border.

An army spokesman admitted Communist troops from the East also had advanced on Hengyang, 265 miles north of Canton.

All radio contact was broken with Kanhsien, which guards the Kan River valley gateway to Canton. That may mean that the city, 215 miles northeast of Canton, is lost.

The United States Embassy and Consulate here plan to close before the Communists arrive.

[State Department Press Officer Lincoln White said in Washington the reason was that the Chinese Communists had failed to protect United States diplomats. He said relations would be maintained with the Nationalists wherever they go.]

Russia Denounced

Even in its extremity the Nationalist Government found time to denounce Russia, to brand the Communist foe as "the tools of Moscow" and to disagree with the United States State Department White Paper on China.

All three were contained in a statement delivered to United States Charge d'Affaires Lewis Clark, giving the first official reaction to the White Paper. The White Paper had termed the Nationalist Government a failure and had opposed further aid.

The British steamer Wusheh sailed for Hong Kong loaded with foreigners. United States Navy planes stood by to take off Americans who might be unable to get out.

There are seventy-three Americans here, including fifteen with the Embassy and nineteen with the Consulate General. Most of the others are business men, a few airmen and members of the Joint Commission on Rural Reconstruction.

There are other Americans in South China. United States authorities hope they will get out of the path of the Communist armies. Some show no disposition to do so.

Oil Concern's Staff to Leave

Shameen Island, where most foreign concerns are located, was a busy place, with foreigners packing. American Standard-Vacuum Oil Company announced its whole staff would pull out. British Shell Oil Company was removing women employes and families of the staff.

Runs Shanghai Blockade

SHANGHAI, Aug. 16 (AP).—Agents for the 800-ton coastal freighter Edith Moller announced today the vessel had run the Nationalist blockade of Shanghai. Word of the arrival of the craft in Hong Kong was received by Mollers, Ltd., after rumors had spread that the ship was seized off the mouth of the Yangtze by Nationalist gunboats. The ship brought in 500 tons of cotton, chemicals and medicine two weeks ago. She took out a cargo of 500 tons of tung oil, piece goods, bristles and mail.

Moves Indicate Policy Change In China

Other news about China on Page 3.

Canton, Aug. 16 (AP)—The British steamer Wuseh sailed for Hong Kong tonight loaded with foreigners, as private reports placed Communist troops within 170 miles of Canton.

At the same time authorities here said American naval planes would evacuate Americans from this Nationalist provisional capital if other facilities proved inadequate to get them out ahead of the Reds.

There are about 73 Americans here. They include fifteen in the embassy, nineteen in the consulate general and most of the others in the Joint Commission on Rural Reconstruction.

Packing For Exodus

The 44-acre Shameen Island, which shelters most foreign firms, was a scene of great activity during the day. Everywhere people were packing their belongings.

Private reports said the Reds were threatening Tayu, near the Kwangtung border, 170 miles northeast of Canton.

If these reports prove correct, they would cast some doubt on a Nationalist Army spokesman's claim of a successful Nationalist counterattack further to the northeast. Ahead of the Reds in their advance on Canton are the rugged Tayuling Mountains on the Kwangtung-Kiangsi border.

Rail Personnel Withdrawn

The Canton-Hankow Railway administration has withdrawn all personnel north of the Hangyeng rail junction 265 miles from Canton. The main operational base of retired American Major General Claire Chennault's airline has been transferred from Canton to Kungming. Management personnel of the airline remain in Canton.

Radio contact was lost today with the defenders of Kanshien, about 200 miles northeast of Canton.

An army spokesman virtually admitted loss of the important rail center to advancing Communist troops.

The United States consulate generaleral here has been ordered to close down before Chinese Communists takes the Nationalist capital.

Authorities confirmed the order today but refused further comment.

Change In U.S. Policy

Already big American and British oil companies and other foreign firms were pulling out of the South China coastal city.

The closing date for the consulate would depend on the progress of the Reds' southward march. The decision marks a change in American policy.

The obvious conclusion is the State Department by now is fully convinced the Reds will not allow any consulate to perform its normal functions unless diplomatic recognition first has been extended to the Reds.

Likely Factors Cited

Factors which might have influenced the new policy are believed to include:

A recommendation by United States Ambassador J. Leighton Stuart; hitches connected with the departure of the American consul general at Mukden, the Olive incident in which the American vice consul in Shanghai was arrested; and a fear Americans might be held hostages if any development causes a further strain in relations between the United States and the Chinese Communists.

Foreign Staffs Leaving

The American Standard-Vacuum Oil Company announced it was withdrawing its entire foreign staff. Only Chinese employés will remain to look after the interests of the largest American firm in South China.

The British Shell Oil Company was taking out families of its foreign staff and foreign women employés.

Shanghai Admits U. S. Ship

Communists Grant Permission to Repatriation Vessel

SHANGHAI, Aug. 16 (AP).—Chinese Communist authorities today granted the American President Lines passenger ship General Gordon permission to enter Shanghai as a repatriation ship.

Floyd Downs, manager of the line's office here, said the company and the American State Department had asked Chinese Nationalists for safe conduct through their blockade of the coast. No answer has been received from Canton, he said.

The liner will probably bring some cargo into Shanghai, but her main purpose will be to evacuate some 1,500 foreigners, most of them American and British. News of the Communist action speeded applications by foreigners to get out of Shanghai.

Chungking Reported In Line To Be Capital Of China

Tokyo, Aug. 16 (AP)—Gen. Wu Teh, adviser to Generalissimo Chiang Kai-shek, told foreign correspondents today that Chinese Nationalists will move their capital to Chungking if the Communists take Canton.

Wu, here for conferences with Gen. Douglas MacArthur and other occupational leaders, said Canton would be held as long as possible.

On the subject of Formosa, where Chiang now has his headquarters and the bulk of his active air and naval forces, Wu said:

"The Formosans are purely Chinese. We will not favor trusteeship for Formosa under the United Nations. The Nationalists can defend Formosa as long as the Communists do not get a navy and airplanes from the outside."

Charges By Formosans

Formosans in many quarters have recently charged that their island was turned over to the Chinese Nationalists by the United States and Britain without their permission. Some Formosans have said they fared better under the Japanese for almost 50 years than under the Chinese since 1945.

Wu said he believed the most significant thing about the United States State Department White Paper was that the United States denounced Russian as well as Chinese Communists for the first time.

"The White Paper did not affect the morale of our troops. It disheartened the masses of the Chinese people," he said.

Wu is a Minister Without Portfolio in the Nationalist Chinese Cabinet.

S. Koreans Fight Reds; Dead At 72

Seoul, Aug. 16 (AP)—The Korean Army reported today that sporadic fighting 70 miles northwest of here in the past ten days had cost 72 known dead.

The fighting has been confined to a mile-long stretch of mountainous terrain separating the Communist North from Republican South Korea. Neither side has advanced more than 300 yards beyond the border at any point.

South Korea has lost 25 soldiers and 2 civilians killed and 115 wounded. The army says at least 95 North Koreans have been killed and that 45 bodies have been found.

BURMESE REBELS TRAP 18 AMERICANS

All Believed Safe In Karen-Held Taunggyi

Rangoon, Burma, Aug. 16 (AP)—Eighteen Americans were believed to be safe in rebel-held Taunggyi today though fighting raged outside that capital of the Southern Shan states.

A spokesman for the United States Embassy in Rangoon said the Americans—twelve adults and six children—appeared to be in no immediate danger following the

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capture of the town by Karen forces during the week end.

A Burmese Army communiqué said Government troops and Karen rebels were locked in battle at the foot of Taunggyi Hill. Rebel forces reportedly advanced to that point following their seizure of Taunggyi, 100 miles southeast of Mandalay.

Under Educational Program

The communiqué said an attempted rebel advance on Heho airfield, some 20 miles away, was "definitely halted." It added that Burmese troops had reoccupied Kathetaw, a town in the Meiktila district of central Burma.

There were reports that several Burmese governmental officials fled from Taunggyi before rebel troops entered the town. The United States Embassy spokesman, however, was unable to say whether any of the Americans had also made timely getaways.

Three of the United States citizens came to Burma recently under the Fullbright educational program and were in Taunggyi with their wives when the rebels overthrew the local administration.

Others Are Missionaries

They were: Mr. and Mrs. Otto K. Hunerwadel, of Gainesville, Fla.; Mr. and Mrs. Samuel Dashiell, of Dallas, Ore., and Mr. and Mrs. Charles Brant, of Portland, Ore.

Hunderwadel, visiting teacher of agriculture at the Taunggyi Agricultural Training School, also is agricultural advisor to the Southern Shan states government.

Other Americans in Taunggyi are missionaries attached to the American Baptist mission. They include:

Mr. and Mrs. W. W. Zimmer, of Mason, Mich.; Miss Laura E. Johnson, of Mead, Neb.; Mrs. E. Heptonstall, who was born in Toungoo, Burma, and Mr. W. D. Hackett, who was born in Rangoon.

Herzl's Body Flown To Tel Aviv

Tel Aviv, Aug. 16 (A. P.).—The body of Theodor Herzl, Austrian-born founder of modern political Zionism, was brought today to the Jewish homeland that he dreamed of more than half a century ago. Herzl died in Vienna in 1904.

The remains were flown from Austria to Israel's Lydda airport. A truck escorted by a guard of honor brought the coffin here to be placed before the Israeli parliament building. Thousands of citizens of the new state began filing past to pay tribute.

U.S. OIL LINE LEFT IN DOUBT

Syrian Premier Puts Decision Up To Future Parliament

Damascus, Syria, Aug. 16 (AP)—Hasem Bey Atassi, premier of the new temporary government here, said today Syria's future parliament will have the final say on the United States oil pipeline concession.

The late Syrian President, Marshal Husni Zayim, who was executed in Sunday's military coup, recently approved the concession for a trans-Arabian pipeline outlet in Syria.

Atassi, 87-year-old interim premier, said in an interview: His government is functioning as a temporary Cabinet; it will neither confirm nor deny actions taken by the Zayim regime, such as pipeline agreements; such responsibility will be in the hands of the future House of Representatives.

Promises Friendly Relations

Atassi emphasized that the chief aim of his Cabinet is to restore constitutional government.

The aged former President said his country will retain close and friendly relations with the "greater democracies," such as the United States. Syria also will maintain close relations with the United Nations and the other Arab states, "because the Arabs are one nation whatever their political division might be," he declared.

[A dispatch from Cairo quoted the Damascus radio as saying the Syrian-Turkish frontier has been closed.]

Col. Sami Hennawi, who led Sunday's military overthrow of the Zayim regime, said in an interview he hoped the coup had brought the desired stability to Syria.

Refuses Political Comment

Hennawi refused to comment on political questions, saying he is strictly an army officer and "there is now a responsible government handling the political side."

"I am here to organize and command the army," he added.

The new civilian Cabinet, representing most shades of Syrian political opinion, issued a statement saying it would retain power only until a constitutional government can be set up. The cabinet communiqué set no time limit for establishing such a regime.

A curfew imposed after Sunday's military revolt was lifted last night, but there was no indication when censorship regulations would be abolished. They originally were imposed by the Zayim government.

Pakistan Aids U. S. Mosque

KARACHI, Pakistan, Aug. 16 (AP).—Pakistan has contributed 1,000,000 rupees ($303,000) toward construction of a chief mosque in Washington for Moslems in the United States, it was announced today.

MEMOS PREPARED FOR GEN. VAUGHAN, HE TELLS PROBERS

Declares 'Waitt's Report on Waitt' Is Embarrassing But True

QUIZZED BY SENATORS

Data Never Reached the White House, '5-Percenter' Witness Says

WASHINGTON, Aug. 16. — (AP) Maj. Gen. Alden H. Waitt, four rows of ribbons and two medals gleaming on his chest, acknowledged today that he wrote, in the third person, a highly flattering report on himself.

The report was prepared for Maj. Gen. Harry Vaughan, President Truman's military aide. In it Waitt described himself as one of the world's leading experts on toxicological (or poisonous) warfare.

When Senator McCarthy (R-Wis) questioned Waitt about this at a senate investigations subcommittee hearing, the slightly built, 56-year-old general squirmed, laughed nervously and said:

"Embarrassing But True"

"That is most embarrassing. But it happens to be true."

Still obviously uneasy, the general who has been under suspension since July 16 added:

"Pravda (a Russian newspaper) has called me the savage General Waitt. Moscow Radio has called me a cannibal."

Another laugh, and then:

"I imagine the press tomorrow will certainly put me on the griddle about this."

The general said that the Waitt report on Waitt never reached the White House.

"I didn't use that memo," he said. "My brass broke down at that point. I wasn't asked for it. It's just been a source of embarrassment to me."

At the same time he wrote his self-appraisal, Waitt said, he prepared reports on eight brother officers who might be picked to succeed him as head of the chemical corps.

These reports, introduced into the committee records last week, carried such evaluations as these:

"No technical training.

"Might be accused of being lazy."

"Very slow."

"Has no competence."

Waitt said he didn't think this report, on the other officers ever reached Mr. Truman. But he wasn't sure, he said, because Vaughan didn't say what he was going to do.

The Senate Investigations subcommittee has been studying the activities of the so-called five percenters—men who offer to help land a government contract in return for a fee, often five per cent of the money involved. The committee would like to find out whether they ever exert any undue influence on government officials.

Close Friend of Hunt

Waitt made these additional points to the committee:

1. In a prepared statement, he said that he has been a close friend of James V. Hunt, a self-styled management counselor here whose name has figured prominently in the hearing.

2. The committee heard last week that Waitt went to Hunt's office to dictate his reports to Vaughan on the candidates who might succeed him.

He was asked today why he did that.

"I preferred to do it where it was private," he replied. "I wanted to be completely away from my office."

He said that he thinks Hunt knew he was dictating reports to Vaughan, but that they didn't discuss the contents of the reports.

3. Waitt insisted that only once had Hunt come to him on a matter of business. That was while Hunt represented the Deering Milliken Company of Greenwich, Conn. But, said Waitt of Hunt:

Denies Pleas for Favors

"From the time I first knew him until the present, he has never asked me to do any official favors for him, and there was no agreement, express or tacit, that I assist the organization which he represented in any way."

4. Waitt said that it was Vaughan who had suggested that he should supply him with "my estimate—my personal opinion" of the men likely to succeed him.

The suggestion, Waitt said, was made at some social get-together, "perhaps a cocktail party."

Vaughan told him, Waitt said, that "I was the best qualified for the job and should succeed myself." He said Vaughan noted that Waitt, at 56, "had a lot of good service left in me."

Waitt said he first got the post as chemical chief in November, 1945.

Did he solicit any help to get the job? Senator O'Conor wanted to know.

"That's a difficult question," Waitt replied. "Whether I solicited or not, I'm not sure. I welcomed it."

A moment later he commented:

"I was normally ambitious."

Waitt was asked if he asked Hunt to help him get the post as head of the chemical corps.

Waitt said he couldn't remember, but—

Hunt 'Close Friend'

"Hunt was a close friend and it was a natural assumption that without solicitation he would help me."

Waitt had been acting head of the chemical corps. He said he figured that if Hunt was to aid him, it would be by helping to get his appointment confirmed by the Senate.

"Such assistance as came to me from the outside," he said, "came to me from leading scientists who felt I was best qualified for the job."

He got the job.

As his term as head man neared a close, Waitt realized that seldom, if ever, is the chief of the chemical corps chosen to succeed himself.

Yet, he said, "I must confess that I thought my leadership should continue."

Furthermore, he said, leading American scientists and industrialists also wanted him to stay on as head man.

"If anyone feels deeply about a matter," said Waitt, "he has to go out and get it."

So Waitt went out to get it.

He checked with the army's judge advocate, he said, and learned there was no legal bar to keep him from succeeding himself.

Waitt said it was difficult to talk with army men; they were "interested in the appointment."

So he talked with Hunt—"perhaps my closest friend in Washington."

Hunt, he said, knew "I had been in touch with General Vaughan and that General Vaughan had encouraged me."

Added Waitt:

"I put myself in the position of being very conceited, but in justification, I can say that I was only encouraged by American scientists."

Defends Reports on Rivals

Waitt defended the reports he turned in on his fellow officers. "An honest evaluation," he said.

He explained it this way:

The official reports, in which Waitt rated some of the men highly, dealt with the work they were doing.

The reports he prepared for General Vaughan, on the other hand, were to evaluate their abilities for the top job.

Said McCarthy:

"This obviously was a document to be presented by Mr. Vaughan as Mr. Vaughan's evaluation. Was there any doubt about that?"

Replied Waitt:

"Yes, sir, I think there is some doubt about it. All I can tell you is that General Vaughan did not tell me how to couch the document."

As Waitt left the stand, Chairman Hoey (D-NC) remarked:

"The committee hasn't charged you with anything."

"I haven't been charged with anything by anybody," Waitt replied.

HOUSE EXPECTED TO SPEED VOTE ON ARMS AID BILL

WASHINGTON, Aug. 16—(AP) President Truman's full $1,450,000,000 program of arms aid to "friendly nations" moved swiftly today toward an early House vote.

The House Rules committee sent

the historic measure to the House floor for a day's general debate tomorrow. Consideration of amendments will begin on Thursday, and administration leaders hope the House will pass the bill not later than Friday.

No Major Changes

Speaker Rayburn predicted the program will pass in substantially the form recommended yesterday by the House Foreign Affairs committee. That group approved the full $1,450,000,000 asked by Mr. Truman. However, it decided to authorize in cash only about 55 per cent of the $1,160,000,000 requested for western European members of the Atlantic alliance. The remainder would be covered by authority to enter into contracts, which Congress would be obligated to pay.

Under procedure approved by the rules committee, House members will be free to offer any other amendments they may wish from the House floor. Unless the House limits debate at the end of tomorrow's session, members will be free also to speak five minutes each on any amendment.

The arms aid program moved at a slower pace on the Senate side of the capitol. There a committee upheld the right of Henry Wallace and others to argue before Congress against the President's program.

The combined committee on foreign relations and armed services voted in a closed session to reopen public hearings on the history-making measure.

New Delay in Senate

Previously, without having heard opponents, the committee had ended hearings and prepared to whip the administration's bill into shape for senate consideration.

But Senator George (D.-Ga.), who has ben urging Congress to slash the fund in half, objected that it was not good practice to close hearings without listening to the opposition.

Other senators told reporters it was argued also that Wallace and others who have asked to be heard might accuse the committee of bias if their requests were refused.

Norman Thomas, who has been the Socialist nominee for president six times, is scheduled to be the first witness at the reopened hearings tomorrow. Committee aides said he has asked to appear to criticize certain sections of the bill.

The committee aides said those who have asked to testify in opposition to the program include former Vice President Wallace, the Progressive Party's candidate for president last year; Arthur Schutzer of the American Labor Party, and Elizabeth Moos of the American Continental Congress. A pamphlet issued recently by the New York office of the American Continental Congress for Peace, which is scheduled to meet Sept. 5-10 in Mexico City, listed Elizabeth Moos as one of its sponsors. The pamphlet said the purpose of the Mexico City meeting is to stop a "drive towards war" and to express "the powerful demand for peace by the people from Alaska to Patagonia." A State department official has commented that this meeting apparently will be "Moscow-directed."

Bradley Takes New Post As Staff Chief

Washington, Aug. 16 (AP)—Gen. Omar N. Bradley today took over the nation's highest military post.

The former Army Chief of Staff was sworn in by Secretary of Defense Johnson as chairman of the Joint Chiefs of Staff. He is the first to hold the office, recently created by Congress.

The Joint Chiefs of Staff are the operating heads of the three armed services—the Army, Navy and Air Force. They serve as the chief military advisers to the President and the Secretary of Defense.

No Command Authority

It will be Bradley's job to smooth out any squabbles among them, although he will have no vote or command authority. Gen. Dwight D. Eisenhower, Supreme Allied Commander in Europe during the last war, has been serving temporarily as chairman of the group.

As he took the oath at the Pentagon, Bradley was surrounded by the three secretaries of the armed forces, his fellow chiefs of staff and Deputy Secretary of Defense Stephen T. Early.

Standing proudly beside him was his wife.

Hand Trembled

Bradley's hand, resting on the Bible, trembled as he repeated the oath.

After the ceremony in Johnson's office the gathering of high ranking officers, congressmen and personal friends went down a hall to the office Bradley had occupied as army chief of staff.

There, Bradley swore in the new army chief, Gen. J. Lawton Collins, who has been vice chief of staff for the Army.

During World War II Collins served under Bradley in the drive across Europe which ultimately saw Bradley take command of 1,300,000 combat troops, the largest body of United States soldiers ever to serve under a single commander.

Lieut. Col. Chester N. Hansen, of Elizabeth, N.J., who, for over seven years, has served as aide to Bradley, will still be at his side.

Hansen will serve as a special assistant to Bradley in the joint chiefs organization.

GEN. MACARTHUR REJECTS BID TO TESTIFY ON CHINA

WASHINGTON, Aug. 16—(AP) Gen. Douglas MacArthur said today "national interests" require his presence in Tokyo. For that reason he regretfully rejected a congressional invitation to report personally on the Far Eastern situation.

The allied commander of occupation forces in Japan cabled that reply to Secretary of Defense Johnson who had relayed the request for MacArthur's return on behalf of the Senate Foreign Relations and Armed Services committee. The lawmakers voted 13 to 12 last Friday to ask the general to testify on the foreign arms program—particularly in the light of communist advances in China.

Reject Bid

MacArthur said he could "not help but feel deeply appreciative of the honor" but he added:

"I believe, however, that during this moment of critical events in the Far East the interests of the American people are better served by my remaining at my post here."

The State department, meanwhile, announced it has ordered the U. S. Embassy in nationalist China's capital at Canton to be closed if the city is threatened with occupation by communist forces.

This marked the second time within the past two years that MacArthur has turned down special bids from the lawmakers to advise them personally on developments in the Orient. He has not been back in this country since shortly before the outbreak of the last war.

No Comment

Members of the Senate committees had no comment on the latest turn down. The initiative for extending the inviations largely has come from Republicans who are extremely critical of the way the administration has conducted diplomatic and military relations with China.

In his reply, MacArthur said the Chinese area "has never been within the area of my command responsibility or authority." He said it is under "the direct jurisdiction of the joint chiefs of staff acting through a naval commander."

The general went on to say that last year he had given the House Foreign Affairs committee "my general views on this subject." He added that "my specific views with respect to strategic potentialities of the area embracing my far east command are fully on file with the Department of the Army."

The senators meanwhile waited to hear from Vice Admiral Oscar C. Badger who also had been invited to testify. Badger has been serving as commander of U. S. naval forces in the Far East with most of his duty in Chinese waters.

Badger is turning over his command shortly to Vice Admiral Russell Berkey and is expected to return to Washington about Sept. 1.

British Gold Shipments $60,892,786 for Week

By The Associated Press.

WASHINGTON, Aug. 16—Britain shipped $60,892,786 in gold to this country during the week ended July 27, the Bureau of the Census reported today. In the same period, $2,223,778 in silver was shipped from this country to Hong Kong.

There was no official explanation of either shipment. Reasons behind the transactions are seldom, if ever, disclosed. However, the British have a heavy deficit in trade with this country. The silver shipment to Hong Kong, it was thought, may have been connected with efforts begun recently by the Chinese Nationalist Government to provide a silver-backed currency.

Foreign countries altogether had $3,670,544,121 in gold under earmark in Federal Reserve banks in this country on July 27. During that week they increased their gold holdings by $26,363,438.

Immigration Plan Approved

Washington, Aug. 16 (AP)—Legislation to allow 3,200 alien scientists and specialists to enter the United States annually was approved today by the House Judiciary Committee. Applicants would have to be sponsored by a government or private agency needing their services.

U-E Heads to Take Non-Red Oath In 'Couple of Months,' Chief Says

Will Sign Affidavits 'But We Won't Like It,' Fitzgerald Announces

ELMIRA, N. Y., Aug. 16 (AP)—Albert Fitzgerald, national president of the CIO United Electrical Workers, said tonight the national officers of the union would sign non-communist affidavits in "a couple of months."

Fitzgerald is one of the last holdouts among CIO union officials against the oath required by the Taft-Hartley law.

He declared that the UE officers would sign "but we won't like it."

Fitzgerald addressed a meeting of Local 310.

"The members of the union who think that all problems will be solved by taking this oath will be badly fooled," he asserted.

Fitzgerald predicted that the union would have a big fight with the General Electric company in January. He said the UE national officers expected GE "to try to scrap the UE contract."

So far, he said, GE representatives have treated UE officers "with contempt" during contract negotiations this year.

General Electric has rejected the union's demand for a $500 annual "package" pay increase. The "package" is a combination of wage increases, reduction of hours without loss of take-home pay and other benefits.

The union claims to represent 100,000 GE employes. Some locals have recommended that a strike vote be taken.

The company-union contract signed April 1, 1948, remains in effect until April 1, 1950, and from year to year thereafter unless either party gives a 90-day notice of termination. Fitzgerald apparently referred to January in connection with the 90-day requirement.

Arnold Asserts He Chose B-36, Calls It Best

Retired Chief of Air Force Declares Politics Did Not Figure in His Selection

SAN FRANCISCO, Aug. 16 (AP).—General Henry H. Arnold declared today "political favoritism and business relationship had nothing to do with the selection of the B-36 as a long range military bomber."

"I should know as I am the one who selected it," he added.

General Arnold, retired chief of the United States Air Force, made the statement at his 4th Air Force headquarters at Hamilton Field after being informed a Congressional subcommittee is on its way here to question him about the B-36 deals.

News of the Congressional committee reached General Arnold as he was presented with models of the first two military airplanes. He accepted them for the Army from the Curtis-Wright Corporation.

He said he had presumed he would be questioned about the B-36 bombers because he headed the Air Force at the time in question. He said he did not know when the interview would take place.

The war-time air commander described the B-36 as the "best of its kind and time" and declared it has "demonstrated by its performance that it was well chosen as a long-range bomber."

30.24- 5081

GUEST OF THE MARSHALLS

Mme. Chiang Kai-shek Is With General and Wife Up-State

RAQUETTE LAKE, N. Y., Aug. 16 (AP)—Madame Chiang Kai-shek is a guest of Gen. and Mrs. George C. Marshall at the old J. P. Morgan estate near this Adirondack Mountain village. The wife of China's Generalissimo arrived on Sunday night by train for a ten-day "purely social" visit, it was learned tonight.

General Marshall, former Secretary of State and wartime Army Chief of Staff, came here by automobile last week for a "quiet vacation."

The Morgan estate is on Utawanea Lake, an isolated spot east of this community.

U.N. SCIENTISTS MEETING TODAY

3-Day Conference Aimed At Raising Living Standards

Lake Success, N.Y., Aug. 16 (AP)—Scientists of 50 nations start a quest tomorrow for ways to create a higher standard of living everywhere by using more of the earth's resources.

But it has to be done without dooming nations to running out of fuel, water, land, food or minerals.

Some 700 scientists will tackle this double-edged problem in the first conference of scientists called by the United Nations. It is the United Nations Scientific Conference on Conservation and Utilization of Resources.

To Confer Three Weeks

The scientists will meet for three weeks, exchanging ideas. One problem is how to use new methods in getting war-ravaged factories and lands back to full productivity.

Another is how to overcome critical shortages of metals, fuels or food, and how to prevent some reserves of natural resources from being used up too fast. Still another is how to tap the resources of undeveloped countries.

"No country has a monopoly of the best methods or ideas," conference leaders said.

Discussions will range from new plant and animal hybrids for food to getting energy from the wind and tides.

Other Topics Listed

Other topics will include gasifying coal to make fuel without taking coal from the ground; method of halting soil erosion; flood control and hydro-electric power developments; conservation of fish and wildlife for a greater and surer supply of food; mining metals and other elements from the sea; new ways to find coal and metals; turning sawdust and other wood wastes into animal feed or plastics; methods of reclaiming metals, production of synthetic fuels, and attempts to control the weather to get rain where it's needed.

Atomic energy is not on the programs.

Don't Represent Nations

It will be the first United Nations meeting in which delegates do not represent their national governments. Instead, the scientists will be representing the various branches of science throughout the world. They will pool their information, but will not make recommendations or policies.

"Man's scientific and practical knowledge is itself one of the world's great resources," the formal program says. "It is a resource that grows with use and is enlarged by sharing."

Russia was invited to send scientists, but declined.

Trygve Lie Back In U.S. After Europe Vacation

Lake Success, Aug. 16 (AP)—Trygve Lie, United Nations Secretary-General returned from his European vacation today with a feeling that world conditions are improving.

"I feel much better about world conditions this summer than I did last summer," Lie said in a statement.

"I believe more than ever that the United Nations is doing an increasingly important job for peace. And I also believe we have the increasing support of the people in that task."

Lie was away six weeks. He spent most of this time in Scandinavian countries.

LONDON, AUG. 16-(AP)-RUSSIA HAS RECALLED HER AMBASSADOR TO YUGOSLAVIA, WHICH WAS DENOUNCED LAST WEEK AS AN ENEMY OF THE SOVIET UNION, AND PROMOTED HIM TO DEPUTY FOREIGN MINISTER.

THE MOSCOW RADIO ANNOUNCED THE SHIFT IN DUTIES FOR CAREER DIPLOMAT ANATOLE I. LAVRENTIEV YESTERDAY.

THE RUSSIAN ANNOUNCEMENT MADE NO MENTION OF A SUCCESSOR IN THE BELGRADE POST.

THE RUSSIANS LAST WEEK ADDRESSED THEIR SHARPEST NOTE IN A YEAR OF WRANGLING TO THE GOVERNMENT OF PREMIER MARSHAL TITO. THE TWO COMMUNIST GOVERNMENTS HAVE BEEN ON THE OUTS SINCE TITO WAS KICKED OUT OF THE COMINFORM (COMMUNIST INTERNATIONAL INFORMATION BUREAU) IN JUNE, 1948, FOR DEVIATING FROM THE MOSCOW COMMUNIST LINE.

LAVRENTIEV HAS SERVED AS MINISTER TO ROMANIA AND BULGARIA AND ONCE HEADED THE NEAR EAST DEPARTMENT OF THE SOVIET FOREIGN MINISTRY. HE ALSO WAS COMMISAR FOR FOREIGN AFFAIRS OF THE RUSSIAN SOVIET FEDERATED SOCIALIST REPUBLIC, ONE OF THE 16 STATES IN THE SOVIET UNION.

RP710AED

AUG 17 1949

LONDON, AUG 16-(AP)-THE SECRECY AROUND BRITAIN'S FIRST JET BOMBER, THE CANBERRA, WILL BE LIFTED SOON.

THE AIRCRAFT WILL BE SHOWN TO THE PUBLIC FOR THE FIRST TIME AT THE SOCIETY OF BRITISH AIRCRAFT CONSTRUCTORS AVIATION EXHIBITION AT FARNBOROUGH IN SEPTEMBER.

AVIATION EXPERTS SAID THEY EXPECTED SOME OF THE DETAILS OF ITS CONSTRUCTION AND POSSIBLY ITS PERFORMANCE TO BE MADE KNOWN BEFORE THEN, INDICATING BRITAIN HAS ADVANCED BEYOND THE CANBERRA IN ITS JET RESEARCH.

LARGER BOMBERS WITH FOUR JET ENGINES ARE KNOWN TO BE UNDER DEVELOPMENT.

THE ROYAL AIR FORCE IS BELIEVED TO HAVE BEEN USING THE LESSONS LEARNED FROM THE CANBERRA IN DEVELOPING A NEW STRATEGY FOR MODERN AIR ATTACK AND DEFENSE AT SPEEDS FASTER THAN SOUND AND AT VERY HIGH ALTITUDES.

THE CANBERRA WAS FIRST FLOWN LAST MAY. PHOTOGRAPHS RELEASED THEN SHOWED IT HAD A SLIM, CIGAR-SHAPED FUSELAGE WITH A SMALL COCKPIT SITTING FORWARD ON THE WINGS TO GIVE THE PILOT A WIDE VISION RANGE.

AVIATION EXPERTS GUESSED ITS SPEED AT CLOSE TO 600 MILES AN HOUR. THE MINISTRY OF SUPPLY ANNOUNCED IN 1947 THAT IT HAD PLACED ORDERS IN 1945 FOR A MEDIUM-RANGE BOMBER, PRESUMABLY THE CANBERRA, POWERED BY TWO JET ENGINES CAPABLE OF A SPEED TWICE THAT OF THE RAF'S PISTON ENGINED BOMBER, THE AVRO LINCOLN.

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AUG 17 1949

LONDON, AUG.16-(AP)-THE GREEK REBEL RADIO TONIGHT ACCUSED YUGOSLAV TROOPS OF MAKING ATTACKS ON THE REAR AND FLANK OF COMMUNIST GUERRILLAS IN THE VITSI AREA.

THE VITSI MOUNTAINS ARE IN AN ANGLE OF THE ALBANIAN AND YUGOSLAV BORDER WITH GREECE. THE GREEK HIGH COMMAND HAS ANNOUNCED THAT ORGANIZED GUERRILLA RESISTANCE BY ABOUT 8,000 GUERRILLAS WAS CRUSHED IN A FOUR-DAY OPERATION LAST WEEK.

THE BROADCAST, RELAYED HERE BY THE OFFICIAL CZECHOSLOVAK NEWS SERVICE, SAID YUGOSLAV UNITS AIDED GREEK TROOPS IN THE OFFENSIVE. EARLIER, THE ITALIAN NEWS AGENCY ASTRA REPORTED THAT THE GREEK REBEL RADIO INDICATED YUGOSLAVS FIRED ON THE GUERRILLAS WHILE THEY WERE ATTEMPTING TO RETREAT INTO ALBANIA.

THE CZECH NEWS AGENCY QUOTED THE REBEL RADIO AS SAYING IT HAD

AUG 17 1949

EVIDENCE OF YUGOSLAV TERRITORY HAVING BEEN USED FOR ATTACKS "BY TITOITES" ON THE GUERRILLAS.

MARSHAL TITO OF YUGOSLAVIA RECENTLY ANNOUNCED HE WAS CLOSING HIS BORDER WITH GREECE TO THE REBELS AND WOULD NOT ALLOW THEM TO SEEK REFUGE IN HIS COUNTRY.

THE CZECH NEWS AGENCY QUOTED NEWSPAPERS IN TIRANA, THE ALBANIAN CAPITAL, AS SAYING MANY HOUSES WERE BURNED AND DESTROYED BY GREEK BOMBING AND SHELLING AT MELKULAS, FIVE MILES INSIDEMALBANIA. TME GREEKS HAVE DENIED MAKING ATTACKS ACROSS THE ALBANIAN BORDER.

MJ523PED

(ADVANCE FOR USE AT 6 P.M., EASTERN STANDARD TIME TODAY, TUESDAY, AUG.16)

(ADVANCE)..LONDON, AUG 16-(AP)-THE FEDERATION OF BRITISH INDUSTRIES ASSERTED TODAY THE ONLY WAY FOR BRITAIN TO PULL OUT OF ITS ECONOMIC NOSE DIVE IS TO LOWER ITS STANDARD OF LIVING.

THE FEDERATION SAID THE LABOR GOVERNMENT'S SPENDING ON SOCIAL WELFARE SCHEMES MUST BE CURTAILED. ONE OF THESE SCHEMES IS THE COSTLY NATIONAL HEALTH SERVICE.

IN A FORMAL STATEMENT THE FEDERATION ALSO CALLED FOR LOWER TAXES, FEWER GOVERNMENT CONTROLS, AND HARDER WORK TO PRODUCE MORE WITHOUT RAISING PRICES.

IT ADDED THAT LABOR PARTY PLANS FOR NATIONALIZING MORE BASIC INDUSTRIES, SUCH AS IRON AND STEEL, ARE "DISTRACTING" THE NATION'S PRODUCERS AT A TIME WHEN BUSINESS PROBLEMS DEMAND THEIR CLOSEST ATTENTION.

THE FEDERATION REPRESENTS 6,000 OWNERS OF BRITISH INDUSTRIES. IT CORRESPONDS ROUGHLY TO AMERICA'S NATIONAL ASSOCIATION OF MANUFACTURERS.

ITS STATEMENT SAID: "THERE CAN BE NO ESCAPE FROM THE HARD LOGIC THAT OUR STANDARDS OF LIVING, INCLUDING SOCIAL SERVICES, MUST BE CUT ACCORDING TO THE CLOTH WE CAN FROM NOW ON MAKE.

"WE ARE STILL LIVING BEYOND OUR MEANS.

"THE VAST AND MENACING INCREASE IN STATE EXPENDITURE CONSTITUTES THE BASIC INFLATIONARY INFLUENCE IN OUR WHOLE ECONOMY.

"IT IS THIS WHICH BEARS MOST HEAVILY UPON PRODUCTION COSTS AND IS ONE OF THE MOST SERIOUS HANDICAPS TO THE FUTURE OF BRITISH TRADE AND TO THE LIVING STANDARDS OF OUR PEOPLE."

BRITAIN'S GOLD AND DOLLAR RESERVES--ITS WORKING CAPITAL FOR TRADE WITH THE DOLLAR AREA--HAD DWINDLED TO $1,624,000,000 AT THE END OF JUNE.

THE FEDERATION SAID THIS IS "20 PERCENT BELOW THE LOWEST MARGIN OF SAFETY."

(END ADVANCE FOR USE AT 6 PM EST TODAY TUESDAY AUG.16)

G410PED

BY ARTHUR GAVSHON

LONDON,AUG.16-(AP)-BRITISH LEADERS ARE DEVELOPING THEIR ARGUMENTS FOR THE SEPT. 7 MEETING IN WASHINGTON OF AMERICAN, BRITISH AND CANADIAN FINANCE MINISTERS ON THE STERLING AREA'S DOLLAR PROBLEM.

GOVERNMENT SOURCES SAID THE TOP ARGUMENT WILL BE THIS: THAT UNLESS A QUICK, LONG TERM SETTLEMENT OF THE STERLING AREA'S DOLLAR CRISIS IS FOUND, COMMUNISM CANNOT BE HELD BACK IN THE MIDDLE EAST AND THE ORIENT.

THEY ADDED THE AGENDA WILL ALLOW THE DOLLAR CRISIS TO BE EXAMINED TOGETHER WITH THE BIG WESTERN POWERS' POLITICAL AND STRATEGIC NEED TO CONTAIN COMMUNISM ON ALL FRONTS.

THE MUCH DISCUSSED QUESTION OF WHETHER THE BRITISH SHOULD DEVALUE THE POUND STERLING FROM ITS PRESENT RATE OF $4.04 APPARENTLY IS NOT ON THE AGENDA.

FOREIGN SECRETARY ERNEST BEVIN LEAVES FOR WASHINGTONHAUG. 27 ON THE QUEEN ELIZABETH. SIR STAFFORD CRIPPS, CHANCELLOR OF THE EXCHEQUER, WILL LEAVE A DAY OR TWO LATER.

TRAVELING WITH BEVIN WILL BE U.S. AMBASSADOR LEWIS DOUGLAS WHO WILL TAKE PART IN THE WASHINGTON TALKS.

THE GOVERNMENT INFORMANTS SAID CRIPPS AND BEVIN WILL STRESS THAT BRITAIN WILL BE BETTER ABLE TO RESIST COMMUNISM IN REGIONS UNDER HER INFLUENCE--LIKE THE MIDDLE AND FAR EAST--IF SHE IS ASSURED OF A REGULAR DOLLAR FLOW.

THEY POINTED OUT THAT ONE WAY IN WHICH THAT FLOW COULD BE MAINTAINED WAS FOR THE UNITED STATES TO AGREE:

1--TO UNDERTAKE A BIG SCALE PROGRAM OF CAPITAL INVESTMENT IN THE BRITISH COMMONWEALTH AND IN THE COLONIAL (NON-SELF-GOVERNING) EMPIRE.

2--TO JOIN THE COMMONWEALTH IN FIXING PRICES AND MARKETS FOR SUCH BASIC COMMODITIES AS COCOA, RUBBER, JUTE, WOOL, TIN COPPER AND VARIOUS FERROUS AND NON-FERROUS METALS FOR SOME YEARS AHEAD.

BRITISH TREASURY AND TRADE EXPERTS ARE NOW DEVELOPING PROPOSALS FOR DISCUSSION IN WASHINGTON ALONG THOSE LINES.

THE INFORMANTS REMARKED TMZT SUCH ARRANGEMENTS FOR PRODUCTS DERIVED PRIMARILY FROM IMPERIAL SOURCES WOULD BOLSTER THE

THE INFORMANTS REMARKED THAT SUCH ARRANGEMENTS FOR PRODUCTS DERIVED PRIMARILY FROM IMPERRID SOURCES WOULD BOLSTER THE ECONOMIES OFVLAYA, SOU

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THE INFORMANTS REMARKED THAT SUCH ARRANGEMENTS FOR PRODUCTS DERIVED PRIMARILY FROM IMPERIAL SOURCES WOULD BOLSTER THE ECONOMIES OF MALAYA, SOUTH AFRICA, NIGERIA AUSTRALIA AND NEW ZEALAND, SO ENABLING THEM TO PLAY A BIGGER PART IN CONTAINING COMMUNISM.

BRITAIN ALSO WOULD LIKE THE GOLD PRICE RAISED TO A LEVEL WHICH WOULD TAKE INTO ACCOUNT THE INCREASE IN PRODUCTION COSTS SINCE THE WAR BEGAN.

MORE MONEY FOR GOLD WOULD PROVIDE MORE DOLLAR-MONEY FOR BRITAIN BECAUSE SHE HAS ACCESS TO PART OF THE PRODUCTION OF SOUTH AFRICA--WHICH MINES ABOUT HALF THE WORLD'S TOTAL OUTPUT.

ANOTHER ARGUMENT BEVIN AND CRIPPS ARE LIKELY TO USE, THE INFORMANTS SAID, IS THAT THE UNITED STATES AND BRITAIN OUGHT TO WORK MORE CLOSELY TOGETHER IN DEVELOPING THE "UNDER DEVELOPED AREAS" OF THE WORLD.

PRESIDENT TRUMAN HAS ALREADY PROPOSED SUCH A PROGRAM.

BEVIN HAS ALREADY OFFERED BRITAIN'S COOPERATION. THE INFORMANTS SAID HE WILL TAKE OVER WITH HIM, FOR EXAMPLE, SEVERAL PROJECTS FOR DEVELOPING THE ARAB COUNTRIES OF THE MIDDLE EAST.

MJ446PED

PARIS, AUG. 16-(AP)-PAUL G.HOFFMAN, ADMINISTRATOR OF THE EUROPEAN RECOVERY PROGRAM, WARNED EUROPE YESTERDAY AGAINST CUTTING AMERICAN IMPORTS AND URGED AN INCREASE IN EXPORTS TO THE U. S. TO SOLVE EUROPE'S DOLLAR SHORTAGE.

"I KNOW OF NO OTHER CONSTRUCTIVE WAY TO CLOSE A DOLLAR DEFICIT THAN TO EARN A DOLLAR INCOME," HE TOLD A NEWS CONFERENCE. "CERTAINLY TO CLOSE THAT GAP BY DRASTIC CURTAILMENT OF IMPORTS IS PRECISELY THE WRONG WAY TO DO IT. IT COULD ONLY MEAN A LOWER STANDARD OF LIVING FOR EUROPE."

HOFFMAN AVOIDED REQUESTED COMMENT ON BRITAIN'S ECONOMIC POLICIES WHICH HAVE LED TO RECENTLY ANNOUNCED PLANS TO REDUCE BUYING IN THE U. S., BUT HOFFMAN, FORMER PRESIDENT OF THE STUDEBAKER CORPORATION, DECLARED AUTOMOBILES WERE NOT THE TYPE OF EXPORT THAT COULD BE INCREASED TO THE U. S.

THE MARSHALL PLAN ADMINISTRATOR NOTED THAT EUROPE SENT ONLY $1,000,000,000 (B) EXPORTS TO THE U. S. LAST YEAR AND COMMENTED "IF THE RIGHT TYPE OF GOODS IS OFFERED AND MERCHANDIZED, THAT CAN BE DOUBLED OR TRIPLED IN THE NEXT FIVE YEARS."

HE OBSERVED THAT IF MONEY FROM AMERICAN TOURISTS WERE ADDED EUROPE COULD EARN $4,000,000,000 (B) FROM THE U. S. EVERY YEAR.

JT313AED

ALPHAND ASKED FOR DETAILS ON HOW SUCH AID WOULD BE GIVEN. HOFFMAN REPLIED THAT WHEN A SPECIFIC EUROPEAN INDUSTRY SHOWED AN INTEREST IN SELLING MORE OF ITS PRODUCTS IN THE UNITED STATES, AN AMERICAN MARKET EXPERT WOULD BE FOUND IN THAT PARTICULAR LINE TO SHOW THE EUROPEANS HOW TO INCREASE SALES.

A110

HOFFMAN ALSO CRITICIZED OEEC'S INFORMAL SET-UP. HE SAID IT WAS A MATTER OF "BREATHTAKING URGENCY" TO TELL THE UNITED STATES WHAT KIND OF JOB THE OEEC IS DOING. THERE IS A GROWING NOTION IN AMERICA, HE REPORTED, THAT THE MARSHALL PLAN IS A POLITICAL BUT NOT AN O ECONOMIC SUCCESS.

HOFFMAN'S STATEMENTS WERE REPORTED BY M.D. MALLETT, OEEC'S PRESS RELATIONS CHIEF.

IT IS HARD TO CONVINCE CONGRESS, HOFFMAN TOLD THE DELEGATES, THAT THE OEEC CAN CLAIM SOLID ACCOMPLISHMENTS. IT IS UP TO THE EUROPEAN COUNTRIES, HE ADDED, "TO MAKE A LIVING FACT OUT OF EUROPEAN COOPERATION."

HOFFMAN PRAISED THE OEEC REQUEST TO MEMBERS FOR LISTS OR GOODS ON WHICH THEY ARE WILLING TO END IMPORT QUOTAS. OCT 1 HAS BEEN SET AS THE DEADLINE FOR THESE LISTS. HE REMINDED THEM, HOWEVER, THAT THE MEASURE WILL BE SIGNIFICANT ONLY IF THE LISTS ARE SIGNIFICANT --THAT IS, IF THEY INCLUDE IMPORTANT PRODUCTS THAT WILL ACCOUNT FOR A CONSIDERABLE PERCENTAGE OF EUROPEAN TRADE. MOST EUROPEAN COMMERCE IS NOW STRICTLY LIMITED BY AGREEMENTS BETWEEN PAIRS OF COUNTRIES.

YESTERDAY HOFFMAN WARNED AGAINST CUTS IN AMERICAN IMPORTS.

"I KNOW X X X SECOND GRAPH (A14)

TU-EH1048AED

VATICAN CITY-- FIRST ADD CATHOLIC-COMMUNIST (A96) X X THE MASS.

THE MARRIAGE OF A NON-MILITANT COMMUNIST WITH A PROFESSING CATHOLIC CAN BE PERFORMED IN THE SAME WAY AS OTHER CATHOLIC MARRIAGES, L'OSSERVATORE SAID, PROVIDED THERE IS A "MORAL CERTAINTY" THAT THE CHILDREN WILL BE BAPTIZED AND EDUCATED AS CATHOLICS.

MANY WHO VOTE COMMUNIST IN ITALY FALL IN THE CATEGORY WHICH HAS COME TO BE KNOWN AS THAT OF "ECONOMIC COMMUNISTS." THEY FOLLOW THE COMMUNISTS POLITICALLY, WHILE CLINGING TO THEIR FAITH IN DEVOUT ITALY. THE CELEBRATION OF A CATHOLIC MARRIAGE IS ACCOMPANIED BY A NUPTIAL MASS IN WHICH HOLY COMMUNION IS ADMINISTERED, AND BOTH THE MASS AND THE COMMUNION ARE SACRAMENTS WHICH WOULD BE DENIED TO ANY PERSON WHO HAD BEEN EXCOMMUNICATED.

IF BOTH PARTIES TO A MARRIAGE ARE SUCH NON-MILITANT COMMUNISTS, L'OSSERVATORE SAID, THE MARRIAGE WILL BE PERMITTED IF BAPTISM AND CATHOLIC EDUCATION FOR THE CHILDREN ARE MORALLY CERTAIN.

"BUT IT OFTEN WILL BE DIFFICULT TO OBTAIN THIS CERTAINTY IN SUCH CASES," THE PAPER ADDED.

L'OSSERVATORE SAID THE NEW DECREE IS OPPORTUNE BECAUSE "INACCURATE INTERPRETATIONS, ESPECIALLY WITH REGARD TO MATRIMONY, HAVE ARISEN" AS A RESULT OF THE JULY 13 EXCOMMUNICATION DECREE.

"MATRIMONY IS, CERTAINLY, A SACRAMENT," THE PAPER SAID. "LET US ADD, HOWEVER, THAT IT IS DISTINCT FROM OTHER SACRAMENTS IN SOME OF ITS NOTED DETAILS, AMONG WHICH THE FOLLOWING ONE MUST BE REMEMBERED:

"THE MINISTERS OF THE SACRAMENT ARE THE SPOUSES THEMSELVES, WHICH MEANS THAT THE SACRAMENTAL ACTION IS REALLY PERFORMED NOT BY THE ASSISTING PRIEST BUT BY THE CONTRACTING PARTIES."

THE NEWSPAPER CONTINUED:

"THE PRIEST IS THE OFFICIAL WITNESS, ORDINARILY REQUIRED FOR THE VALIDITY OF THE SACRAMENTAL CONTRACT; HE ALSO IS THE TRUE MINISTER OF THE RITES AND THE SACRED CEREMONIES, WITH WHICH THE CHURCH SOLEMNIZES THE CELEBRATION OF MATRIMONY AND INVOKES ON THE SPOUSES THE BENEDICTION OF GOD."

L'OSSERVATORE SAID MILITANT COMMUNISTS WOULD CONTINUE TO BE BANNED FROM THE OTHER SACRAMENTS.

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30.24- 5083

GENEVA, SWITZERLAND, AUG. 16-(AP)-THE UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL COMPLETED LAST NIGHT A BROAD PLAN FOR AIDING UNDERDEVELOPED AREAS OF ASIA, AFRICA AND SOUTH AMERICA.

THE PROGRAM TO HELP THESE COUNTRIES REACH ECONOMIC AND SOCIAL SECURITY WILL BE FORWARDED TO THE U.N. GENERAL ASSEMBLY FOR FINAL APPROVAL. AS DRAWN UP, THE PLAN RESEMBLES PRESIDENT TRUMAN'S PROPOSAL FOR AID TO BACKWARD AREAS.

IT WAS APPROVED BY THE COUNCIL BY A VOTE OF 15 TO 0. THE SOVIET UNION, WHITE RUSSIA AND POLAND ABSTAINED FROM VOTING.

A MAXIMUM OF $36,000,000 (M) NEXT YEAR AND AN ESTIMATED $50,000,000 (M) THE FOLLOWING YEAR WOULD BE SPENT ON THE PROGRAM THROUGH THE U.N. AND SPECIAL AGENCIES.

THE FOOD AND AGRICULTURE ORGANIZATION (FA9) WOULD RECEIVE 29 PER CENT OF THE FUNDS, THE U.N. 23 PER CENT, THE WORLD HEALTH ORGANIZATION 22 PER CENT, AND THREE OTHER AGENCIES 26 PER CENT.

THE COUNCIL WILL CALL A CONFERENCE DURING THE FORTHCOMING GENERAL ASSEMBLY TO DETERMINE CONTRIBUTIONS EXPECTED FROM PARTICIPATING GOVERNMENTS FOR THE PROGRAM.

COUNCIL CHAIRMAN JAMES THORN OF NEW ZEALAND SAID THE PROGRAM "WILL REDUCE TENSIONS AND DANGERS WHICH FLOW FROM DEGRADATION AND INEQUALITY" IN THE UNDERDEVELOPED AREAS.

RP555AED

brussels, belgium, aug. 16 - (ap) - belgium's new coalition

government proposed today spending 1,000,000,000 (b) fbxhxbx francs

($251,959,000) on a public works program to combat rising unemployment.

premier gaston eyskens in axhxbxhgbxbxhphx his first message to

parliament also called for measures to cut state expenses and taxes.

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BERLIN,AUG.16-(AP)-THE THREE WESTERN MILITARY COMMANDANTS HAVE APPROVED PROVISIONALLY A WEST BERLIN CITY BUDGET OF 1,719,789,440 DEUTSCHE MARKS (APPROXIMATELY $516,000,000), FOR THE FISCAL YEAR 1949-50.

THE COMMANDANTS TOLD THE CITY GOVERNMENT THEY HAD NOTED WITH SATISFACTION THAT INCREASES IN REVENUE AND REDUCTIONS IN CITY EXPENDITURES HAD REDUCED THE WEST BERLIN DEFICIT FROM APPROXIMATELY 600,000,000 MARKS ($180,000,000) TO 252,000,000 ($75,600,000).

"WE REALIZE THAT BERLIN WILL CONTINUE TO NEED SUBSTANTIAL OUTSIDE ASSISTANCE FOR THE INTERIM PERIOD BEFORE THE ESTABLISHMENT OF THE WEST GERMAN FEDERAL GOVERNMENT," SAID THE BUDGET APPROVAL NOTE.

"IN THESE CIRCUMSTANCES IT WILL BE UNDERSTOOD THAT THE ALLIED KAMMANDATURA IS UNABLE TO GIVE FINAL APPROVAL OF THE BUDGET."

PROVISIONAL APPROVAL WAS GIVEN ON THREE CONDITIONS:

1. THAT EXPENDITURES ARE MAINTAINED WITHIN THE BUDGET ESTIMATE AND RECEIPTS FROM LOCAL REVENUE COME UP TO EXPECTATIONS.

2. THAT SUPPLEMENTARY ESTIMATES OR OTHER DEMANDS WILL NOT BE MADE TO COVER EXISTING INDEBTEDNESS UNLESS REVENUES TO COVER COSTS ARE INSURED.

3. THAT PENDING DECISIONS OF THE FEDERAL GOVERNMENT, MONTHLY EXPENDITURES WILL BE RESTRICTED TO ONE TWELFTH THE ESTIMATED ANNUAL EXPENDITURE.

BJ1055AED

DORTMUND, GERMANY, AUG. 16-(AP)-PLACARDS BLAMING BRITISH FOREIGN SECRETARY ERNEST BEVIN FOR THE DISMANTLEMENT PROGRAM GREETED GERMAN WORKERS ARRIVING TODAY TO BEGIN REMOVAL OF MACHINERY FROM THE BIG GELSENBERG BENZENE PLANT.

A BIG BANNER HOISTED OVER THE MAIN ENTRANCE READ: "WHO ORDERED OUR MISFORTUNE? LABOR LEADER BEVIN."

BRITISH OFFICERS DISPERSED 3,000 WORKERS WHO HAD STOOD IDLE AROUND THE CREW OF 200 DISMANTLERS.

"DON'T HANG AROUND-- THE SITUATION IS TENSE ENOUGH," THE BRITISH TOLD THE WORKMEN.

IN SOME SYNTHETIC OIL PLANTS PREVIOUSLY DISMANTLED, THE DISMANTLING CREWS HAD BEEN ATTACKED BY ANGRY PLANT WORKERS. PRODUCTION OF SYNTHETIC OIL AND GASOLINE HAS BEEN BANNED BY THE ALLIES WHO FORBADE GERMAN MANUFACTURE OF WAR POTENTIAL.

TU850AED

AUG 17 1949

WITH BONN GERMAN

FRANKFURT, GERMANY, AUG.16-(AP)-U.S.HIGH COMMISSIONER JOHN J. MCCLOY SAID TODAY HE WULD FAVOR STEPS TO INCLUDE THE NEW WEST GERMAN REPUBLIC IN THE COUNCIL OF EUROPE BEING FORMED AT STRASBOURG.

"I SUPPOSE THAT IS A VERY HIGH LEVEL QUESTION OF POLICY TO BE DETERMINED AT HIGH LEVEL," MCCLOY TOLD AN INTERVIEWER AT HIS FIRST PRESS CONFERENCE SINCE SUNDAY'S GERMAN ELECTIONS.

"BUT I FEEL PERSONALLY THAT STEPS IN THAT DIRECTION ARE HIGHLY DESIRABLE."

MC CLOYEWAS ASKED WHETHER GERMAN PARTICIPATION IN THE EUROPEAN COUNCIL WOULD CONFLICT WITH THE OCCUPATION STATUTE WHEREBY ALLIED OCCUPATION POWERS RETAIN CONTROL OVER GERMAN FOREIGN AFFAIRS.

THE HIGH COMMISSIONER REPLIED THAT HE WAS NOT SUGGESTING THAT GERMANY ENTER FOREIGN RELATIONS. HE INDICATED THAT HE DID NOT BELIEVE THAT MEMBERSHIP IN AN ASSEMBLY WOULD COMPRISE FOREIGN RELATIONS IN THE GENERALLY ACCEPTED SENSE.

PS302PED

AUG 17 1949

THEY WERE REPORTED TO HAVE INQUIRED OF BRITISH OFFICIALS AT GOETTINGEN ABOUT THE POSSIBILITY OF OBTAINING PASSES TO TRAVEL THROUGH THE RUSSIAN ZONE OF BERLIN.

THEY WERE REFERRED TO AMERICAN AUTHORITIES IN FRANKFURT, BUT WERE NOT KNOWN TO EVER HAVE ARRIVED IN THIS CITY.

FROM GOETTINGEN THE TRAIL ENDED. ARMY AUTHORITIES HAVE NO CLUE AS TO WHETHER THEY ARE STILL TOURING WESTERN GERMANY, UNAWARE OF THE SEARCH, OR WHETHER THEY HAVE ENCOUNTERED DIFFICULTIES SOMEWHERE.

NO RECORD HAD BEEN FOUND OF THEIR EVER LEAVING GERMANY THROUGH ANY OF THE NORMAL CROSSING PLACES.

MORE

THE U.S. HIGH COMMISSIONER FOR GERMANY, JOHN J.MCCLOY, SAID IN FRANKFURT TODAY HE WOULD FAVOR STEPS TO INCLUDE THE NEW REPUBLIC IN THE COUNCIL OF EUROPE NOW IN SESSION AT STRASBOURG, FRANCE.

"I FEEL PERSONALLY," MCCLOY SAID, "THAT STEPS IN THAT DIRECTION ARE HIGHLY DESIRABLE."

AN AMERICAN OFFICIAL SAID, HOWEVER, THE QUESTION IS UP TO EUROPEANS.

THERE WAS A POSSIBILITY THAT THE TWO CYCLISTS HAD GIVEN UP THEIR ATTEMPTS TO GO THROUGH THE RUSSIAN ZONE TO BERLIN, AND INSTEAD HAD TURNED TOWARD THE ALPINE RESORT AREA IN THE NEIGHBORHOOD OF BERCHTESGADEN, ONCE HITLER'S HIDEAWAY.

A SEARCH WAS GOING ON THERE, TOO. AN AMERICAN HAS REPORTED HE SAW TWO YOUTHS NEAR FRANKFURT AUG. 12 WHO TOLD HIM THEY HAD BEEN UNABLE TO GER PERMITS TO CROSS THE SOVIET ZONE BORDER AND THAT THEY HAD DECIDED TO GO TOWARD BERCHTESGADEN. HOWEVER, THESE TWO WERE ON FOOT, THE INFORMANT SAID.

MJ1235PED

STRASBOURG-- FIRST ADD COUNCIL OF EUROPE (A84) X X BELGIUM.

PHILIP CLOSED HIS SPEECH WITH A SUGGESTION THAT "IT MIGHT BE A GOOD IDEA FOR US TO PROVIDE FORMALLY FOR A FEW EMPTY CHAIRS TO BE LEFT OPEN IN THIS ASSEMBLY" FOR NATIONS BEHIND THE PYRENEES AND BEHIND THE ELBE. HE REFERRED TO SPAIN, PORTUGAL AND THE SOVIET SPHERE OF EASTERN EUROPE.

IN THOSE PLACES, HE SAID, "PRIMORDIAL RIGHTS RESPECTED HERE DO NOT NOW EXIST." SEATS SHOULD BE HELD FOR THOSE PEOPLE, PHILIP ADDED, UNTIL THEY GAIN "THEIR RIGHTS AND FREEDOMS."

PHILIP URGED THE ASSEMBLY DELEGATES TO THINK IN TERMS OF EUROPE EVEN THOUGH THE CONSTITUENCY OF EACH IS A PARTICULAR NATION. HE SAID: "I AM HERE REPRESENTING THE CONSTITUENCY OF FRANCE BUT I AM A EUROPEAN DEPUTY."

ATTACKING THE COMMITTEE OF MINISTERS' POWER TO LIMIT THE ASSEMBLY'S FIELD OF DISCUSSION, PHILIP SAID: "WE ARE NOT HERE LIKE SCHOOLBOYS WHO HAVE TO RAISE THEIR HANDS TO ASK FOR PERMISSION TO SPEAK."

THORKIL KRISTENSEN OF DENMARK FORMALLY PROPOSED THAT THE ASSEMBLY APPOINT A COMMISSION TO STUDY REVISIONS IN THE COUNCIL'S BASIC STATUTE FOR ACTION AT THE NEXT ASSEMBLY SESSION IN 1950. HE WAS SUPPORTED BY BRITAIN'S LORD LAYTON.

KRISTENSEN ASSERTED THAT EVENTUALLY THE ASSEMBLY MUST BECOME A TRUE EUROPEAN PARLIAMENT WHICH WOULD PRODUCE A EUROPEAN GOVERNMENT WITH DECISIVE POWERS, BUT HE PLEADED FOR CAUTION IN THE ASSEMBLY'S OPENING PHASES.

LORD LAYTON SAID EUROPE NEEDS A FEDERATION WHICH 78..7-4-£539

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AUG 17 1949

OPENING PHASES.

LORD LAYTON SAID EUROPE NEEDS A FEDERATION WHICH WILL GUARANTEE LIBERTY, PEACE AND SECURITY TO THE CONTINENT'S MILLIONS. HE SAID THAT PEOPLE "WILL ACCEPT SWEEPING CHANGES IN DESPERATE TIMES."

ITALY'S GIUSEPPE CAPPI CAUTIONED THE ASSEMBLYMEN TO GO SLOW IN CONSIDERING A EUROPEAN FEDERATION. HE SAID: "I DO NOT THINK THE PEOPLES ARE READY YET TO SACRIFICE SOVEREIGNTY FOR UNITY."

TU1140AED

SOFIA, BULGARIA, AUG. 16-(AP)-THE BULGARIAN COMMUNIST PARTY ANNOUNCED TODAY IT HAS EXPELLED ~~FORMER DEPUTY PREMIER~~ NIKOLA PAVLOV, a leading Communist, CHARGING HIM WITH "INSINCERITY."

A PARTY ANNOUNCEMENT ISSUED BY THE CENTRAL COMMITTEE SAID:

"FOR PROVED INSINCERITY TOWARD THE PARTY IN CONNECTION WITH HIS RELATIONS WITH TRAICHO KOSTOV, THE CENTRAL COMMITTEE HAS DECIDED TO EXPEL COMRADE PAVLOV FROM ITS RANKS."

KOSTOV, A VETERAN COMMUNIST, WAS EXPELLED FROM THE PARTY AND FROM PARLIAMENT AND ARRESTED LAST APRIL ON CHARGES OF HAVING SHOWN ENMITY TO THE SOVIET UNION, EXCESSIVE NATIONALISM AND PERSONAL AMBITION.

(THESE CHARGES ARE, IN EFFECT, TITOISM-- THE SINS WITH WHICH THE PREMIER OF COMMUNIST YUGOSLAVIA IS CHARGED. KOSTOV ALSO HAD BEEN CHARGED WITH BEING "INSINCERE.")

TU848AED

30.24- 5085

WARSAW, AUG.16-KAP)-TWENTY-FOUR COLLEGE PROFESSORS AND ASSOCIATES, REPRESENTING SAN FRANCISCO STATE COLLEGE'S "SEMINAR IN EUROPE," ARRIVED IN WARSAW TODAY.

THE SEMINAR, A PRIVATELY-FINANCED GROUP ORGANIZED TO STUDY THE POLITICAL, SOCIAL, ECONOMIC AND CELIGIOUS CONDITIONS OF EUROPE, ALREADY HAS VISITED LONDON, PARIS, ROME, TRIESTE, VIENNA AND PRAGUE. THE MEMBERS PLAN TO LEAVE SATURDAY FOR STOCKHOLM.

AUG 17 1949

MEMBERS OF THE GROUP, INCLUDING FIVE MINISTERS AND EIGHT WOMEN, ARE:

PROFESSOR OF PHILOSOPHY ALFRED G.FISH, SAN FRANCISCO STATE COLLEGE, LEADER OF THE GROUP; REV. DAVID K.BARNWELL, SUMMIT, N.J.; PAUL SYDNEY BARRET, DIRECTOR OF THE BUREAU OF CHILD HYGIENE, SAN FRANCISCO; SAUL BELILOVE, ENGINEER-LECTURER, FEDERATION OF AMERICAN SCIENTISTS, OAKLAND, CALIF.; SOCIAL WORKER MRS.JEAN S.BELILOVE, OAKLAND, CALIF.; MISS TWYLA FERGUSON, KLAMATH FALLS, ORE.; THOMAS S.GEPHART, ANDERSON, IND.; MRS.EMMA FISK GILMAN, WORLD AFFAIRS COUNCIL, SAN FRANCISCO; MISS MYRA R.GREEN, SECONDARY SCHOOL ADMINISTRATOR, SAN FRANCISCO; MELVIN S.JOHNSON, LAW STUDENT, SAN FRANCISCO; REV.EDWIN O.KENNEDY, FIRST PRESBYTERIAN CHURCH, ENGLEWOOD, N.J.; MARGARETML.LEONARD, PROFESSOR OF HEALTH EDUCATION, SAN FRANCISCO; LOUIS WASSERMAN, SAN FRANCISCO STATE COLLEGE; REV.HAROLD C.METZNER, PROVIDENCE, R.I.; REV. THURMAN B.MORRIS, KOKOMO, IND.; RUSSELL M.POSNER, CITY COLLEGE, SAN FRANCISCO; CLIFFORD H.PRUEFER, NEWTON STREET, WASHINGTON, D.C.; ROLAND J.ROBERTS, PUBLIC SCHOOL ADMINISTRATOR, SAN JOSE, CALIF.; CLAUDE N.SETTTES, PROFESSOR OF SOCIOLOGY, SAN JOSE STATE COLLEGE, CALIF.; MRS.EVELYN B.SETTLES, COMMUNITIESMACTIVITIES LEADEG, SAN JOSE, CALIF.; MRS.CLAUDIA U.SIMPSON, SACRAMENTO, CALIF.; REV.CARL L.STOCKING, KINGSBURG, CALIF.; NATHAN W.WELLS, LOS ANGELES, AND MRS.CALRICE O.WELLS, LOS ANGELES.

HA813PED

NIGHT LEAD KIRK

MOSCOW, AUG 16-(AP)-U.S. AMBASSADOR ALAN G.KIRK SAID TODAY HIS TALK WITH PREMIER JOSEF STALIN WAS "COURTEOUS AND PLEASANT."

THE TWO MEN SAT AT A LONG TABLE AND TALKED FOR 45 MINUTES MONDAY NIGHT IN AN INFORMAL AND RELAXED MANNER ON "GENERAL SUBJECTS," HE RELATED.

THE AMBASSADOR, A RETIRED ADMIRAL AND FORMER ENVOY TO BELGIUM, HELD THE FIRST MEETING WITH STALIN THAT ANY AMERICAN OFFICIAL HAS HAD IN NEARLY A YEAR. THE LAST SUCH MEETING WAS AUGM23, 1948 WHEN AMBASSADOR WALTER B.SMITH, ALONG WITH THE BRITISH AND FRENCH ENVOYS, DISCUSSED THE BERLIN BLOCKADE WITH THE GENERALISSIMO.

KIRK, WHO TOOK OVER THE AMBASSADOR'S POST LATE IN JUNE, DESCRIBED HIS VISIT AS A "COURTESY CALL." SIMILARLY THE NEW BRITISH AMBASSADOR, SIR DAVID KELLY, WAS RECEIVED BY STALIN JUNE 18.

THE EMBASSY SENT A SECOND AND MORE DETAILED REPORT OF THE TALK TO THE STATE DEPARTMENT TODAY.

THE AMBASADOR WAS ACCOMPANIED TO THE KREMLIN BY WALWORTH BARBOUR, MINISTER COUNSELOR, AND GEORGE MORGAN, FIRST SECRETARY. IT WAS THE FIRST TIME ANY OF THE THREE HAD SEEN STALIN. BARBOUR, A FORMER STATE DEPARTMENT OFFICIAL, ARRIVED HERE ONLY A FEW WEEKS AGO. MORGAN IS A FORMER HAMILTON COLLEGE PROFESSOR WHO JOINED THE U.S. DIPLOMATIC SERVICE AFTER THE WAR.

PRESENT AT THE CONFERENCE WERE ANDREI VISHINSKY, SOVIET FOREIGN MINISTER, AND JAN TROYANOVSKY, SON OF THE FORMER SOVIET AMBASSADOR TO WASHINGTON. YOUNG TROYANOVSKY ACTED AS INTERPRETER.

ALL MOSCOW PAPERS GAVE FIRST PAGE ACCOUNTS OF THE MEETING, WHICH AROUSED THE IMMEDIATE INTEREST OF THE RUSSIAN PEOPLE.

G404PED

MOSCOW, AUG. 16-(AP)-U.S. AMBASSADOR ALAN G.KIRK CONFERRED WITH PRIME MINISTER STALIN FOR ABOUT 45 MINUTES IN THE KREMLIN LAST NIGHT. IT WAS THE FIRST TIME ANY HIGH AMERICAN OFFICIAL HAS SEEN STALIN IN NEARLY A YEAR.

KIRK TOLD NEWSMEN HE MIGHT "HAVE SOMETHING TO SAY" TODAY ABOUT THE VISIT. AN INFORMED SOURCE SAID KIRK HAD REVIEWED AMERICAN-SOVIET RELATIONS IN GENERAL TERMS.

THE AMERICAN EMBASSY DESCRIBED THE CALL AS A "COURTESY VISIT." IT WAS LEARNED THAT KIRK HAD REQUESTED THE MEETING.

IT COULD NOT BE LEARNED WHETHER ECONOMIC QUESTIONS WERE BROUGHT UP DURING THE VISIT. HOWEVER, FOLLOWING A SIMILAR "COURTESY VISIT" BETWEEN STALIN AND THE NEW BRITISH AMBASSADOR, SIR DAVID KELLY LAST JUNE, RUSSIAN RECEPTIVENESS TO PROPOSALS FOR INCREASED TRADE WITH THE WEST WAS NOTICEABLY EMPHASIZED.

AUG 17 1949

IN FACT SOVIET PRESIDENT NIKOLAI SHVERNIK BROUGHT THE TRADE SUBJECT UP WHEN KELLY PRESENTED HIS CREDENTIALS JUNE 30.

YESTERDAY WAS THE FIRST TIME THE 61-YEAR-OLD AMERICAN ENVOY HAD MET STALIN. KIRK, A RETIRED ADMIRAL WHO SUCCEEDED LIEUT. GEN. WALTER BEDELL SMITH AS AMBASSADOR TO MOSCOW, ARRIVED IN THE SOVIET CAPITAL IN JUNE.

HE WAS ACCOMPANIED TO THE KREMLIN YESTERDAY BY WALWORTH BARBOUR, COUNSELOR OF THE AMERICAN EMBASSY, AND GEORGE MORGAN, FIRST SECRETARY.

(THE MOSCOW RADIO SAID SOVIET FOREIGN MINISTER ANDREI Y.VISHINSKY ALSO WAS PRESENT AT THE MEETING.)

JT305AED

CANTON, AUG.16-(AP)-THE CHINESE GOVERNMENT TODAY OFFICIALLY CHARGED RUSSIA HAD "VIOLATED BOTH IN LETTER AND SPIRIT THE TREATY OF FRIENDSHIP AND ALLIANCE BETWEEN CHINA AND THE SOVIET UNION CONCLUDED IN 1945."

THIS WAS PART OF A STATEMENT WHICH FOR THE FIRST TIME GAVE CHINA'S OFFICIAL REACTION TO THE U.S. WHITE PAPER ON CHINA. THE STATEMENT WAS ISSUED BY GEORGE YEH, ACTING FOREIGN MINISTER.

THE STATEMENT STYLED THE CHINESE COMMUNISTS "THE TOOLS OF MOSCOW."

IT ALSO TOOK "SERIOUS EXCEPTION TO THE VIEWS AND STATEMENTS" ON MANY QUESTIONS CONTAINED IN THE RECENT WHITE PAPER. THE WHITE PAPER SAID THE CHINESE GOVERNMENT HAD FAILED IN ITS CIVIL WAR WITH THE COMMUNISTS AND OPPOSED FURTHER AID FOR THE NATIONALIST REGIME.

THE STATEMENT SAID THE CHINESE GOVERNMENT FOUND A "SOURCE OF SATISFACTION" IN NOTING THE U.S. GOVERNMENT NOW SHARED TWO FUNDAMENTAL VIEWS "W HICH THE CHINESE GOVERNMENT CONSISTENTLY HAS MAINTAINED."

THESE WERE GIVEN AS:

"FIRST, THE CHINESE COMMUNISTS ARE THOROUGH MARXISTS AND TOOLS OF MOSCOW, AND SECONDLY, THE SOVIET UNION HAS VIOLATED BOTH IN THE LETTER AND SPIRIT THE TREATY OF FRIENDSHIP AND ALLIANCE BETWEEN CHINA AND THE SOVIET UNION CONCLUDED IN 1945."

"AT THE SAME TIME, THE CHINESE GOVERNMENT DECLARE THAT IT TAKES SERIOUS EXCEPTION TO THE VIEWS ANDSTATEMENTS ON MANY OTHER IMPORTANT QUESTIONS CONTAINED IN THE WHITE PAPER.

"IT IS NOT THE INTENTION OF THE CHINESE GOVERNMENT TO ENGAGE IN A CONTROVERSY OVER PAST ISSUES TO THE DETRIMENT OF THE TRADITIONAL FRIENDSHIP BETWEEN THE CHINESE AND AMERICAN PEOPLES AND THE COMMON

CAUSE OF THE DEMOCRACIES.

"HOWEVER, THE CHINESE GOVERNMENT IN CONSIDERATION OF ITS STAND AND OBLIGATIONS WILL STATE MORE FULLY AT AN APPROXIATE TIME ITS POSITION AND RELEVANT FACTS WITH REGARD TO VARIOUS COMPLEX SUBJECTS DEALT WITH IN THE VOLUMINOUS WHITE PAPER FOR INFORMATION OF THE CHINESE AND AMERICAN PUBLIC SO AS TO FURTHER THE MUTUAL UNDERSTANDING AND CORDIAL RELATIONS BETWEEN THE TWO PEOPLES."

A COPY OF YEH'S STATEMENT WAS DELIVERED TO LEWIS CLARK, U.S. CHARGE D'AFFAIRES.

JW1140ACS

CAL-TEX, ANOTHER AMERICAN OIL COMPANY, ALREADY HAS EVACUATED FOREIGN FAMILIES. UNDER PRESENT PLANS, ONLY A FEW FOREIGN EMPLOYES WILL STAY FOR THE EXPECTED RED OCCUPATION OF THE CITY.

MOST FOREIGN FIRMS WERE FOLLOWING THE LEAD OF THE OIL COMPANIES IN EVACUATING FOREIGN WOMEN EMPLOYES AND FAMILIES OF THEIR FOREIGN STAFFS.

ALL TRANSPORTATION FACILITIES TO THE BRITISH COLONY OF HONG KONG WERE BOOKED SOLID.

THIS ACTION BY FOREIGN COMPANIES CAME AS THE COMMUNISTS CLOSED IN ON FOOCHOW, SOUTHEASTERN CHINA PORT IN FUKIEN PROVINCE, AND THE NATIONALISTS CLAIMED LIMITED SUCCESS ON THE APPROACHES TO CANTON.

OFFICIAL REPORTS SAID FOOCHOW, 430 AIR MILES NORTHEAST OF CANTON, WAS CUT OFF EXCEPT BY SEA. HEAVY FIGHTING WAS REPORTED IN PROGRESS AROUND THE CITY. THE REDS WERE LESS THAN 20 MILES AWAY ON THE SOUTHWEST AND NO MORE THAN 25 ELSEWHERE. ARTILLERY WAS AUDIBLE INSIDE THE CITY.

THE NATIONALISTS CLAIMED A COUNTERATTACK HAD RETAKEN NANKANG, 195 MILES NORTHEAST OF CANTON. THUS, PRIVATE REPORTS YESTERDAY THAT THE REDS HAD TAKEN NANCHANG WERE CONFIRMED. AN ARMY SPOKESMAN SAID TODAY THE REDS HAD BEEN PUSHED BACK TO A POINT 11 MILES NORTH OF NANKANG.

THE COMMUNISTS ATTACKED NANKANG, KIANGSI PROVINCE TOWN ONLY 20 MILES FROM THE BORDER OF CANTON'S SWANGTUNG PROVINCE, AFTER BYPASSING KANHSIEN, 215 MILES NORTHEAST OF CANTON.

OFFICIAL DISPATCHES SAID THE REDS HAD THROWN FRESH FORCES INTO THE BATTLE FOR STUBBORNLY HELD KANHSIEN BUT ASSERTED THE NATIONALIST DEFENDERS STILL WERE HOLDING OUT DESPITE REPEATED ASSAULTS.

PRIVATE REPORTS SAID THE COMMUNISTS HAD SMASHED INTO HENGSHAN, 290 MILES NORTH OF CANTON ON THE HANKOW-CANTON RAILWAY. STREET FIGHTING WAS REPORTED IN PROGRESS THERE DESPITE AN ARMY SPOKESMAN'S CLAIM THAT THE RED ATTACK HAD BEEN CHECKED AT THE OUTSKIRTS.

CY/X208APS

HONG KONG, AUG. 16-(AP)-THE CENTRAL NEWS AGENCY TODAY REPORTED FROM FORMOSA THAT CHINESE NATIONALIST PLANES CELEBRATED AIR FORCE DAY MONDAY WITH RAIDS IN THE YANGTZE VALLEY.

A COMMUNIQUE SAID A STEAMER AT KIANGYING, NEAR SHANGHAI, WAS DESTROYED. THE COMMUNIQUE SAID MOST OF THE COMMUNIST TROOPS ABOARD THE SHIP WERE KILLED. A STEAM LAUNCH ALSO WAS REPORTED SUNK.

STRAFING PLANES HIT TWO STEAM LAUNCHES OFF THE MOUTH OF THE YANGTZE KILLING MANY RED SOLDIERS, THE COMMUNIQUE SAID.

X502APS NM

SEOUL, AUG. 16-(AP)-FOREIGN MINISTER BEN C. LIMB OF KOREA ANNOUNCED TODAY BELGIUM AND AUSTRALIA HAVE EXTENDED DIPLOMATIC RECOGNITION TO THE REPUBLIC OF KOREA.

LIMB SAID THE TURKISH GOVERNMENT SENT GREETINGS ON THE REPUBLIC'S FIRST ANNIVERSARY YESTERDAY.

X216APS

CANBERRA, AUSTRALIA, AUG. 16-(AP)-PRIME MINISTER J.B.CHIFLEY SAID TODAY AUSTRALIA'S DOLLAR POSITION IS BAD AND BECOMING WORSE.

THE TIME IS COMING, HE TOLD A MEETING OF THE PRIME MINISTERS OF SIX AUSTRALIAN STATES, WHEN THIS COMMONWEALTH MIGHT HAVE TO LIVE WITHIN HER OWN DOLLAR EARNINGS.

CHIFLEY SAID AUSTRALIA HAS HAD AN ADVERSE BALANCE OF PAYMENTS WITH NORTH AMERICA SINCE THE WAR, WHEN AMERICAN SERVICEMEN SPENT DOLLARS "ON GIRLS AND SIMILAR COMMODITIES."

THE PRIME MINISTER SAID TODAY AUSTRALIA CANNOT BALANCE HER DOLLAR BUDGET WITHOUT SUBSTANTIAL HELP FROM THE STERLING POOL.

HE URGED THE STATE MINISTERS TO RATION GASOLINE IN THEIR STATES, SINCE THE HIGH COURT RECENTLY RULED THE FEDERAL GOVERNMENT HAS NO POWER TO DO SO. FUEL MINISTER WILLIAM ASHLEY INDICATED THE COUNTRY IS FACING A CRITICAL GASOLINE SITUATION.

TU915AED

BY FRED ZUSY

DAMASCUS, SYRIA, AUG. 16-(AP)-A CIVILIAN CABINET REPRESENTING MOST SHADES OF POLITICAL OPINION RULED SYRIA TODAY.

IT ASSUMED POWER AT THE REQUEST OF COL. SAMI HENNAWI WHO LED A MILITARY COUP SUNDAY MORNING IN WHICH MARSHAL HUSNI ZAYIM AND PREMIER MUHSEN BEY BERAZI, FORMER RULERS, WERE SLAIN.

NEW PREMIER HASEM BEY ATASSI, 80-YEAR-OLD FORMER PRESIDENT, NAMED 11 PROMINENT SYRIAN POLITICIANS TO SERVE WITH HIM IN WHAT WAS ANNOUNCED AS AN INTERIM GOVERNMENT.

THE CABINET ISSUED A COMMUNIQUE SAYING IT WOULD KEEP CONTROL ONLY UNTIL A CONSTITUTIONAL GOVERNMENT COULD BE SET UP, BUT SET NO TIME LIMIT.

IT PROMISED TO RULE "WITHOUT PERSONAL AMBITIONS OR INTERESTS," WORK FOR FRIENDSHIP WITH NEIGHBORING ARAB GOVERNMENTS, UPHOLD THE ARAB LEAGUE AND ATTEMPT TO RETAIN FRIENDLY RELATIONS WITH FOREIGN POWERS.

COL. HENNAWI REFUSED ANY POLITICAL OFFICE IN THE GOVERNMENT HIS COUP MADE POSSIBLE SAYING HE WAS A SOLDIER NOT A POLITICIAN.

A CURFEW IMPOSED AFTER THE LIGHTNING REVOLUTION WAS LIFTED LAST NIGHT, BUT THERE WERE NO INDICATIONS WHEN THE CENSORSHIP ORIGINALLY IMPOSED BY ZAYIM WOULD BE ABOLISHED.

JT309AED

WITH DAMASCUS (A13) (130)

CAIRO, EGYPT, AUG. 16-(AP)-A DAMASCUS BROADCAST ANNOUNCING CLOSING OF SYRIA'S FRONTIER WITH TURKEY WAS REPORTED HERE TODAY BY MONITORS FOR A LOCAL NEWS AGENCY.

THE NEWS AGENCY AZMI QUOTED THE BROADCAST AS SAYING TELEPHONE WIRES AND ALL OTHER COMMUNICATIONS WITH TURKEY WERE CUT. AZMI SAID IT GAVE NO OTHER DETAILS AND NO REASON FOR THE ACTION.

SYRIAN PRESIDENT HUSNI ZAYIM AND PREMIER MUHSEN BEY BERAZI WERE OUSTED AND EXECUTED SUNDAY IN THE COUNTRY'S SECOND MILITARY COUP IN FIVE MONTHS. A NEW CIVILIAN PROVISIONAL GOVERNMENT TOOK OVER TODAY. THERE HAD BEEN NO INDICATION OF ANY BASIS FOR A QUARREL WITH TURKEY.

AZMI'S REPORT OF THE DAMASCUS BROADCAST FOLLOWED PUBLICATION BY THE MORNING NEWSPAPER PROGRES EGYPTIEN OF A REPORT THAT "ALL COMMUNICATION IS STOPPED BETWEEN TURKEY AND SYRIA, THE FRONTIER IS CLOSED ON THE SYRIAN SIDE AND THE TELEPHONE IS CUT."

PROGRES EGYPTIEN GAVE NO SOURCE FOR ITS INFORMATION.

TU1117AED

BATAVIA, JAVA, WEDNESDAY, AUG. 17-(AP)-DISORDER TODAY MARKED THE FOURTH INDEPENDENCE DAY CELEBRATION OF THE INDONESIAN REPUBLIC. SEVERAL CASUALTIES WERE REPORTED IN BATAVIA.

THOUSANDS OF PERSONS STREAMED INTO THE CITY AND PUT ON AN IMPROMPTU DEMONSTRATION IN KONINGSPLEIN SQUARE WHERE IN 1945 PRESIDENT SOEKARNO AND PREMIER MOHAMED HATTA HAD PROCLAIMED INDONESIA'S INDEPENDENCE.

SHOUTING "MERDEKA" (FREEDOM) DEMONSTRATORS PUSHED THEIR WAY INTO THE DELEGATION HEADQUARTERS BUILDING WHERE A FORMAL CEREMONY HAD BEEN PLANNED AND TOOK OVER THE PLACE.

DUTCH AUTHORITIES HAD BANNED ALL OUTDOOR FESTIVALS FOR THE OCCASION.

RW151AED

WASHINGTON, AUG.16-(AP)-REP.DONDERO (R-MICH) CHARGED IN A HOUSE SPEECH TODAY THAT COMMUNIST ART "AIDED AND ABETTED BY MISGUIDED AMERICANS IS STABBING OUR GLORIOUS AMERICAN ART IN THE BACK WITH MUDEROUS INTENT."

HE SAID THAT DANIEL CATTON RICH, FINE ARTS DIRECTOR OF THE CHICAGO ART INSTITUTE, "PULLS A HEAVY OAR IN THE WORLD OF SO-CALLED MODERN ART." RICH, HE ADDED, IS CHAIRMAN OF THE VISUAL ART PANNEL OF UNESCO --THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION.

DONDERO SAID THAT THREE MEMBERS OF THIS PANNEL, BEN SHAHN, SAM LEWISHON AND WILLIAM ZORACH "HAVE AN AGGREGATE OF 21 REFERENCES AGAINST THEM IN THE HOUSE UN-AMERICAN COMMITTEE REPORTS."

DONDERO SAID THAT RICH'S "MAESTRO" IS PAUL J.SACHS, HEAD OF THE FOGG MUSEUM AT HARVARD. UNDER RICH'S ADMINISTRATION, DONDERO SAID, THIS MUSEUM HAS "NURTURED AND EXALTED THE WHOLE SCHOOL OF SO-CALLED MODERN AND CONTEMPORARY ART AND TRAINED MANY OF ITS EFFEMINATE ELECT TO BE DIRECTORS OF MUSEUMS THROUGHOUT THE LAND."

AMERICAN SCHOOLS AND INSTITUTIONS, DONDERO SAID, "HAVE BEEN INVADED BY A HORDE OF FOREIGN ART MANGLERS AND ARE SELLING TO OUR YOUNG MEN AND WOMEN A SUBVERSIVE DOCTRINE OF ISMS, COMMUNIST INSPIRED AND 'OMMUNIST CONNECTED."

VH1132PED

WASHINGTON, AUG 16-(AP)-THE UNITED STATES HAS ORDERED ITS EMBASSY IN CANTON CLOSED IF THE CITY IS THREATENED WITH OCCUPATION BY CHINESE COMMUNIST FORCES.

THIS COUNTRY MAINTAINS AN EMBASSY AS WELL AS A CONSULATE IN THE CHINESE NATIONALIST CAPITAL.

STATE DEPARTMENT PRESS OFFICER LINCOLN WHITE TOLD A NEWS CONFERENCE IT HAD BEEN DECIDED TO CLOSE THE EMBASSY, IF COMMUNISTS APPROACH, BECAUSE HE SAID CHINESE COMMUNIST AUTHORITIES HAVE FAILED TO PROTECT AMERICAN DIPLOMATS.

HE SAID AMERICAN CONSULAR OFFICERS IN COMMUNIST-OCCUPIED AREAS GENERALLY HAVE BEEN UNABLE TO PERFORM "THEIR NORMAL FUNCTIONS, PARTICULARLY PROTECTION OF AMERICAN NATIONALS AND THEIR INTERESTS."

THIS GOVERNMENT HAS 76 DIPLOMATS IN CANTON HEADED BY CONSUL GENERAL KARL RANKIN.

WHITE INDICATED AT LEAST PART OF THE AMERICAN DIPLOMATIC MISSION THERE WOULD FOLLOW THE CHINESE NATIONALIST GOVERNMENT TO ANY NEW CAPITAL THEY MIGHT ESTABLISH.

"WE CERTAINLY ARE GOING TO CONTINUE TO MAINTAIN DIPLOMATIC RELATIONS WITH THE CHINESE NATIONALIST GOVERNMENT," HE SAID.

HE ALSO SAID THAT AMERICAN CITIZENS IN THE CHINESE PROVINCES OF KWANGTUNG, KWANGSI, FUKIEN, KIANGSI, AND HUNAN ARE BEING ADVISED OF THE DECISION IN ORDER THAT THEY MAY PREPARE TO LEAVE IF THEY WISH.

AT THE SAME TIME WHITE MADE IT CLEAR THAT THE AMERICAN EMBASSY IN NANKING AND THE CONSULATE IN SHANGHAI ARE NOT AFFECTED BY THE ORDER AND WOULD REMAIN OPEN.

PE124PED

WASHINGTON,AUG.16-(AP)-FRUIT JUICES TOOK THE PLACE OF SCOTCH AND BOURBON AT LAST NIGHT'S INDIAN EMBASSY CELEBRATION OF THE SECOND ANNIVERSARY OF THE INDEPENDENCE OF INDIA.

MADAME VIJAYA LAKSHMI PANDIT, THE AMBASSADOR, WAS THE HOSTESS AT THE FORMAL DIPLOMATIC RECEPTION.

THE TEETOTAL ABSENCE OF ALCOHOLIC DRINKS WAS QUITE A BLOW TO SOME OF THE REGULAR WASHINGTON PARTY-GOERS AMONG THE 750 WHO ATTENDED THE FORMAL AFFAIR.

HOWEVER, IT WAS IN LINE WITH THE TEACHINGS OF THE LATE MAHATMA GANDHI, WHO SAID THAT THE INDIA OF HIS DREAMS WOULD BE WHOLLY FREE OF "THE CURSE OF INTOXICATING DRINKS AND DRUGS."

ES429AED

(450) NIGHT LEAD VOICE

WASHINGTON,AUG.16-(AP)-AN EXTRA $11,500,000 TO ENABLE THE "VOICE OF AMERICA" TO PENETRATE THE IRON CURTAIN DESPITE STEPPED-UP RUSSIAN JAMMING WAS RECOMMENDED BY THE HOUSE APPROPRIATIONS COMMITTEE TODAY.

THE MONEY WOULD SUPPLEMENT FUNDS VOTED PREVIOUSLY TO FINANCE THE STATE DEPARTMENT'S FOREIGN BROADCAST ACTIVITY DURING THE CURRENT FISCAL YEAR. MOST OF IT WOULD GO FOR CONSTRUCTION AND IMPROVEMENT OF BROADCASTING FACILITIES.

THE HOUSE COMMITTEE ACTED AFTER LT.GEN.ALBERT C.WEDEMEYER, THE ARMY'S DIRECTOR OF PSYCHOLOGICAL WARFARE, TOLD IT THAT NUMEROUS REPORTS FROM GOOD SOURCES INDICATE U.S.BROADCASTS ARE HURTING THE SOVIETS "AND HURTING THEM BADLY."

TESTIMONY OF WEDEMEYER AND OTHER WITNESSES WAS MADE PUBLIC BY THE COMMITTEE.

CHARLES W.THAYER, CHIEF OF THE STATE DEPARTMENT'S INTERNATIONAL BROADCAST DIVISION, TESTIFIED THAT THE RUSSIANS STEPPED UP THEIR JAMMING SUDDENLY ON APRIL 25 THIS YEAR. EXPERTS ESTIMATED THE RUSSIANS WERE USING UP TO 1,000 TRANSMITTERS IN THE JAMMING, IT WAS SAID, AND THE DEPARTMENT HAS IDENTIFIED AND LOCATED 250 OF THEM.

THE COMMITTEE HEARD FROM GEORGE V.ALLEN, ASSISTANT SECRETARY OF STATE, THAT RUSSIA IS WORKING ON JAMMING U.S. BROADCASTS TO ITS SATELLITE COUNTRIES. HE SAID IT IS REASONABLE TO ASSUME THE JAMMING REPRESENTS A LONG-RANGE PLAN.

GENERAL WEDEMEYER RECOMMENDED CONCENTRATING "VOICE OF AMERICA" EFFORT ON AREAS AROUND RUSSIA AS A MEANS OF REACHING THE RUSSIAN PEOPLE.

"THEN WE COULD HOPE TO PENETRATE FARTHER INTO RUSSIA AND REACH THEM ALSO WITH PAMPHLETS AND WITH AGENTS; HOWEVER, THE LIFE OF AN AGENT IN RUSSIA TODAY WOULD NOT BE WORTH VERY MUCH," HE SAID.

"WE DO HAVE A FEW. THAT IS SOMETHING THAT HAS TO BE GENERATED VERY SLOWLY--AN INTELLIGENCE ORGANIZATION WITHIN RUSSIA. WE DO NOT GET FROM RUSSIA VERY GOOD INTELLIGENCE REPORTS. OUR SOURCES ARE VERY LIMITED, BUT THEY ARE IMPROVING."

WEDEMEYER CALLED THE INFORMATION PROGRAM THE NATION'S FIRST LINE OF DEFENSE, RATHER THAN THE MILITARY FORCES.

A75WX

"I THINK THAT THE POLITICAL, THE ECONOMIC, AND THE PSYCHOLOGICAL RESOURCES OF THIS COUNTRY USED IN A TIMELY AND INTELLIGENT MANNER WOULD PROVIDE THE BEST OPPORTUNITY TO AVOID THE USE OF PHYSICAL FORCE," HE SAID.

ALLEN TESTIFIED THAT RUSSIA BEAMS AT THE UNITED STATES AN ENGLISH-LANGUAGE BROADCAST THAT IS LONGER THAN THE RUSSIAN-LANGUAGE PROGRAM THE U.S. AIMS AT MOSCOW. BUT, HE ADDED, "PRACTICALLY NOBODY PAYS ANY ATTENTION" TO THE RUSSIAN PROGRAM IN THIS COUNTRY BECAUSE THERE IS NO BAN ON LISTENING TO IT.

THE ADDITIONAL FUNDS FOR THE "VOICE OF AMERICA" ARE INCLUDED IN A $75,790,521 SUPPLEMENTAL APPROPRIATION SENT TO THE HOUSE FLOOR FOR DEBATE THIS WEEK.

THE COMMITTEE-RECOMMENDED BILL CARRIES $5,000,000 TO START WORK ON A LONG-RANGE GUIDED MISSILE PROVING GROUND FOR THE AIR FORCE AT BANANA RIVER,FLA. IT ALSO PROVIDES AUTHORITY FOR THE MILITARY ESTABLISHMENT TO TRANSFER TO THE MISSILE PROJECT $7,500,000 OF OTHER FUNDS PREVIOUSLY GIVEN TO THE AIR FORCE. CONGRESS HAS AUTHORIZED A TOTAL EVENTUAL EXPENDITURE OF $75,000,000 ON THE AIR FORCE MISSILE PROGRAM.

THE BILL ALSO CONTAINS FUNDS FOR LOANS FOR FARM HOUSING CONSTRUCTION

UNDER THE 1949 HOUSING ACT. THESE INCLUDE $25,000,000 IN BORROWING AUTHORITY FOR THE AGRICULTURE DEPARTMENT AND $2,000,000 IN CASH FOR GRANTS AND LOANS TO SPEED UP FARM HOME CONSTRUCTION. THE COMMITTEE CUT $1,000,000 FROM A $4,000,000 REQUEST FOR ADMINISTRATIVE EXPENSES.
FUNDS FOR VARIOUS OTHER GOVERNMENT ACTIVITIES ARE INCLUDED.
V912PED

TUCSON, ARIZ., AUG. 16-(AP)-A NEWSPAPER PUBLISHER WHO HAS JUST RETURNED FROM A ROUND-THE-WORLD TRIP ADVOCATES PUTTING GEN. DOUGLAS MACARTHUR IN COMMAND OF THE U. S. MILITARY FORCES IN THE FAR EAST.
WILLIAM R. MATHEWS, EDITOR AND PUBLISHER OF THE ARIZONA DAILY STAR HERE SAYS IN AN ITEM WRITTEN FOR HIS NEWSPAPER:
"ONE OF THE BIG REASONS THAT OUR POLICY IN THE FAR EAST HAS BEEN SUCH AN ABJECT FAILURE IS THAT IT IS COMPLETELY DEFEATIST AND HAS BEEN IN THE PAST BASED TOO MUCH UPON THE HOPE THAT BY SPENDING A FEW BILLIONS WE COULD BUY OFF COMMUNISM. OUR POLICY HAS BEEN ABSOLUTELY DEFEATIST IN CHINA AND IN INDONESIA, WHERE FOR NO GOOD REASON WE HAVE UNDERMINED THE DUTCH POSITION.
"WE FACE A LONG COLD WAR AGAINST COMMUNISM IN CHINA. THERE IS NOT GOING TO BE AN EARLY SOLUTION. WE MUST MAINTAIN THE HAINAN-HONG MONG-FORMOSA LINA AND RESPECT THE NATIONALIST BLOCKADE OF CHINESE PORTS.
"WE MUST BE IN A POSITION TO GIVE HELP TO ANYONE WHO IS WILLING TO FIGHT COMMUNISM.
"I THINK GENERALMACARTHUR'S APPOINTMENT TO SUCH A POSITION AS COMMANDER IN CHIEF OF OUR MILITARY FORCES IN THE ORIENT WOULD BE THE BEST SOLUTION. ITS MORAL FORCE ALONE WOULD BE WORTH MANY TROOPS, MANY SHIPS AND MANY PLANES. IT WOULD REPRESENT A POSITIVE STEP THAT WOULD BE RESPECTED EVERYWHERE."
MATHEWS WAS ONE OF TWO PERSONS WHO LEFT THE ILL FATED GROUP U. S. NEWSMEN WHO WERE TOURING INDONESIA AS GUESTS OF THE DUTCH GOVERNMENT. THIRTEEN DIED IN A PLANE CRASH NEAR BOMBAY, INDIA. MATHEWS HAD LEFT THE PARTY SHORTLY BEFORE THE CRASH.
MATHEWS SAID HE TALKED TO MACARTHUR FOR THREE HOURS IN TOKYO AUG. 4.
DURING HIS TRIP, HE VISITED INDONESIA, SINGAPORE, SIAM, THE PHILIPPINES, CHINA AND JAPAN. HE HAS MADE SEVERAL SUCH TRIPS STUDYING THE ECONOMIC AND POLITICAL SITUATIONS IN FOREIGN COUNTRIES AND IS RECOGNIZED NATIONALLY FOR HIS VIEWS ON WORLD AFFAIRS.
FJ900PCS

NIGHT LEAD TOKYO ROSE
BY KATHERINE B. PINKHAM
SAN FRANCISCO, AUG. 16-(AP)-THOSE WARTIME TOKYO RADIO CRACKS ABOUT "YOUR WIVES AND SWEETHEARTS ARE RUNNING AROUND WITH OTHER MEN" WERE PROBABLY MADE IN GERMANY, NOT IN JAPAN, A TOKYO ROSE DEFENSE WITNESS TESTIFIED TODAY.
THE WITNESS, CHARLES COUSENS, 46 YEAR OLD SYDNEY, AUSTRALIA, RADIO ANNOUNCER, WAS A WARTIME PRISONER IN TOKYO--FORCED, HE SAID, TO DO RADIO WORK THERE WITH THE ACCUSED "TOKYO ROSE," MRS. IVA TOGURI D'AQUINO. MRS. D'AQUINO IS CHARGED WITH TREASON AS A RESULT OF HER WARTIME BROADCASTS.
DEFENSE ATTORNEY WAYNE COLLINS QUOTED, ONE BY ONE, A SCORE OF MORALE-DAMAGING STATEMENTS THE GOVERNMENT HAS CHARGED AGAINST MRS. D'AQUINO.
ONE BY ONE, COUSENS DENIED HE HAD WRITTEN THEM OR THAT MRS. D'AQUINO HAD BROADCAST THEM.
SAMPLES COLLINS CITED INCLUDED: "WHY DON'T YOU (AMERICAN TROOPS) SEE YOUR COMMANDING OFFICER AND TELL HIM TO SEND YOU HOME; YOUR WIVES AND SWEETHEARTS ARE RUNNING AROUND WITH OTHER MEN!"
AND AGAIN, "THE BOYS AT HOME ARE MAKING BIG MONEY AND CAN WELL AFFORD TO TAKE YOUR GIRL FRIENDS OUT."
"MAY I ADD SOMETHING THERE?" COUSENS INTERRUPTED. "A LOT OF THAT STUFF WAS PUT OUT ON THE GERMAN HOUR (ON RADIO TOKYO). IT WAS THEIR STANDARD LINE OF PROPAGANDA FOR A LONG WHILE, ABOUT GIRLS AND WIVES BESTRAXIKK/.8."

AUG 17 1949

THEIR STANDARD LINE OF PROPAGANDA FOR A LONG WHILE, ABOUT GIRLS AND WIVES BESTRAYING YOU."
SOME OF THE SCRIPS, HE SAID, WERE OF GERMAN ORIGIN.
COUSENS, WHO WAS A MAJOR IN THE AUSTRALIAN ARMY WHEN HE WAS CAPTURED, TESTIFIED EARLIER TODAY THAT HE HAD TOLD MRS. D'AQUINO THAT WHEN THE JAPANESE ARMY ORDERED THEM TO DO SOMETHING, IT WAS "OBEY OR DEATH."
THE DEFENSE CLAIMS THE CALIFORNIA BORN WOMAN, KNOWN AS "TOKYO ROSE" TO AMERICAN SERVICEMEN, PERFORMED UNDER DURESS.
COUSENS SAID THE DEFENDANT WAS SYMPATHETIC TO THE ALLIED CAUSE, THAT SHE FURNISHED FOOD AND MEDICAL SUPPLIES TO PRISONERS OF WAR AND THAT SHE SUPPLIED THEM NEWS OF ALLIED VICTORIES.
FJ834PCS

SAN FRANCISCO, AUG. 16-(AP)-PHILIPPINE PRESIDENT ELIPIDIO QUIRINO HEADED HOMEWARD TODAY AFTER PLEAS TO THE UNITED STATES NOT TO NEGLECT THE OPPORTUNITIES -- AND THE DANGERS -- OF THE ORIENT.
HE LEFT AT 1 A.M. (PST) TODAY ABOARD A PHILIPPINES AIR LINES PLANE. HE WAS SCHEDULED TO ARRIVE IN MANILA THURSDAY MORNING.
AT STANFORD UNIVERSITY YESTERDAY QUIRINO SAID, "IT IS TIME FOR THE UNITED STATES TO CONSIDER IF IT IS ONE-SIDED OR ONE-SHORED. THE PACIFIC IS JUST AS IMPORTANT AS THE ATLANTIC. X X X
"THE UNITED STATES SHOULD BE CONCERNED WITH ITS BACK DOOR -- WHICH IS REALLY THE FRONT DOOR, NOW THAT THE ATLANTIC PACT HAS BEEN SIGNED."
TO THE COMMONWEALTH CLUB IN SAN FRANCISCO, HE SAID HIS COUNTRY HAS "MANY, MANY UNTAPPED RESOURCES" AND THAT HIS GOVERNMENT WILL BACK "TO THE LAST PENNY" INVESTMENTS IN THE PHILIPPINES.
QUIRINO ADDRESSED CONGRESS AND VISITED PRESIDENT TRUMAN LAST WEEK.
X428APS NM

SEATTLE, AUG. 16-(AP)-FOUR AMERICANS HAVE JOINED IN A GOOD-WILL HOME-BUILDING VENTURE FOR NEEDY JAPANESE IN ATOMIC-BLASTED HIROSHIMA.
IT IS THEIR CONTRIBUTION "TO RECONSTRUCTION OF HIROSHIMA AS A CITY DEDICATED TO WORLD PEACE."
FLOYD SCHMOE OF SEATTLE WROTE FROM JAPAN OF THE START OF THE PROJECT. HE SAID THE OTHERS WITH HIM ARE THE REV. EMERY ANDREWS, SEATTLE; DAISY TIBBS, ATHENS, ALA., AND RUTH JENKINS, TUCSON, ARIZ.
"WE START THIS WEEK ON FOUR FAMILY DWELLING UNITS ON A PLOT OWNED

AUG 17 1949

BY HIROSHIMA AND ZONED UNDER THE PLAN OF THE NEW CITY AS A RESIDENTIAL AREA FOR MIDDLE CLASS HOMES," SCHMOE WROTE. "ON OUR PART THIS IS A GESTURE OF REGRET FOR THE SUFFERING OF NON-BELLIGERENTS AND A TOKEN OF GOOD-WILL, WHICH, IF IT SPREADS FAR ENOUGH, WILL DO AWAY WITH THE OCCASIONS FOR WARS. TO US THE IDEA IS OF FAR GREATER IMPORTANCE THAN THE HOUSES WE BUILD."

AUG 17 1949

HH742PCS

NEW YORK, AUG 16-(AP)-A POLISH-BORN RABBI SURRENDERED TODAY TO ANSWER AN INDICTMENT CHARGING HE AND HIS WIFE FLEECED ISRAEL SYMPATHIZERS OUT OF NEARLY $90,000.

THE RABBI, SOLOMON EICHENSTEIN, APPEARED AT A POLICE STATION WITH HIS ATTORNEY. HE GAVE HIS AGE AS 52 AND SAID HE HAD NO CONGREGATION.

EICHENSTEIN'S WIFE, ROSE, 31, WAS RELEASED YESTERDAY IN $5,000 BAIL ON A CHARGE OF GRAND LARCENY AND ACTING IN CONCERT. SHE WAS ARRESTED LAST FRIDAY SEVERAL HOURS AFTER SHE GAVE BIRTH TO A SON AT BETH ISRAEL HOSPITAL.

THE RABBI ALLEGEDLY TOLD SYMPATHIZERS THEY COULD AID ISRAEL'S ECONOMY BY BUYING BUSINESS MATERIALS FROM RESIDENTS OF THE NEW STATE. HE OFFERED TO ARRANGE THE TRANSACTIONS.

POLICE SAID HE PUT THROUGH ABOUT $500,000 WORTH OF DEALS, BUT THEY COST THE PURCHASERS 15 PER CENT MORE THAN AMERICAN MARKET PRICES.

ONE COMPLAINT CHARGED THAT THE RABBI DISAPPEARED AFTER SIDNEY BENACK, A DIAMOND MERCHANT, GAVE HIM $58,133.95 TO BUY JEWELS THROUGH DIAMOND MERCHANTS IN ISRAEL. ANOTHER MAN, AARON MAGED, CHARGED HE GAVE MRS. EICHENSTEIN $30,300 IN CASH TO BE DELIVERED TO A BROTHER IN TEL AVIV, BUT THE MONEY NEVER REACHED THERE.

AUG 17 1949

DA1030AED

NEW YORK,AUG.16-(AP)-TRYGVE LIE, UNITED NATIONS SECRETARY-GENERAL, RETURNED TODAY FOR A SIX-WEEK VACATION IN NORWAY AND REPEATED THAT HE BELIEVES THE DANGER OF A THIRD WORLD WAR IS PAST.

HE DECLINED TO DISCUSS POLITICS AND SAID HE COULD NOT AMPLIFY A STATEMENT HE MADE RECENTLY IN DENMARK THAT THE DANGER OF A THIRD WORLD WAR WAS PAST.

"I CAN ONLY REPEAT," HE SAID, "THAT I THINK THE COLD WAR IS OVER AND THAT NOW WE ARE IN A PERIOD WHICH I CAN CHARACTERIZE AS A PERIOD OF COLD PEACE."

HE CALLED HIS VACATION THE FIRST REAL ONE HE HAS HAD SINCE BEING APPOINTED SECRETARY-GENERAL IN 1946.

AUG 17 1949

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NIGHT LEAD COMMUNISTS (340)

NEW YORK, AUG 16-(AP)-A MEMBER OF THE COMMUNIST NATIONAL EDUCATIONAL COMMITTEE TODAY TERMED "UNMITIGATED BUNK" CHARGES THAT TOP PARTY LEADERS SOUGHT THE U.S. GOVERNMENT'S FORCIBLE OVERTHROW.

HOWARD JOHNSON, DEFENSE WITNESS IN THE COMMUNIST CONSPIRACY TRIAL, TESTIFIED THAT HE HAD BEEN FAMILIAR WITH 11 DEFENDANTS' WORK FOR 10 OR MORE YEARS AND KNEW THEM PERSONALLY.

JOHNSON, A NEGRO, TOLD FEDERAL JUDGE HAROLD R. MEDINA AND A JURY THAT HE NEVER HAD HEARD ANY OF THEM SAY, OR READ IN THEIR WRITINGS, THAT THEY ADVOCATED THE GOVERNMENT'S VIOLENT OVERTHROW.

THE DEFENDANTS ARE ACCUSED OF CONSPIRING TO ADVOCATE OVERTHROW OF THE GOVERNMENT BY FORCE.

REFERRING TO EARLIER TESTIMONY BY GOVERNMENT WITNESSES ANGELA CALOMIRIS AND BALMES HIDALGO, DEFENSE ATTORNEY GEORGE W. CROCKETT, JR DREW FROM JOHNSON A STATEMENT THAT HIS EDUCATIONAL COMMITTEE DID NOT RECOMMEND THAT STUDENTS REGISTER UNDER "ASSUMED NAMES OR FIRST NAMES ONLY."

EARLIER JOHNSON TESTIFIED THAT POLITICAL CONDITIONS FAVORABLE TO SETTING UP SOCIALISM "DO NOT NOW EXIST." HE READ FROM AN OFFICIAL GUIDE FOR PARTY TEACHERS ISSUED IN NOVEMBER, 1947.

JOHNSON SAID HE HAD TAUGHT "AT LEAST TWO HUNDRED" COMMUNIST CLASSES BUT DID NOT KNOW OF ANY SECRET TRAINING SCHOOLS AS MENTIONED IN EARLIER GOVERNMENT TESTIMONY.

SPECIAL PROSECUTOR FRANK H.GORDON DREW AN ADMISSION FROM JOHNSON THAT HE HAD PICKETED JUDGE MEDINAQJS COURTROOM LAST JANUARY IN ONE OF THE MANY DEMONSTRATIONS THAT PRECEDED THE TRIAL.

WHEN ASKED WHY HE PICKETED, JOHNSON BROUGHT LAUGHTER BY REPLYING: "I PICKETED THIS COURT HOUSE BECAUSE THIS TRIAL IS AS COLD A FRAMEUP AS MRS. TRUMAN'S DEEP FREEZER COULD POSSIBLY MAKE IT."

JOHNSON HAD TESTIFIED YESTERDAY THAT REVOLUTION AS TAUGHT IN COMMUNIST SCHOOLS MEANT NON-VIOLENT TRANSFER OF POWER FROM ONE CLASS TO ANOTHER.

HE WAS SHOWN COMMUNIST WRITINGS TODAY THAT DEFINED REVOLUTION AS "AN ACT IN WHICH ONE SECTION OF THE POPULATION IMPOSES ITS WILL ON THE OTHER BY RIFLES, BAYONETS, CANNONS, ETC."

JOHNSON CALLED THIS SUPPLEMENTARY READING BUT ADMITTED THAT SOME VIOLENT SUGGESTIONS HAD CREPT INTO HIS CLASSES AND HIS SELF STUDY.

"DID YOU EVER TELL THESE STUDENTS THAT REVOLUTION MEANT VIOLENT REVOLUTION?" THE WITNESS WAS ASKED.

"NO," JOHNSON SAID.

AUG 17 1949

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End of August 16, 1949

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CHURCHILL URGES EUROPE ASSEMBLY HOLD GERMAN BID

JOE EVVAN

STRASBOURG, France, Aug. 17—(AP) Winston Churchill urged the European Consultative Assembly today to delay consideration of the admission of the west German republic until a German delegation is ready to take its seats.

The former British prime minister's action was a surprise. He had been expected to move for prompt admission of the German republic.

Churchill, however, asked that the Ministerial committee, upper house of the Council of Europe, call an extraordinary session of the assembly in December or January to take up the admission of Germany. He added:

"It is my hope that we should find ourselves already joined by a German delegation, similar to those of other member states. But if this cannot be done, then will be the time for us to debate the issue in full freedom."

Need More Time

Harold MacMillan, a leader of the British conservative party, explained that Churchill had been persuaded that it is physically impossible for a west German government to organize itself and name delegates to the assembly during the current session.

Churchill called the question of the admission of Germany "the greatest and most important of all questions that are before us."

(In Washington Secretary of State Dean Acheson said the U. S. favors German membership in the European Council, but said this is a question for Europeans to settle.)

In his speech to the 101 delegates representing 12 nations Churchill advanced to other ideas:

1. Creation of a European court before which cases of violation of human rights in the 12 nations "may be brought to the judgment of the civilized world." Such a court should not be able to enforce its decisions by sanctions, however, he said.

Would Revise U.N.

2. A major revision of the United Nations in which continents rather than nations would be represented.

"He said he hoped the Council of Europe" shall become one of several continental units who will form the pillars of the world instrument for maintaining security.

"I hope that in due course these continental units will be represented in the world organization collectively, rather than by individual states."

On the other big question before the assembly, creation of a United States of Europe, Churchill differed little from the view taken earlier by Britain's No. 2 labor party chief, Herbert Morrison, who urged a go-slow policy.

"We may just as well see what a girl looks like before we marry her," Churchill said.

Mentioning various proposals for a study of European federation before the assembly Churchill said "we must thoroughly explore all the various possibilities and a committee working coolly and without haste should in a few months be able to show the practical steps which would be most useful to us."

Urges Full Study

Earlier, Morrison had urged a "full and objective" study of such proposals, cautioning that "we shall get nowhere if we expect of national electorates excessive and quite unreasonable sacrifices (of national sovereignty)."

He challenged the conservatives of his country to present their case to the electorate if they believe the labor government is "too cautious" about joining such a union.

He declared, however, there was no question that "we all need greater unity in Europe, because we share the same major economic and political problems and because we can only solve them together."

In the debate Eamon De Valera of Ireland declared himself for the "more gradual approach" to European union. Talk of a United Europe only stirs cynicism in Ireland, he said, as long as Ireland is divided.

Churchill also suggested that other countries now behind the Iron Curtain eventually should become members of the council.

"Ten ancient capitals of Europe are behind the Iron Curtain," he said. "A large part of this continent is held in bondage. They have escaped from Nazism only to fall in communism. We should certainly make provision for some association with representatives of those countries who are deprived of ordinary democratic freedom but who will surely regain it in the march of time."

AUG 17 1949

Churchill Asks Special Session Of Council

FRANK O'BRIEN

Strasbourg, France, Aug. 17 (AP). Winston Churchill suggested today an extraordinary session of the European Consultative Assembly be called in December or January for the admission of Germany to the Council of Europe.

Churchill, Britain's wartime Prime Minister and her present Conservative party leader, said the admission of Germany would be the "greatest and most important of all the questions that are before us."

"We cannot part here at the end of this month on the basis that we do nothing more to bring Germany into our circle until a year has passed," he said.

Morrison Statement

Earlier, British Deputy Prime Minister Herbert Morrison told the Assembly he favored immediate steps toward unification of Europe, but he added that caution must be observed.

Another speaker, former Prime Minister Eamon de Valera of Ireland, supported the British Labor Government in pleading for a gradual approach to European unity.

"I am sure you will understand with what a cynical smile the citizen of Ireland would greet you if you speak to him of uniting into a single unit the several states of Europe, so long as he contemplates his own country kept divided," de Valera said. "It is because of these difficulties that I am for the more gradual approach."

Reference To Partition

Ireland contends that the continuation of Northern Ireland in the United Kingdom represents partion.

Churchill's position on European union did not differ much, either, from the go-slow attitude proposed by Morrison.

"We may just as well see what a girl looks like before we marry her," Churchill commented.

Morrison challenged the Conservatives, led here by Churchill, to take their case to the British elecorate if they think the Government is moving too hesitantly.

"In whatever we do," Morrison said, "we must pay due regard to the interests of the individual member countries and, as far as Britain is concerned, to the ties which link us with the Commonwealth of Nations, and to the responsibilities we share with Belgium, France and the Netherlands for the welfare of peoples of other continents, notably the great continent of Africa."

Not Frightened By Ideas

"I do not say that some collective European authority may not in due course develop, with specific powers to decide certain matters directly," Morrison declared, adding, "New ideas do not frighten me—I just want to know with some precision what they are."

Morrison spoke on the second day of the assembly's most significant agenda item—changes needed in the political structure of Europe to bring about greater unity among the Council of Europe members.

Churchill Forces Strong

In earlier debate, forces led by Churchill, favoring a strong assembly, have appeared to dominate the assembly.

Among those who plumped yesterday for a governing authority which packs a solid punch was Robert Boothby, of Britain, who declared there must be an "executive, international political authority" to guide a united Europe.

Another Briton, R. W. G. MacKay, Laborite, submitted a resolution calling for a "European authority with limited functons but real powers."

APD

Others who followed the same line where Dutch Socialist Jonkheer M. van Dergoes van Naters and French Socialist Andre Philip.

U. S. Secretary of State Dean Acheson and Canadian officials will take part in the conference.

The vanguard of the British delegation is to leave by boat Aug. 23. It will include officials from the Treasury, Board of Trade and Food ministry. Cripps and Bevin will sail Aug. 27.

A high government source was asked by a reporter today whether Bevin was likely to revive, in any form, his old idea that the United States should distribute some of its Fort Knox gold stocks to dollar-needy countries.

This informant replied: "Bevin's idea probably would do the trick and settle many of the world's problems. But I don't think Cripps would go along with it. It's not likely."

Two years ago Bevin startled the United States by proposing unofficially that it should dole out its gold holdings. His idea was not accepted.

AUG 17 1949

BRITISH DRAFT PROGRAM ON DOLLAR CRISIS

4-Point Document Likely To Be Basis Of Talks In Washington

Arthur GARRISON

London, Aug. 17 (AP)—British officials completed today a top secret four-part document setting out proposals for meeting the world dollar crisis.

The brief was hammered out by a committee of Treasury, Foreign Office and Board of Trade experts. It is to go before the Cabinet late next week. If approved, it will form basic British policy at next month's dollar-pound Washington conference.

Sir Stafford Cripps, Chancellor of the Exchequer, and Ernest Bevin, Foreign Secretary, will meet John W. Snyder, Secretary of the Treasury, in Washington September 7.

To Discuss Trade Upset

They will talk over the unbalanced trade between the United States dollar and British sterling areas. This has left Britain desperately short of badly needed dollars.

Cripps and Bevin will study and discuss the brief before the Cabinet meeting. Official sources said the four-part British brief comprised:

1. A study of the background to, and causes of, the critical unbalance between the dollar and sterling areas.

2. A review of what each of the three governments has done to meet and redress that unbalance.

3. A close look at the situation as it exists now, underlining all the implications of a failure to agree on a solution.

4. A series of proposals aiming broadly at achieving some kind of world trade pattern which would allow a free flow of currencies between the dollar and nondollar systems.

Object To Word "Plan"

British officials are reluctant to call the sum total of their recommendations a "plan." The conception of a rounded plan is too rigid for them, they say.

Yet what their broad proposals amount to is a grand design for a long-term settlement of the dollar and sterling areas' woes. The proposals take into account both the political and strategic implications of the plight in which the western non-Communist world finds itself.

The informants said they emphasize that grave sequels would accompany a failure to reconcile American and British economic differences.

They said the British brief goes out of its way to prove that the dollar crisis is not a British crisis, nor an American one, but a global crisis.

ALLIES TO LIFT INVESTMENT BAN IN WEST GERMANY

AUG 1949

LONDON, Aug. 17—(AP) The big western powers will lift the ban on foreign investments in west Germany within a month, United States diplomatic officials reported today.

At the same time the U. S., Britain and France probably will release war-blocked foreign capital holdings in that part of Germany for reinvestment there, they added.

The moves are described as designed to spur west Germany's economic recovery.

Britain Benefits Most

Of the big western powers, Britain would benefit most because of her extensive pre-war interests in German industries. An estimate of the value of those interests was not immediately available. The United States did not have as much money invested in Germany before the war as Britain. France, Belgium and Holland also would benefit.

The three western governments have been negotiating on these issues ever since American and British military governors in Germany last March jointly urged removal of the foreign investment ban. It was imposed when the occupation started.

Agreement Held Up

At the time they estimated an

average annual investment of between $1,000,000,000 and $1,500,000,000 was needed to make the western zones self-sufficient. Most of this was expected to come from German sources. Some was to be European Recovery Program (ERP) funds. The rest was hoped for from private foreign investors.

Agreement had been reported held up by Britain's insistence that her war-frozen German assets be released for reinvestment at the same time as the ban on new capital was listed.

The United States first opposed the idea but now has accepted it, the informants said.

Britain is said to have argued that her own investment holders would be competing disadvantageously against new investors unless her prewar capital was released. As it is now, nothing can be done with that capital—it neither can be removed nor reinvested.

BRITAIN, CZECHS REACH ACCORD ON ECONOMIC PACT

LONDON, Aug. 17. — (AP) Britain and Czechoslovakia are to sign a payments pact tomorrow which will allow the Prague government to spend its accumulated sterling-area earnings in this country.

British sources, disclosing this tonight said Czechoslovakia has piled up a sizeable sterling balance —they did not give the figure— by trading with countries like India and Pakistan.

Under the pact she will be able to use that sterling to buy goods from Britain—instead of spending it only in the country in which she earns it.

First of Series

The agreement, the sources said, is the first of a series aimed at normalizing the two countries' economic, trading and credit relations.

Anglo-Czechoslovak negotiators have begun drafting a trade treaty for a two-way annual volume of business worth about $90,000,000. This one-year pact is expected to be followed by a five-year agreement.

Study Prewar Debts

Also under negotiation is a general settlement of Czechoslovakia's prewar debts to Britain. These are thought to be around $100,000,000.

Britain is also trying to square up the question of compensation for British interests which the communist-led government of Prague has taken over. The negotiators, according to the informants, are fairly near agreement on this, too. Britain hopes to get about $40,000,000 for all the firms which have been nationalized.

14 Wounded Britons Home From China

Southampton, England, Aug. 17 (AP)—Fourteen British seamen wounded by Chinese Communist artillery in the Yantgze last April came home today aboard the troopship Dilwara from Hong Kong.

They were from the sloop Amethyst, which was trapped by shore batteries for some three months, and from the cruiser London and sloops Consort and Black Swan, which attempetd in vain to steam to the Amethyst's assistance.

They went shore here afoot or on stretchers, to the cheers of 2,000 other servicemen aboard and of relatives on the pier.

HOFFMAN SEES HOPE OF WORLDWIDE PEACE

VENICE, Italy, Aug. 17 — (AP) Paul G. Hoffman, administrator of the European Recovery Program, said today there was a good chance that nations inclined to disturb the peace of the world could be induced to "live and let live."

He told a news conference that western Europe's fear of collapse had faded in favor of a realistic faith in the future.

"We think," he said, "there is a good chance that some countries which today might be inclined to disturb peace could be induced by the general trend of events to stop and think, and perhaps adhere themselves to our theory of live and let live."

Hoffman earlier held a private 90-minute conference with Premier Alcide De Gasperi, Italian economic officials and chiefs of ERP's mission in Italy.

The administrator said the U. S. did not intend to build up exports to Europe on a one-way basis.

"It is the good intention of the U.S.," he said, "to accept increased European exportations."

Italy Gets 48 Ships Of Aid

Rome, Aug. 17 (AP)—Forty-eight ships carrying Marshall aid from the United States were unloaded in Italian ports last month. Coal (384,182 tons) and wheat (26,000 tons) headed the list of cargoes.

New Belgian Regime Wins Confidence Vote

Brussels, Aug. 17 (AP)—Belgium's week-old Social Christian-Liberal coalition Government won a routine vote of confidence from the House of Representatives today.

The vote was 125 to 64. Socialists and Communists were the dissenters.

After the vote the House of Representatives recessed until fall.

The Senate will hold a similar session tomorrow to be followed by a vote of confidence before it adjourns for the summer.

Spain Studies Ties to U. S.

SAN SEBASTIAN, Spain, Thursday, Aug. 18 (AP)—The Spanish Government studied its economic relations with the United States during a fourteen-hour Cabinet meeting that ended here early today. Private sources said Spain already had started to buy wheat from the United States to supplement shipments from Argentina. Spanish crops have failed because of a drought.

British Paratrooper Deserts To Soviets

Berlin, Aug. 17 (AP)—The Soviet-licensed news agency ADN said tonight a British parachute trooper had deserted and fled to the Soviet zone of Germany. The agency identified him as "Jack Stuart, member of the 2d Battalion of the 16th Paracute Brigade."

The British Rhine Army confirmed that "a soldier is missing from the 16th Parachute Brigade," but declined to give his name.

ADN reported the British soldier said "I voluntarily entered the Soviet zone as I am a fighter for peace and democracy. This made it impossible for me to stay any longer in the British Army."

PRISONER OF REDS, ARCHBISHOP SAYS

Josef Beran, Head of Czech Catholics, Isolated in Prague, He Charges

PRAGUE, Czechoslovakia, Aug. 17—(AP) Archbishop Josef Beran broke a two months' silence today and accused the Communist government of holding him captive in violation of his constitutional rights.

The stocky little 60-year-old Roman Catholic primate has not appeared in public since June 19 when a sermon he tried to preach was shouted down by Communist hecklers. He claims now that he has been interned and isolated in his Prague palace.

Archbishop Beran accused the government of illegally seizing his consistory (administrative office) and confiscating the funds of his Prague diocese.

Letter Released

He made the charges in a letter to the state procurator (prosecutor) which was given to the foreign press through church and diplomatic channels. In his letter, the country's leading Catholic official asked bluntly:

"Is the Roman Catholic church in Czechoslovakia still recognized by the state? If so, by what law was the Roman Catholic church deprived of its legal independence in internal matters?"

Archbishop Beran's questions and charges indicated the church hierarchy might be trying to force a break in the deadlocked church-state fight. This was emphasized by the decision to give the Catholic leader's letter publicity through the western press and through western broadcasts which are beamed back into Czechoslovakia.

The Communist-controlled Prague press repeatedly has claimed the archbishop was free to leave his palace but that he wanted to remain in seclusion and "pose as a martyr."

Inquiring newsmen never have got past the ground floor reception desk of the palace where plainclothes police have been on duty. It is known, however, that the Vatican diplomatic representative in Prague has been getting in to see the archbishop.

Archbishop Beran declared that during his weeks in seclusion he received no answers to complaints to government ministries and virtually no mail. He said he had complained to the Ministry of Interior, the Ministry of Education and other state agencies about what he considered were violations of his own and the church's rights.

"I am forced to turn to the state procurator," he wrote, "(since) it is impossible for me to confer with a legal representative—no one is permitted to visit me—and then, too, all (lawyers) are afraid that they would lose their practice if they wished to protect my interests."

The Catholic leader charged that Mr. Miroslav Houska, an official of the Ministry of Education, has been installed in his palace consistory and is "acting in the name of the archbishop and the diocese."

In his letter, Archbishop Beran charged:

Took Official Seal

Along with the consistory, the state took over the official seal;

The state liquidated real estate of the archbishop and the diocese without his knowledge or due legal process;

The archbishop is "deprived of all personal freedom and all rights as the archbishop—and this without any judicial decision;"

The heckling which drove him from his throne in St. Vitus Cathedral on June 19 was a pre-arranged affair—factory workers were instructed in advance to go to the cathedral and create a disturbance;

The government never attempted to arrest anyone for that disorder although many police officers were present.

"Is the law dealing with the prohibition of interrupting religious services still in effect?" the archbishop asked. "I have requested the Ministry of Interior to investigate the incident. To date I have received no reply."

The letter was dated Aug. 4, from Hradcany, the castle district where his palace is situated. The last previous word from him was in a pastoral letter written June 15 and read from Catholic pulpits June 26. It accused the government of prosecuting the church.

The release of the letter was the second time this week the church had taken the initiative in the church-state controversy.

Two Bishops Consecrated

Last Sunday the Roman Catholics consecrated two new bishops at Trnava, Slovakia, without submitting their names to the government for prior approval. This was in defiance of a state decree that all big church meetings must have advance approval from the government.

The conflict between the state and the church began as soon as the Communists seized control of the country in the coup of February, 1948.

Russ Get Blame For Greek Plight

Belgrade, Aug. 17 (AP)—Yugoslavia today blamed the Russian-dominated Communist International Information Bureau (Cominform) for the plight of the crumbling Greek guerrilla forces.

Premier-Marshal Tito's official press quoted one Yugoslav soldier as voicing this opinion of Russian charges Yugoslavia had abandoned the Greek rebels' cause: "Comrade Stalin should be ashamed under his mustache because of all these lies."

The newspapers gave front-page prominence to statements by Yugoslavs denying Coninform accusations that Yugoslavia now is actively supporting Greek Government troops.

Dismal Picture

Taken collectively, the accounts added up to perhaps the most dismal picture yet drawn of the situation of the Communist-led Greek guerrillas. There were several reports of wounded rebels crossing the border to seek sanctuary in Yugoslavia.

One Yugoslav officer was quoted as saying his soldiers liked the Greek rebel troops and "our hearts hurt us because treacherous leadership is leading them to fall."

Another said wounded guerrillas had informed him that rebel troops have not engaged in a single offensive since Markos Vafiades, suspected of favoring Tito, was removed as guerrilla chieftain early this year.

Heard At Meeting

As reported by the Yugoslav Communist organ *Borba* and other Belgrade newspapers, the statements of Yugoslav officers and men were made at an army mass meeting at Bitelj, close to the scene of some of the fighting in the Greek civil war.

Sprinkled through the accounts were reports of aid extended to the rebels by Yugoslavia. No dates were given. Tito early in July ordered the Yugoslav-Greek border closed, but presumably this does not exclude aid to wounded.

Greeks Patrol Border

Athens, Aug. 17 (AP)—Greek Government soldiers today patrolled a 40-mile stretch of their country's border with Yugoslavia and Albania for the first time in three years. The patrolling was done from north of Phlorina to an area northwest of Nestorion.

Greek border stations there were isolated and destroyed early in the civil war as the guerrillas built up that corner of Greece as a major supply route from Yugoslavia and

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Albania.

Mopup Continues

Greek Government units returned to the area after their triumph in the Vitsi area.

A communiqué said mopping up was continuing on the Vitsi front. Guerrilla losses were given as 1,115 killed and 549 taken prisoner. Greek Army losses were 206 killed and 926 wounded, the bulletin said.

Press reports said a motor boat carrying Communist officials was sunk in Lake Prespa when the army overran Vitsi.

Tito Reported Ready to Send Envoy to Athens

May Negotiate All Disputes; Legation Head Pays First

Russia Assails MacArthur

'Pravda' says He is Reinstituting 'Thought Police' in Japan

MOSCOW, Aug. 17 (AP).—"Pravda" said today that General Douglas MacArthur's occupation administration has reinstituted the "thought police" in Japan. The Communist party newspaper contended that Japanese Socialists have made an agreement with Premier Shigeru Yoshida and General MacArthur to assist in this "wave of terror against workers."

"Pravda" further reported that mass arrests of workers are being undertaken by the conservative Yoshida government, and that Japanese journalists are being persecuted and arrested for criticizing occupation authorities and the government.

Hungarian Intellectuals Get 'Reassurance' On Role

Budapest, Hungary, Aug. 17 (AP).—Worried Hungarian intellectuals were assured today that they have nothing to fear under a Communist Government if they accept working-class leadership like that given brainworkers in Russia.

Deputy Premier Matyas Rakosi replied in Parliament to scientists and others who had indicated concern over a proposed new Soviet-type constitution.

This defines Hungary as a "state of workers and toiling peasants," but Rakosi said it does not thereby rule out an intelligentsia.

Stalin Quoted

Soviet Prime Minister Stalin himself has stated that intellectuals have equal rights so long as they accept workers' leadership and do not try to set up as a class by themselves, Rakosi said.

[Russia's intellectuals—scientists and musicians, especially—are called down officially in the Soviet press when they stray from the Communist line.]

The new Hungarian constitution is expected to be approved tomorrow.

Rakosi, reviewing its terms, defended a provision for separation of church and state.

School-Aid System

Strongly Roman Catholic Hungary long has contributed to support of priests and Catholic schools, even since the sentencing of Josef Cardinal Mindszenty to a life term in prison on a charge of treason.

Rakosi said church-state separation was long overdue. He added the Hungarian Government still "would gladly conclude a pact with the Roman Catholic Church, based on mutual concessions, but reactionaries within the Church hinder such an agreement."

Call on Official Since '46

ATHENS, Aug. 17 (AP). — The conservative newspaper "Vradyni" said today the Yugoslav government is preparing to send a minister to Greece to start negotiations on all disputes pending between the two countries.

The paper, which often expresses the opinions of Foreign Minister Constantin Tsaldaris, said its information came from high sources in New York.

Its dispatch coincided with a call today by Yugoslav Charge d'Affaires Jeselyn Martinovic on Panayotis Pipinelis, Under Secretary of Foreign Affairs. It was the first time in three years that a representative of the Yugoslav Legation had called on the ministry.

Yugoslavia recalled her Minister when the two countries were in dispute over alleged Yugoslav aid to Greek Communist guerrillas.

Meanwhile, Greek soldiers patrolled a forty-mile stretch of the frontier with Albania and Yugoslavia for the first time in three years after cleaning out major resistance in the Vitsi area. A communique said a hunt for isolated bands and stores of war material in the area was continuing. Losses of the guerrillas so far totaled 1,115 dead and 549 captured, the communique said, while government casualties were 206 killed and 926 wounded.

[The Albanian government, in a broadcast heard in London, said it had admitted 778 Greek guerrilla refugees from the battle zone. It said 276 of them were soldiers, and were disarmed and sent to a refugee camp.]

Naval Vessels Sent To Aid Foochow

Canton, Aug. 17 (AP)—A Nationalist spokesman said tonight that strong naval forces had been sent up the Min River to the relief of Communist-besieged Foochow.

The spokesman said the coastal city still was in Nationalist hands. Commercial radio contact with Foochow has been out here for many hours.

This might indicate Communist troops have occupied the city. But there has been nothing here to confirm this.

Battle Reported

A battle for Foochow has been reported under way. The city is about 450 miles northeast of Canton.

Meanwhile, a Nationalist Army spokesman denied that Red troops had driven into Kwangtung province, Canton, the Nationalist capital, is also the Kwangtung provincial capital.

[There was no denial, however, of private reports that the Nationalists were withdrawing from Nanhsiung (Namyung), 155 miles northeast of Canton and just inside Kwangtung.]

Acheson Will Help

In Washington, Secretary Acheson said today the State Department will aid the departure of all who want to leave, but making the arrangements will be a long and difficult task.

Asked whether American Government assistance in getting Americans out of Communist-held Shanghai would require a policy decision, Acheson said that it would not. It is just a matter of regular State Department operations, he said.

The department estimated that about 1,200 persons want to leave, he added.

In Shanghai were hundreds of persons want to leave, Acheson said, the Communists have assigned the work of handling permits to three clerks who handle somewhat less than 30 a day.

Liner's Passage Requested

The Nationalist Foreign Office received a request from the United States Embassy for the safe conduct of the liner General Gordon to remove Americans wishing to leave China. The Nationalists have Communist ports, including Shanghai, under blockade.

A Foreign Office spokesman said the safe-conduct request was under consideration. Previously, it had been indicated that the request would be granted.

[The Communists in Shanghai have given the ship permission to call there.]

The American Consulate General in Canton is winding up its business and expects to be closed by Friday. The visa and citizenship sections have already shut down.

Official reckoning on August 6 showed there were 311 Americans, including 90 women and 42 children, in Canton. But some of these have left since then. Government officials on that date included 49 men, 15 women and seven dependents.

Missionaries Await Word

American missionaries are awaiting word from their home headquarters whether to evacuate the Communist threatened capital. Many who intended to stay now are undecided since the closing of the consulate has been ordered.

Various consulates have notified their governments of the American action and are waiting word whether to follow suit. Unless there is a last-minute change, the British consulates will remain here and at Swatow. There are fourteen Britons in the consulate here and one at Swatow, on the coast toward Foochow from here.

The Nationalist Foreign Office has given no clue as to when it might advise the embassies and legations here to withdraw.

Chungking Plans Unchanged

Responsible Chinese sources said there has been no change in plans to make Chungking, the World War II capital, the new seat of the Nationalist Government. Fully 10,000 persons, including Government employés and their families, have gone to Chungking from here.

CHINA ADMITS FOOCHOW LOSS

U.S. Consulate General Plans To Close Tomorrow

Canton, China, *Thursday*, Aug. 18 (AP)—The Nationalists today admitted the loss of Foochow, southeastern China port city and capital of Fukien province.

Capture of Foochow, 430 air miles northeast of Canton, by onrushing Communist armies came after the United States consulate general announced it expects to close tomorrow and pull out of Canton. It will go to Chungking which will be the new Nationalist refugee capital.

The official Nationalist Central News Agency said the loss of Foochow was announced last night by a spokesman for southeast China headquarters at Taipeh, Formosa.

Transferred To Amoy

Foochow is on the mainland opposite the Nationalist Formosa basion. Earlier reports had told of strong reinforcements being thrown into the Foochow battle from Chiang Kai-shek's island redoubt. The Nationalists also had reported strong air-force support for Foochow's defenders. Naval forces also had been sent up the Min River in an attempt to beat back the Communists, the Nationalists said.

The Central News announcement said Fukien's capital has been transferred to Amoy, another port 140 miles farther southwest.

10,000 Reported Gone

Responsible Chinese sources said 10,000 Government employés and dependents already have moved from this refugee capital to Chungking. Chungking, 600 miles northwest, was the wartime capital of China.

Latest private reports had put the Communists little more than 155 miles from Canton on the northeast. An army spokesman denied, however, that they had yet crossed the Kwantung province border. The border is 160 miles away on the route the Communist armies are taking.

[The Communist radio in Peiping announced that Kanhsien was captured Sunday. Kanhsien, 215 miles northeast of Canton, controlled the Kan River route to Canton.]

The United States consulate general already has shut down the visa and citizenship sections. American missionaries were awaiting word from home before deciding whether to flee. Many Americans have left.

Reds Open New Drive Against China Rebels

Nanking, Aug. 17 (AP)—The Communist East China military district today ordered a new drive against peasant dissidents.

The order was to "completely annihilate those staging open armed revolts."

The military headquarters said the people and political measures must support military operations undertaken against guerrillas harrassing the countryside.

Plans were announced at the same time to improve relations between Red troops and the peasants in areas where troops are billeted.

Called "Special Bandits"

The Nanking garrison commander, Yung Chung-sien, charged the guerrillas are "Kuomintang special bandits."

He said they were receiving material and moral assistance from "foreign imperialists and remnants of Kuomintang reactionaries."

"We must realize suppression of the bandits is an important political task which is the prerequisite of our economic development," Yung said.

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JEWS REBURY MOVE FOUNDER

Theodor Herzl's Body Lowered Into Bombproof Tomb

Jerusalem, Aug. 17 (AP)—The body of Theodor Herzl, Austrian-born founder of modern political Zionism, was lowered into a bombproof tomb today on the highest of Jerusalem's seven hills.

Herzl, who died in Vienna in 1904, predicted a half century ago that a Jewish state would arise within 50 years. His body was flown from Austria to Israel's Lydda Airport yesterday and taken to Tel Aviv where it lay in state throughout the night.

The funeral procession to Jerusalem began before dawn after an estimated 200,000 persons had filed past the coffin outside the Israeli Parliament building.

Decked With Israeli Flags

Jerusalem was jammed with people for the burial ceremony. The modern quarters of the Holy City were bedecked with hundreds of blue-and-white Israeli flags.

As the procession moved from Tel Aviv through the Judean hills toward Jerusalem, Israeli Prime Minister David Ben-Gurion described it as a "victory march," not a funeral procession—"a victory over a vision that became a reality."

Almost the entire Jewish population of Jerusalem filed past the Herzl coffin in the courtyard of the Jewish Agency building during the day.

Hill Named In His Honor

Then, late in the afternoon, it was taken to the concrete tomb in a western suburb of Jerusalem. The hill on which the tomb is located has been named Mount Herzl in honor of the Zionist leader.

As the coffin was lowered, a trumpet sounded the *Tekiya* (term for the blast blown in synagogues on the ram's horn on Jewish holy days). Representatives of more than 300 towns and villages throughout Israel each brought a small bag of earth for the burial ceremony. As prayers were recited, a guard of honor of the Israeli armed forces presented arms.

BURMA BATTLE REPORTED

Government Forces and Karens Clash in Shan Capital

RANGOON, Burma, Aug. 17 (AP)—Official sources said today that hand-to-hand street fighting was in progress in Taunggyi, capital of the southern Shan states that Karen rebels captured last weekend.

Pilots were ferrying supplies to near-by Heho airfield following the entry of Government troops into the town 100 miles southeast of Mandalay.

A Government communiqué said that a Karen attempt to capture the town of Loiyein, near Loikaw, rebel-occupied capital of Karenni state, had been beaten. The Government also announced recapture of the rail junction of Letpadan, seventy-seven miles north of Rangoon.

Burmese Fight Way Into Rebel Stronghold

Rangoon, Burma, Aug. 17 (AP)—Burmese Government troops have entered Taunggyi, Karen rebel stronghold 100 miles southeast of Mandalay, and hand-to-hand street fighting is in progress, it was officially announced today.

Government sources said reports that Taunggyi had been retaken were premature.

ACHESON CAUTIONS WEST GERMANS ON BLASTS AT ALLIES

WASHINGTON, Aug. 17.—(AP) Secretary of State Acheson cautioned the western Germans today against too much criticism of the western occupation powers.

Acheson told a news conference that "constructive criticism" is to be expected in the new German state and that the Germans should not be denied this privilege.

But, he emphasized, "abuse of such freedoms" may alienate the sympathy of the western powers and fail to serve the interests of the German people.

"The Germans may well be reminded," he said, "that they are exercising these freedoms only because they are privileged to live under the jurisdiction of freedom loving nations."

Formal Statement

Acheson spoke out in a formal statement three days after the end of the hectic political campaign in west Germany which saw some extreme politicians denouncing the occupation policies of Britain, France and the United States.

This election resulted in the naming of legislators that will sit in the western German parliament of the new German republic. The new state is expected to be proclaimed about Sept. 15.

During the pre-election speeches, criticism of the western allies reached such intensity that an American military government official broadcast a warning to the Germans that such tactics would not be tolerated.

Acheson told reporters that "some of the nationalistic and critical utterances" of the campaign can be viewed as normal, democratic speechmaking and "a release of long pent-up emotions after 16 years of dictatorship and military rule."

Communists Beaten

He noted with satisfaction that the communists and the extreme right parties that had denounced the western allies most caustically polled less than 15 per cent of the total vote and would control less than 10 per cent of the seats in the new German assembly.

On the whole, he said the results of the balloting which saw the Christian Democrats and Socialists getting the most votes represent "a victory for moderation and common sense."

Along with his criticism, Acheson held out hope to the western Germans that the new German republic soon would be given permission to join the 12-nation Council for Europe now in session in Strasbourg, France.

The United States government, he said in answer to questions, favors German membership in this political grouping of western nations as a step toward integrating a free, peace-loving Germany in the western European community.

Qualifies Endorsement

Acheson qualified this endorsement, however, by saying that of course the present member governments of the council would have to invite Germany and the future German government would have to accept. The United States will not presume to ask for such an invitation, he said.

The secretary made it clear that the United States, through its high commissioner in Germany, will exert a "minimum of outside interference" in supervising the new German nation once it is established.

"The United States has consistently refrained from intervention in German decisions concerning domestic institutions and policies except to the extent necessitated by our international commitments," he said.

The international commitments Acheson had in mind are the occupation statute agreed to by France, Britain and the United States and the International Ruhr Authority whose job it is to make sure Germany's industrial facilities are used for strictly civilian purposes.

TEXT OF STATEMENT

WASHINGTON, Aug. 17 (AP)—The text of Secretary of State Acheson's statement on the German election follows:

The outcome of the West German elections is viewed by this Government as a victory for moderation and common sense. Some of the nationalistic and critical utterances of the candidates during the campaign can be viewed as normal manifestations of the democratic process and a release of long-pent-up emotions after sixteen years of dictatorship and military rule. Freedom to indulge in constructive criticism of the occupying powers is part and parcel of the democratic process and the Germans cannot be denied this privilege if they are to establish a truly democratic system.

The Germans may well be reminded, however, that they are exercising these freedoms only because they are privileged to live under the jurisdiction of freedom-loving nations, and that abuse of such freedoms may alienate Western sympathies while failing to serve the best interests of the German people.

The results of the balloting, however, represent a triumph for the moderate parties which are fully committed to a democratic political system. The extremist parties of the right and left together polled less than 15 per cent of the total vote and will control less than 10 per cent of the seats in the new Assembly. The unexpectedly large participation of nearly 80 per cent of the eligible voters is gratifying evidence that the Germans have taken seriously their new civic responsibilities.

Welcomes Result of Voting

This Government is committed to the policy, which I believe is the only sound and democratic one, of permitting the Germans to work out their own internal problems with a minimum of outside interference. The United States has consistently refrained from intervention in German decisions concerning domestic institutions and policies except to the extent necessitated by our international commitments.

We naturally welcome the results of this election in so far as they indicate a decision by the Germans to seek a solution of their economic difficulties through a system of free enterprise. But I wish to make it clear that the Germans remain entirely free, so far as we are concerned, to deal with this matter in their own fashion, providing always there is no contravention of democratic principles or of international obligations.

It is now expected that the newly elected Assembly (Bundestag) will meet on Sept. 7, and that a President of the Republic will be elected shortly thereafter. This will be followed by the appointment of a Chancellor (corresponding to Prime Minister). We anticipate that by the middle or latter part of September, the new German Government will be established and that the High Commission for Germany will replace the existing Military Government organization.

The occupation statute, as agreed upon by the Foreign Ministers on April 8, will then become operative, on a definite date yet to be established. The Federal Republic of Germany will then be free to exercise the usual prerogatives of an established Government, subject only to the limited controls which are specified in the Occupation Statute, and to such additional restraints as may be imposed in the general interest by such bodies as the International Authority for the Ruhr.

U. S. ENVOY PUT AIR JAMMING UP TO STALIN

Acheson Reveals Kirk Asked Premier to Speed Action on Our Protests.

ALSO ON LEND-LEASE WINDUP

Secretary of State Says Radio Interference Violates All Communications Treaties.

Washington, Aug. 17 (A. P.).—United States Ambassador Alan Kirk asked Premier Stalin to speed action on American protests against jamming of the Voice of America radio broadcasts, Secretary of State Acheson disclosed today.

Kirk called on the Soviet leader Monday night. Acheson told a news conference that it actually was a courtesy visit and was limited almost entirely to an exchange of courtesies between the new American Ambassador and the Russian Premier. However, he added, Kirk did mention to Stalin two points currently at issue in Soviet-American relations. These, Acheson said, are the Russian jamming of American radio broadcasts and the long-drawn-out negotiations of a final settlement for wartime lend-lease.

Referred to Foreign Office.

On both points, Acheson said, Kirk simply expressed hope to Stalin that the Foreign Office would consider the two matters so that the two governments can get on with the business of solving the problems involved. Asked what Stalin's reaction was, Acheson said that the matters were referred to the Soviet Foreign Office.

His disclosure of Kirk's approaches to Stalin on the two issues came in response to reporters' inquiries and after he had read a statement accusing the

Russians of having planned the "complex, costly jamming operation" for many months.

This interference with broadcasts from the West to the Russian people, Acheson declared, "must be looked upon as a long-range plan of the U. S. S. R. for isolating the Russian people even more completely from access to truth and fact about the outside world."

Increase in Voice Fund Voted.

The House Appropriations Committee yesterday recommended increasing the Voice of America funds by $11,500,000. This would be used for the construction and improvement of broadcasting stations to fight the jamming, Acheson said.

"If the Congress approves the appropriation recommended by the House committee, the new facilities and the improvement of existing facilities provided for will go a long way toward combatting and overcoming the current jamming," he asserted. "This jamming is a direct violation of international telecommunications conventions to which the U. S. S. R. is a party, including the so-called Madrid and Cairo conventions."

forcements into its effort to reach the Russian people if Congress will grant the necessary funds.

Acheson recalled that the jamming operation against the Voice of America (and the British Broadcasting corporation's Russian programs) began four months ago. More than 250 different jamming transmitters have been identified by detectors of the western powers and others are believed to be in operation, he said.

Long Range Plan

"It is now obvious," Acheson said, "that setting up this complex, costly jamming operation took many months of careful planning and that it must be looked upon as a long range plan of the USSR for isolating the Russian people even more completely from access to truth and fact about the outside world."

Acheson said that if Congress votes an appropriation of $11,320,000 for the Voice of America in addition to sums already granted then the money will be spent on new American broadcasting equipment which will go far toward overcoming the jamming. The appropriation was recommended yesterday by the House Appropriations committee.

Red People Isolated

Because they believe that isolation of the Russian people from any news other than that which the

U. S. Envoy, Stalin Talked On Lend Lease Settlement

WASHINGTON, Aug. 17—(AP) U. S. Ambassador Alan G. Kirk threw out feelers for improvements in Russian-American relations on two touchy issues when he held his first talk with Premier Stalin in Moscow Monday night.

Secretary of State Acheson told a news conference today that Kirk had mentioned personally to Stalin:

1. American objections to Soviet jamming of the Voice of America radio programs to Russia and

2 American hopes for a windup of the Russian lend-lease settlements that have dragged on now since the end of the last war.

Stalin Non-committal

Stalin, who treated Kirk in a courteous and friendly manner, made no particular commitment on either point. Acheson simply reported that both matters were referred by the Russian premier to the Soviet foreign office.

In the same news conference in which he disclosed Kirk's approach to Stalin on these two relatively secondary issues, Acheson issued a statement denouncing the Russian jamming. He declared the State Department's intention to throw reingovernment approves is fundamental Soviet policy, State department officials minimized the importance of Kirk's mentioning the radio jamming to Stalin.

Also they apparently held little confidence either that the slow dragging lend lease negotiations would actually be speeded up.

Nevertheless it was obvious that in his first call on Stalin, Kirk would not mention any matter casually or accidentally. What he did do was toss on the table a pair of ideas for Stalin and his associates to consider as a possible starting point for removing at least some of the irritants in Russian-American affairs.

HOUSE WRANGLES ON ARMS AID BILL

Socialist Norman Thomas Urges Delay; Stop-Gap Action Proposed

WASHINGTON, Aug. 17 — (AP) President Truman's $1,450,000,000 foreign arms program touched off hot debate in the House today, while Socialist Norman Thomas urged Congress to delay the measure and try first to bring about universal disarmament.

The House rang with arguments for and against the historic plan to help arm "friendly nations" abroad.

Military aid from the U. S. is urgently needed because western Europe lives in the shadow of the huge Russian army, said Chairman Kee (D.-W. Va.) of the Foreign Affairs committee, leading the fight for approval of the full program. Russia is not maintaining 200 armed divisions "for the mere purpose of parade," he declared.

Marcantonio Raps Bill

"This is an insane program, a program of war," declared Rep. Marcantonio of New York, only American laborite in the House. What has happened in the countries of Europe, he said, was purely domestic—"their revolutions were purely domestic."

Rep. Smith (R.-Wis.) issued a statement saying the bill violates the spirit of the United Nations charter and is militarily indefensible in the age of the atomic bomb.

"I believe it is necessary for Congress to go halfway now," said Rep. Vorys (R-Ohio), urging the House to hold back half the $1,160,990,000 requested for European members of the Atlantic Pact until they agree on a common plan of defense. Vorys announced he will support an amendment to that effect by Rep. Richards (D-SC), who was applauded loudly when he explained his idea.

Strong Support Seen

By a vote of 275 to 47 approving procedure under which the debate began, the House indicated that the bill has strong support. This vote was not a true test of sentiment on the measure, however, since members often vote to allow a bill to come up and then oppose it when their amendments are rejected.

The arms aid program received a formal blessing from a majority of the House Foreign Affairs committee in a report made public before the debate began.

The committee called the president's plan an investment in American security and a protector of world peace.

"The program here envisaged makes a moderate approach to the goal of balanced force," the committee report declared. "It does not envisage huge expansion of military organizations. It does not contemplate an armament race."

But Norman Thomas, the perennial presidential candidate of the Socialist party, told a Senate committee that Congress should take the lead in an effort to achieve world disarmament before any further expenditures are made in "the ghastly arms race."

Congress Gets New Plea For Disarmament

Washington, Aug. 17 (AP)—Socialist Norman Thomas urged Congress today to take the lead in one more attempt at world disarmament before voting to send military supplies to Europe.

Thomas testified before the combined Senate Foreign Relations and Armed Services committees as the House prepared to open debate on the Administration's $1,450,000,000 foreign arms bill.

House leaders said they are confident the measure will be approved, possibly by Friday, without substantial change in its terms.

Thomas, many times a candidate for President, told the Senators he thinks any arms shipments under the bill should be delayed until a co-ordinated defense of the North Atlantic community is worked out.

Cites Practical Backing

"Such concerted agreement for defense," he said, "would have a practical and moral backing now lacking, if, preceding any further expenditures in the ghastly arms race, an effort were made by the United States or by the nations in the Atlantic pact through the United Nations to bring about universal disarmament under effective international controls and with international provision for security."

Today's entire session in the House was set aside for debate, with voting to start tomorrow.

The bill is the Truman Administration's method of helping western European nations, plus Greece, Turkey, Iran, Korea and the Philippines, arm against possible Soviet aggression.

The men responsible for steering the measure through the House aren't disturbed about amendments designed to kill the program.

Rayburn Sees Little Change

They are concerned about proposals to cut the amount of the program, to limit its length and to hem it in with restrictions.

Speaker Sam Rayburn (D., Texas) predicted there would be no substantial change.

Democratic Leader McCormack of Massachusetts, said it would be "most unfortunate" if the bill were riddled with major amendments.

"It will be a real fight," Representative Richards (D., S.C.) asserted.

Richards is spearheading an effort for some restrictions. He wants some of the money held back until there is assurance that the recipient nations are going to pull together as a team.

Committee Course Cited

Chairman Kee (D., W.Va.) of the Foreign Affairs Committee, which sent the bill to the House by a 14 to 5 vote, said he was confident that the House would follow the committee's recommendations.

Substantially, the bill approved by the committee follows what the President wants.

It authorizes the full program—$1,160,990,000 for Atlantic pact nations, $211,370,000 for Greece and Turkey, in addition to $50,000,000 previously authorized, and $27,640,000 for Iran, Korea and the Philippines.

Instead of giving it all in cash as the President suggested, it breaks the amount into two sums—$655,840,000 in cash and $505,150,000 in contract authority.

March 31 Limit Set

It stipulates that none of the cash or contract authority can be used after next March 31 unless the President certifies that Atlantic pact nations have worked out an acceptable mutual defense plan.

MARAGON ACCUSED OF PERJURY IN PREVIOUS HEARING

Witness Links Truman Aide in Deal to Get Sugar for N. J. Company

TELLS OF PAYOFF

Former U. S. Worker Claims General Threatened to 'Get' His Job

WASHINGTON, Aug. 17. — (AP) Senator Mundt (R-SD) today called Maj. Gen. Harry Vaughan a "finagling bargainer" full of "intimidation, bluff and bluster," and Senator McCarthy (R-Wis) demanded that John Maragon be indicted for perjury.

Vaughan is President Truman's army aide.

Maragon, a onetime Kansas City shine boy, has become the friend of many a Washington official, including Vaughan.

Mundt's outburst came at a Senate investigations subcommittee hearing after a former Agriculture department employe said that Vaughan had put the heat on him to give more sugar to a New Jersey molasses company.

The employe, Herbert C. Hathorn, said Vaughan made the attempt back in the days of sugar rationing.

Firms Violated Controls

Hathorn said the firm Vaughan wanted to get the sugar for, the Allied Molasses Co. of Perth Amboy, N. J., had been a "flagrant and willful violator" of a department order suspending it from receiving any more molasses.

Hathorn said Vaughan made it plain that he could get Hathorn's job.

Here Mundt broke in to say that previously he had thought of Vaughan as a "fumbling bungler."

"In this case," said Mundt, "he was a finagling bargainer."

"Perhaps," Mundt continued, "I have been unduly charitable, and I just want to say, I don't like it all."

McCarthy made his demand for a perjury indictment of Maragon after Milton R. Polland testified that he paid Maragon $1,000—$500 by check and $500 in cash, to help get Allied Molasses more sugar.

Polland is a Milwaukee insurance man whose nephew, Harold W. Ross, is president of Allied.

Last month Maragon appeared before the subcommittee at a closed session.

Maragon Denied Payoff

Testifying under oath, Maragon said then that he never had been paid any money by anyone for ne-

gotiating business with the government.

This was read into the record today. And a $500 cancelled check of Polland's, dated Nov. 20, 1946, and endorsed by Maragon, was made part of the subcommittee's exhibit.

Said McCarthy heatedly:

"We should ask the Justice department to take this matter over and ask that an indictment for perjury be returned against Maragon."

One of the committee's lawyers, Francis D. Flanagan, reminded the senators that Maragon had not listed any payment from Polland or Allied Molasses on his income tax returns.

Today's hearing was sometimes stormy, sometimes humorous, and, as usual, always tangled.

The subcommittee is studying the activities of the "five percenters." These men offer to help business men get government contracts, in return for a fee, and the committee wants to find out how much influence they actually have.

Hathorn told the committee this story:

He had been in charge of deciding what companies should get the scarce molasses and syrups.

Both Maragon and Vaughan, he said, tried to get him to give Allied Molasses firm the sugar it wanted.

Leg Man for Vaughan

Maragon tried to imply, Hathorn said, that he was an emissary, or "leg man," of General Vaughan's.

Then he said that the general himself called.

Hathorn said Vaughan began by observing, "we Democrats have to stick together."

Then, said Hathorn, when Vaughan "felt that I was not cooperative," the general reminded him that "he was very close to the President and a man in the White House could mean an awful lot to a man in one of the agencies."

In spite of the pressure, Hathorn said, Allied Molasses never did get its sugar.

The alleged violation of the rationing order was turned over to the Justice department, Joseph T. Elvove of agriculture's sugar branch told the senators.

But he said the company was not prosecuted because the Justice department decided that the order was "partially defective."

Mundt's criticism of Vaughan brought a reprimand from Chairman Hoey (D-NC).

Hoey said that if remarks like this were to be made in a court, the case would be thrown out.

But Mundt said:

Remark Stays in Record

"I want my remarks to stay in the record."

Mundt referred to the Vaughan episode as "this discouraging stench," and declared:

"It is distressing for me to realize that the government has sunk to such a revolting and repugnant low where the president's aide will call up a young man (Hathorn) in the government and by pressure, intimidation, bluff and bluster endeavor to get him to do something in violation of the law."

Mundt said he thinks the taxpayers agree with him.

"They don't like this kind of shenanigans going on," he said.

Polland told the committee that he met Maragon at a Milwaukee party given in honor of Vaughan.

"Who entertained General Vaughan?" asked Senator Margaret Chase Smith (R-Me).

"I think it was one of the local breweries," Polland replied.

It later was brought out that the Schlitz Brewing company gave the party.

Polland explained that out in Milwaukee, it's customary to have "social gatherings" for important visitors.

It was in the fall of 1946, Polland said, that he learned from his nephew that Allied Molasses would have no additional sugar or go out of business.

Asked why he turned to Maragon for help, he said:

"I was, I guess, impressed with his importance. I may have been taken in by his importance."

Asked Maragon's Aid

At any rate, he said, "I asked Maragon if he could be of some assistance to us and he said yes."

At one point, asked about his first meeting with Maragon, Polland said:

"If you gentlemen of the committee know John Maragon, you know it is not a question of meeting him but of getting rid of him after you have met him."

Ross, the president of Allied Molasses, didn't give a very high appraisal of Maragon, either.

"He double-talks you," Ross said. "He says 'don't worry, don't worry.' That's all I could ever get out of him."

Ross previously had said that he was "hanging on very thin air", and so he hired a Washington attorney, William Maloney.

"Did you do anything else?" he was asked.

"I just sat around biting my fingernails waiting for something to happen," Ross replied.

So he turned to Maragon.

In addition to the money paid by his uncle, Ross said he personally gave Maragon $100 after Maragon had said that he "needed $100 fast'.

Elvove, the official of the Agriculture department's sugar branch, said he got a phone call from Vaughan about the molasses company, and that he had three interviews with Maragon.

In one interview, Elvove said, "Mr. Maragon left the distinct impression that he was representing Gen. Vaughan in the matter and that he, too, held some sort of official governmental connection."

Elvove said he finally asked the secretary of agriculture's office about Maragon, and was told that he "had no White House status and his unwarranted interventions should be ignored."

YUGOSLAVIA

U.S. PERMITS [illegible] STEEL PURCHASES

Decision Seen as Move to Back Tito in Fight with Moscow

WASHINGTON, Aug. 17 — (AP) The United States has granted Yugoslavia permission to buy the materials for a steel mill from an American company, government officials disclosed tonight.

The decision marks the biggest step yet by the American government to strengthen Marshal Tito in his fight with Moscow.

It is the first time since the cold war began that the administration has agreed to ship "war potential" goods to a Communist-ruled nation.

The shipment was approved after months of argument between the state and national defense departments and other top agencies of the government.

Delivery In 12 Months

The mill, valued at approximately $3,000,000, will be built by the Continental Foundry and Machinery Co. of Pittsburgh and is to be delivered in 12 months.

These government officials said it is a blooming and slabbing mill designed to process and refine steel ingots and would not increase Yugoslavia's steel capacity but only its ability to refine it.

Secretary of State Acheson, it was learned, led the fight for approval within the administration, arguing it was a "calculated risk" necessary to bolster Yugoslavia's recovery.

The Yugoslav government, in appealing for the right to place an order for the mill, said it was vitaliy needed to turn out rails and other structural steel essential to the Yugoslav recovery program.

Secretary of Defense Louis Johnson first opposed the deal on security grounds, officials said. But later, he dropped his objections on the understanding the decision can be reviewed prior to shipment in the light of conditions existing then.

Acheson Agrees

Acheson has agreed to this provision and the Commerce department has now notified the Yugoslav embassy that the necessary export license for the mill will be granted.

Yugoslavia's ambassador, Sava Kosanovic, called on Secretary Acheson yesterday to discuss the matter and thank him on behalf of his government, it was reported.

State department officials expect that news of the decision will bolster Tito's government economically and in addition will be a big morale factor.

Russia and the other eastern European governments, on the contrary, can be expected to blast the move as a sign that Tito is now allying himself with the capitalist nations.

Poland and Czechoslovakia have appealed repeatedly for machinery and equipment from the United States but their requests have been turned down. Czechoslovakia has several million dollars worth of equipment already manufactured and paid for in the United States for which it can get no export licenses.

Terms Not Disclosed

Officials declined to disclose the terms of the Yugoslav contract with the Continental Foundry and Machinery Co., but indicated the Yugoslav government would either pay cash or make a substantial down payment.

The Pittsburgh concern is reported ready to start work immediately on the plant as soon as it is formally notified in writing of the decision and any conditions attached.

William B. Todd, executive vice president of Continental Foundry & Machine Co., said at Pittsburgh work on the mill had already started. He said the formal notification was received last week.

Todd declined to make any statement on terms of the contract but said Yugoslavia would make a down payment and that there would be "the regular terms for work of that kind." He declined to specify the amounts.

The decision to grant an export license was considered by eight government agencies—state, commerce, national defense, agriculture, interior, the Economic Cooperation Administration, the national security resources board and the atomic energy commission.

The government officials who told of the decision said that in event Marshal Tito becomes reconciled with Moscow the United States would undoubtedly stop the shipment. All Commerce department export licenses specify that the government has the right to amend, suspend or revoke them.

First Deal of Kind

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POLISH CONSUL RESIGNS POST

Official At Montreal Quits Because Of Communism

Washington, Aug. 17 (AP)—The Polish Consul General in Montreal has resigned in protest against his country's Communist Government and "the onslaughts of the Communist governments upon the Catholic Church," a statement released here by an American acquaintance said today.

Arthur Bliss Lane, former Ambassador to Poland, said the resigning diplomat is Tadeuz J. Rakowski, 47, whom he knew in Warsaw several years ago.

The former ambassador said that Rakowski, who is seeking political asylum in this country, came to Washington on leave in order to establish his status in this country while still holding diplomatic rank.

On Way To New York

Lane said the Consul was on his way to New York by automobile this afternoon, so was not available. However, he made public a statement which he said Rakowski prepared.

'It declared the Communist Government of Poland does not act for the good of the country but in the interests of Russia and according to directives from Russia.

"Because of my profound conviction," the statement added, "I am not and never have been a Communist—but a sincere champion of democracy in the Western sense of the word. I therefore do not wish, however indirectly, to aid forces striving to bring about the communistic domination of the world—a domination which destroys the liberty and value of individual man.

Going To California

"Like the overwhelming majority of my people, I am a Catholic and I cannot accept the onslaughts of the Communist governments upon the Catholic Church."

Rakowski was accompanied here by his 21-year-old daughter, who interprets for him. His wife is in New York. Lane said Rakowski hopes to go to Los Angeles and live with a friend—whose name Lane did not know—while writing an account of his experiences.

ECA Halts West Europe Spending

Washington, Aug. 17 (AP)—Before the resolution extending the stopgap spending authority passed Congress today, the Economic Co-operation Administration announced it was halting the granting of additional spending authority to western European nations until additional funds are appropriated.

With the signing of the resolution, however, ECA authorizations can be resumed. The only restriction is that the spending be at a rate no greater than the lower of the appropriation figures in dispute between the two houses.

Mme. Chiang Thanks Amvets

WASHINGTON, Aug. 17 (AP).—Mme. Chiang Kai-shek has sent the World War II veterans' organization, Amvets, her thanks for advocating American co-operation with Nationalist China "in the present desperate struggle against Communism."

30.24- 5097

FLEMING ATTACKS SHIP INQUIRY AIDE

Maritime Commissioner Tells House Group Its Counsel 'Browbeats' Officials

WASHINGTON, Aug. 17 (AP)—In a bitter statement, Maj. Gen. Philip B. Fleming, chairman of the Maritime Commission, tonight accused counsel for a House Expenditures subcommittee of "browbeating" commission officials in an investigation of ship subsidies.

At the end of a ten-day hearing, General Fleming stood up in the committee room, clipping his words as he told the chairman, Representative Porter Hardy Jr., Democrat, of Virginia:

"Your prosecutor (he referred to Gordon Peyton, committee counsel) has been most unfair to the Maritime Commission. I think he had a preconceived idea of what he wanted to prove. I believe he has impugned the motives of witnesses.

"I have been in the Federal Government for forty-two years and I've never seen anything as the conduct carried on in this committee. I have never seen witnesses so browbeaten and words forced down their throats."

General Fleming became head of the Maritime Commission on June 6, after holding many other government assignments. He was not a member of the commission when it approved the $80,000,000 in ship subsidies being investigated. But he attended the hearing.

During the ten days' proceedings various officials of the commission and ship specialists complained of not being permitted to give their complete answers to questions put by Mr. Peyton or committee members.

When General Fleming finished his statement, Mr. Peyton offered to apologize if he had offended witnesses. But Chairman Hardy cut him short with a suggestion that if any apologies were in order they should come from General Fleming.

"I have no apology to offer," General Fleming shot back.

"Strike that from the record," Representative Hardy ordered the committee stenographer. The chairman told General Fleming he would not have permitted him to talk if he had known he would be so critical of the committee.

Earlier the committee was told that President Truman himself initiated the $150,000,000 merchant ship construction program on which Controller Lindsay C. Warren has charged that the Maritime Commission granted "excessive" subsidies.

The testimony was given by Frank C. Nash, former assistant to the late Secretary of Defense James Forrestal.

At the same time Rear Admiral C. D. Wheelock of the Navy's Bureau of Ships warned that the subsidies should not be disturbed lest the private ship lines stop building the ships.

"That," Admiral Wheelock told a House Expenditures subcommittee, "would be a crime against the national defense."

American Awaits King's Chess Move

Seattle, Wash., Aug. 17 (AP)—Pat Bliss, deputy sheriff, is fixing to devote full time to his chess game with King Abdullah of Hashemite Jordan.

Pat has been battling King Abdullah for three years, but has had to give most of the time to earn a living as deputy sheriff. He plans to retire on September 1.

"I'm going to devote part of my extra time to beating the hell out of this King," Bliss said.

Bliss is worried about the King, however. He hasn't heard from him for six months. He can't figure out whether he has the King stumped over his next move or whether the mails, by which the King discloses his moves, are just unusually slow.

He's beginning to think that six months is a bit slow—even for a chess move.

Georgia Princess Asks Castle Pay

New York, Aug. 17 (AP)—A Georgia-born Princess said today she wants $1,300,000 from the Italian Government because squatters have displaced her from her 85-room Italian castle.

The Princess Eugenia Ruspoli, daughter of a Confederate Army colonel, said on her arrival on the Italian liner Vulcania that her castle at Nemi, near Rome, was occupied after the war by 70 Italian families.

The Princess, an American citizen who married an Italian nobleman, said she was claiming 741,000,000 lira, or approximately $1,300,000, for the damage done by the squatters.

Pays $150,000 Tax

She was accompanied by her daughter and son-in-law, Prince and Prineess Alexis Droutzkoy and their two children.

The Prince said $150,000 in annual taxes was paid the Italian Government for the castle and property but "they won't do anything about giving it back to us."

The Princess added the squatters "have just got the idea of destruction and they won't stop." She said her American home was in Oak Hill, Ga.

If she succeeds in getting the Ninth Century Castello di Nemi back, the Princess said: "I'm going to give it to the Pope. I am a Catholic and I adore Italy. I want my castle to be in Italian hands."

Red Foe Arrives

New York, Aug. 17 (AP)—The Rev. Ricardo Lombardi, S.J., widely known in his native Italy for his opposition to communism, arrived at LaGuardia Airport today. He plans to leave in a few days for San Francisco for a series of lectures to be sponsored by the Italian Catholic Federation.

Witness Says No One Issues Orders in Communist Party

NEW YORK, Aug. 17 (AP)—Nobody gives orders in the Communist party, a defense witness told the conspiracy trial of 11 top Red leaders today.

Wilbur S. Broms, a Brooklyn communist, said any party activity is mapped out in discussion groups after there is something like a meeting of minds.

He drew the immediate interest of Federal Judge Harold R. Medina, presiding over the trial that entered its eighth month today.

Judge Medina wanted to know if one communist never ordered another to do something.

"That's right," replied Broms.

No Such Thing As Order

"So there can't be any such thing as an order in the Communist party?" the court asked.

"That's right," repeated Broms.

"And that's because it's democratic and people don't like to give orders?" Medina persisted.

"That's right," Broms said again.

Broms' testimony was offered to counter a government claim that communists were ordered to press for recruits among power and communications centers if the occasion arose.

Broms admitted that the Thomas Jefferson section of the Communist party in upper Manhattan concentrated its activities on the transportation industry from 1946 to 1948. The New York Central railroad yards were a prime target, he added.

But he said no one told the Jefferson section to launch such a program. The decision was reached after a discussion meeting of the section, he added.

For 90 minutes, the court heard defense attorney Richard Gladstein read a draft resolution prepared for the 1948 national communist convention. Its source was not made clear.

It dealt with the attitude of communists toward Wall street, militarists, defense spending and the danger of fascism in America.

"I may say you are starting your eighth month very auspiciously," Judge Medina told Gladstein as the attorney began reading.

Won't Name Associates

Then the court invited Broms to step down from the witness stand and make himself comfortable during the lengthy reading.

"This is fine," Broms said as he held his seat.

Later, Broms refused on several occasions to name associates within the Communist party.

"I do not like to be placed in the position of being an informer," the witness said.

Broms said he joined the Young Communist League while he was a freshman at the University of Minnesota in 1934. A year later, he testified, he joined the Communist party and became city organizer in St. Paul and state chairman in Minnesota.

When Broms said he helped organize the YCL unit at the University of Minnesota, Judge Medina asked if university authorities were aware of his activity.

Says YCL Above Board

The witness said he did not know but that YCL activity was "very aboveboard" and his association with the league was public knowledge.

Broms said he came to New York city in 1946 and headed various communist clubs, the latest in Brooklyn.

The 11 communist leaders on trial are charged with conspiring to advocate the violent overthrow of the U. S. government.

The trial began Jan. 17.

Some observers speculated that it is the longest criminal trial in U. S. history.

However, U.S. Attorney John F. X. McGohey, conducting the government's case, said he would not like to claim such a record without research into other long trials. It's his longest, though.

SCIENCE URGED TO POOL SKILLS

U.N. Conservation Meeting Hears Talk By Osborn

Lake Success, N.Y., Aug. 17 (AP). The world's scientists were urged today to pool their skills to put all nations "on the road to plenty and the road to peace."

The "Aladdin's lamp of science" can solve many problems of getting enough food, fuel and other things for a world with more and more people, said Fairfield Osborn, president of the Conservation Foundation, of New York. He spoke before the United Nations Scientific Conference on the conservation and utilization of resources.

The conference, first of its kind, openend today. It brings together 700 experts from 50 nations for three weeks. Russia declined to send any of her scientists.

Will Share Soil Ideas

Experts will share ideas on how to save soil, develop better plants and meat animals, how to find new sources of oil, coal and other materials, how to draw more food and mineral wealth from the sea, and even how to use more of the sun's energy and how to harness the winds and tides.

Osborn warned that mankind has badly misused natural resources, and some nations face critical shortages of vital supplies. Half the world's people are "face to face with want," he said. The earth's population has doubled within the last century, and may reach 3,000,000,000 by the year 2000, he added.

"The time has come for a new era in conservation," declared J. A. Krug, Secretary of the Interior.

Asks Raised Standards

Certainly the greatest problem facing the world today is that of raising the standard of living of the people, not just maintaining it," he continued.

"This necessary objective cannot be accomplished by 'locking up' our natural wealth. It can be accomplished, and steady future progress can be assured, by the intensive concentration of the world's scientific and engineering know-how on the basic problem of making the most of what we have."

He said he did not agree with those alarmed by the squeeze of growing population and depletion of some natural resources.

"If free governments are to survive," he added, "individual citizens cannot have the right as private owners of essential resources to imperil the future of the nation by shortsighted practices in developing these resources."

Trygve Lie, United Nations secretary general, said one key to peace is raising the "living standards," "for behind most wars stand the specters of hunger and want—effective war-mongers of the past."

First Lead British bonds

London, Aug. 17--(ap)--British government bonds were subjected to heavy selling on the London Stock Exchange today. Some issues closed as much as 15 shillings ($3) lower.

The decline interrupted a slow rally which got under way last week after government shares had [redacted] fallen past their low point of World War II.

AUG 17 1949

Brokers cited these two main reasons for the selling wave:

1. A statement by the British Federation of Industries that a lower standard of living is Britain's only real hope of overcoming her dollar shortage.

2. A paris-dated story in the London Daily Express that Paul Hoffman, chief of the American-financed European Recovery Program (ERP), is dissatisfied with Britain's recovery effort.

The Express said Hoffman made his statement at a meeting of European representatives in the Organization for European Economic Cooperation (OEEC) in Paris yesterday.

Under a top bannerline the Express quoted Hoffman as saying: "I would not undertake to say what incentives would get a Britisher into action, but the incentives are very much needed."

Subsequently a press officer in Paris said it seemed unlikely Hoffman had made any direct criticism of British dollar earning efforts. The press officer said Hoffman had praised these efforts at least twice while in Paris.

[redacted] Hoffman himself had left Paris for Italy and was not available immediately for comment on the conflicting accounts of what he had said in the French capital.

Biggest loser on the British government bond list today was the treasury 2½ per cent issue. It closed 15 shillings down at 71 3/4. Earlier in the day this issue was sold as much as 25 shillings ($5) below yesterday's closing price. Other losses at the end of trading today ranged from five shillings ($1) to seven shillings six pence ($1.50).

AUG 17 1949

The market rebounded some from the midday [redacted] low point.

30.24- 5099

Early in the afternoon, however, bargain hunters came into the market and part of the morning's s evere losses were recovered.

treasury two and a half per cents, which had dropped 25 shillings ($5) regained 10 shillings ($2) of that. other losses then ranged from two shillings s ixpence (50 cents) to 12 shillings sixpence ($2.50).

hoffman's criticism of britain was part of a general statement to [redacted] delegation heads of the organization for european economic cooperation [redacted] (oeec).

AUG 17 1949

he said he saw NO way to meet europe's chronic dollar shortage except by earning dollars through exports. he told the delegates there was great need for their governments to give their manufacturers inventives "to win and hold a place in that (american) market."

[redacted]

if the marshall plan countries demonstrated willingness to work to earn more dollars, he said, the united states would try its best to give technical help.

the federation of british industries issued a statement last night demanding lower taxa tion, cuts in spending on social welfare and fewer government controls if the country is to pull out of its economic nosedive.

the federation, similar to the national association of manufacturers in the u.s., attacked the government's plans for nationalizing more basic industries, such as iron and steel.

it said these plans were "distracting" the nation's producers at a time when business [redacted] problems demand their closest attention.

AUG 17 1949

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LONDON, AUG. 17-(AP)-TATE AND LYLE, HUGE BRITISH SUGAR FIRM, DEFIED THE FOOD MINISTRY TODAY TO MAKE IT CALL OFF AN ADVERTISING CAMPAIGN AGAINST NATIONALIZATION OF ITS INDUSTRY.

LORD LYLE, HEAD OF THE COMPANY, TOLD NEWSMEN THE MINISTRY HAS ORDERED TATE AND LYLE TO REMOVE ANTI-NATIONALIZATION PROPAGANDA FROM ITS SUGAR CARTONS.

HE SAID TATE AND LYLE HAS DECLINED AND IS CHALLENGING THE FOOD MINISTRY TO ENFORCE ITS ORDER.

THE FAMILIAR WHITE AND BLUE TATE SUGAR CARTONS HAVE BEEN APPEARING FOR WEEKS BEARING SUCH SLOGANS AS "TATE, NOT STATE" AND "UNTOUCHED BY HANDS; HANDS OFF SUGAR."

ASKED WHAT THE FOOD MINISTRY HAD TO SAY, A SPOKESMAN TOLD A REPORTER:

"FOR THE MOMENT, NOTHING."

TATE AND LYLE SPRANG TO THE DEFENSE OF ITS BUSINESS SOON AFTER THE LABOR PARTY ANNOUNCED IN JUNE ITS CAMPAIGN PLATFORM FOR THE NEXT GENERAL ELECTION.

THE PLATFORM PROMISED NATIONALIZATION OF SUGAR, CEMENT AND SOME KINDS OF INSURANCE.

LATER THE FOOD MINISTRY ISSUED A STATEMENT SAYING LORD LYLE'S REMARKS WERE "MYSTIFYING TO US."

"IT WAS NEVER INTENDED THAT THE MINISTRY SHOULD INTERVENE IN THIS MATTER," A SPOKESMAN SAID.

"WE ARE TAKING STEPS TO FIND OUT WHAT LIES BEHIND LORD LYLE'S STATEMENT."

IN RESPONSE TO A QUESTION BY A REPORTER, THE SPOKESMAN SAID THE MINISTRY DOES NOT CLAIM ANY POWER TO INTERFERE WITH THE TATE AND LYLE PROPAGANDA CAMPAIGN.

-SJ1044AED

AUG 17 1949

LONDON, AUG. 17-(AP)-ALBANIA PROTESTED TODAY TO THE UNITED NATIONS--FOR THE SECOND TIME WITHIN A WEEK--THAT GREEK TROOPS ARE INVADING HER SOIL.

TIRANA RADIO SAID THE LATEST COMPLAINT IS THAT ATHENS TROOPS KILLED FIVE CIVILIANS WHEN THEY POURED MORE THAN 2,000 SHELLS INTO FOUR FRONTIER VILLAGES SUNDAY. IT SAID THE GREEK TROOPS WERE BEATEN OFF BY ALBANIAN SOLDIERS.

THE BROADCAST SAID 12 GREEK SPITFIRES FLEW ACROSS THE ALBANIAN FRONTIER SUNDAY AND WERE FIRED ON BY ALBANIAN BORDER GUARDS.

IT SAID MANUSH MUFTIU, ALBANIA'S DEPUTY FOREIGN MINISTER, PROTESTED THIS AS A "FLAGRANT VIOLATION OF INTERNATIONAL LAW" IN A TELEGRAM TO THE UNITED NATIONS.

THE AREA INVOLVED IN THE INCIDENTS IS NEAR THE GRAMMOS MOUNTAIN FRONT. ATHENS TROOPS HAVE BEEN ENGAGED IN BIG SCALE CLEANUP OPERATIONS THERE AGAINST COMMUNIST LED GREEK GUERRILLAS.

THE GREEK GOVERNMENT CONTENDS THAT COMMUNIST ALBANIA HAS BEEN FURNISHING THE REBELS WITH AID AND REFUGE ALONG THE BORDER. ALBANIA HAS DENIED THIS OFFICIALLY.

ALBANIA IS NOT A MEMBER OF THE UNITED NATIONS.

JS943AED

WITH BELGRADE (A90)

LONDON, AUG. 17-(AP)-YUGOSLAVIA DENIED TODAY A REPORT BY GREEK GUERRILLAS THAT THEY HAVE BEEN FIRED ON BY YUGOSLAV SOLDIERS.

THE GUERRILLA RADIO SAID LAST NIGHT THE YUGOSLAVS SHOT AT THEM DURING A BATTLE WITH ATHENS GOVERNMENT TROOPS IN THE VITSI AREA, NEAR THE GREEK-YUGOSLAV BORDER.

"THE YUGOSLAV GOVERNMENT INFORMATION OFFICE," SAID A BELGRADE BROADCAST HEARD IN LONDON THIS AFTERNOON, "ANNOUNCED THIS REPORT IS A BASE SLANDER."

IT BLAMED THE STORY ON COMINFORM AGENTS "IN THE RANKS OF THE GREEK COMMUNIST PARTY CENTRAL COMMITTEE."

SJ110PED

EDINBURGH, SCOTLAND, AUG. 17-(AP)-TWENTY-FIVE AMERICAN CIVIL AIR PATROL CADETS WERE HAPPILY SIGHTSEEING TODAY IN SCOTLAND.

THEY SAW THE HISTORIC APARTMENTS AT HOLYROODHOUSE AND VISITED THE ROOMS WHERE BRITAIN'S ROYAL FAMILY WILL STAY NEXT WEEK.

LIEUTENANT COLONEL L.A.EDWARDS, IN CHARGE OF THE PARTY, SAID, "THE LADS ARE IN GOOD HEALTH, AND TELL THE FOLKS BACK HOME THEY ARE IN GOOD SPIRITS."

SIXTEEN-YEAR-OLD BILL OWEN, OF 1348, 23RD STREET, BIRMINGHAM, OKLA., SAID: "THIS HAS CERTAINLY BEEN A GREAT VISIT TO BRITAIN. WINDSOR CASTLE WAS MARVELOUS FOR ME. THE EDINBURGH CASTLE, WHICH WE SAW YESTERDAY, IS SOMETHING THAT HITS YOU. IT IS SO UNUSUALLY SPECTACULAR, RIGHT IN THE HEART OF THE CITY."

WALTER WOOLSEY, 17, OF 2202 LINCOLN STREET, PHOENIX, ARIZ., WAS STILL ENTHUSIASTIC ABOUT THE PLYMOUTH ROYAL DOCKYARD BUT LOOKED FORWARD TO SEEING THE CHANGE OF THE GUARD AT BUCKINGHAM PALACE WHEN THE GROUP GO TO LONDON THIS WEEKEND. "IT'S CERTAINLY A LOT COOLER HERE THAN IN THE U.S.A.," HE SAID. "THE FOOD HAS BEEN VERY GOOD INDEED AND EVERYONE HAS SHOWN US THE GREATEST POSSIBLE KINDNESS."

THE CADETS RECEIVED A CIVIC WELCOME AT THE CITY HALL.

KA950AED

SOUTHAMPTON, ENG., AUG 17-(AP)-THE VENERABLE LOKANATHA, YELLOW-GOWNED PROPAGANDIST OF BURMA'S BUDDHIST FOREIGN MISSION, ARRIVED FROM NEW YORK ON THE LINER QUEEN MARY TONIGHT OPTIMISTIC ABOUT BUDDHIST PROSPECTS IN THE UNITED STATES.

"MY 18 MONTHS' VISIT WAS A GREAT SUCCESS," HE SAID. "I OBTAINED QUITE A NUMBER OF CONVERTS. I WAS EVEN OFFERED A POST AT HAMLINE UNIVERSITY, ST.PAUL, MINN.

"THERE ARE NOW NUCLEI OF BUDDHISM ALL OVER THE UNITED STATES, ESPECIALLY IN NEW YORK, ST. PAUL, MINNEAPOLIS, CHICAGO AND LOS ANGELES.

"SCHOLARS SCIENTISTS, PHILOSOPHERS AND THE INTELLIGENSIA GENERALLY ARE BEING CONVERTED. ONCE INTELLECTUAL PEOPLE ACCEPT BUDDHISM THE MASSES WILL FOLLOW."

LOKANATHA, ITALIAN-BORN CONVERT TO BUDDHISM, WILL PRESENT HIS REPORT ON THE UNITED STATES TO HEADQUARTERS OF THE BUDDHIST FOREIGN MISSION AT MANDALAY, BURMA.

HE HOPES TO RETURN TO AMERICA SOON WITH FOUR MISSIONARIES TO START A BUDDHIST MISSIONARY COLLEGE.

LOKANATHA SHOCKED SHIP'S STEWARDS BY LEAVING HIS CABIN EACH NIGHT TO SLEEP AND MEDITATE IN EITHER THE LINER'S MOVIE THEATER OR ONE OF ITS LOUNGES.

HT "I HAVE NOT SLEPT IN A BED FOR 16 YEARS NOW; AND I DIF INTEND TO START AGAIN ON A LINER," HE DECLARED.

DY511PED

BY CARL HARTMAN (400)

PARIS, AUG. 17-(AP)-WESTERN EUROPEAN NATIONS TODAY ANNOUNCED A PLAN FOR INJECTING SOME COMPETITIVE VIM INTO ITS QUOTA-BOUND TRADING SYSTEM.

THE IDEA IS TO GET RID OF THE LAWS ALL OVER EUROPE THAT STRICTLY LIMIT, ITEM BY ITEM AND COUNTRY BY COUNTRY, THE GOODS THAT CAN BE BOUGHT ABROAD. ECONOMISTS AGREE THAT THIS SHOULD BE DONE GRADUALLY, NOT ALL AT ONCE.

THE PLAN WAS GIVEN TO REPORTERS BY HERVE ALPHAND, ECONOMIC CHIEF IN THE FRENCH FOREIGN MINISTRY. HE EXPLAINED, HOWEVER, THAT HE WAS SPEAKING NOT FOR FRANCE BUT "AS AN INTERNATIONAL CITIZEN," AND CHAIRMAN OF THE 19-AREA COMMITTEE THAT DREW IT UP. THE COMMITTEE IS PART OF THE ORGANIZATION FOR EUROPEAN ECONOMIC COOPERATION (OEEC)

ALPHAND SAID THE ORGANIZATION "MUST GIVE EVIDENCE THAT IT IS NOT MERELY A MACHINE FOR DIVIDING U.S. AID, BUT ALSO A FORCE FOR THE UNIFICATION OF EUROPE."

THE PLAN, UNANIMOUSLY APPROVED BY THE OEEC COUNCIL AT A SECRET MEETING SATURDAY, CALLS FOR THE MARSHALL AID COUNTRIES TO SUBMIT A SERIES OF LISTS BY OCT. 1.

THE LISTS WOULD SHOW:

1. WHAT PRODUCTS THEY ARE WILLING TO TAKE WITHOUT LIMITATION FROM OTHER EUROPEAN COUNTRIES.

2. WHAT PRODUCTS THEY WOULD LIKE TO TAKE WITHOUT LIMITATION, IN RETURN FOR A SIMILAR CONCESSIONS FROM THE OTHER COUNTRIES.

3. ON WHAT PRODUCTS THEY ARE WILLING TO ESTABLISH "GLOBAL QUOTAS."

A "GLOBAL QUOTA" IS A GENERAL LIMITATION ON THE AMOUNT TO BE IMPORTED OF A PARTICULAR PRODUCT. IT DOES NOT SPECIFY THE COUNTRIES FROM WHICH IMPORTS ARE TO COME, NOR THE AMOUNT TO COME FROM ANY ONE COUNTRY. THE PRESENT TWO-SIDED QUOTAS MAKE THESE SPECIFICATIONS.

ALPHAND SAID HE KNEW OF NO ITEMS IN EUROPEAN TRADE THAT ARE FREE OF QUOTAS TODAY. EVEN THE GLOBAL QUOTA SYSTEM, HE ADDED, HAS BEEN TRIED ONLY ON A SMALL SCALE, IN THE SCANDINAVIAN COUNTRIES.

ALPHAND SAID HE AGREED WITH MARSHALL AID CHIEF PAUL G. HOFFMAN THAT THE LISTS TO BE SUBMITTED WOULD MEAN LITTLE UNLESS THEY ARE "EXTREMELY VAST." HE WOULD NOT, HOWEVER, ESTIMATE WHAT PROPORTION OF EUROPEAN TRADE WOULD HAVE TO BE COVERED TO MAKE THEM MEANINGFUL.

ALPHAND ECHOED HOFFMAN'S STATEMENT THAT EUROPE'S DOLLAR SHORTAGE COULD NOT BE SOLVED UNLESS IT SOLD MORE TO THE U.S. HE ADDED THAT IN ORDER TO SELL MORE EUROPE MUST PRODUCE MORE, AND THAT IT COULD

WOT PRODUCE MORE UNLESS IT ESTABLISHED A FREER MARKET.
THE FREEING OF PRODUCTS FROM QUOTA RESTRICTIONS, WHICH HE CALLED "ONE OF THE BEST PERFECTED METHODS FOR LIMITING TRADE," WOULD BE A STEP IN THAT DIRECTION, HE ADDED.
SJ1102AED

STRASBOURG--FIRST ADD EUROPEAN (A70) X X X PHILIP.
MORRISON TOLD THE ASSEMBLY:
"I HAVE PUT MY NAME TO THE MOTION HANDED IN BY THE LABOR PARTY REPRESENTATIVES FOR THE UNITED KINGDOM, INVITING THE ASSEMBLY TO AGREE THAT THERE SHOULD BE A FULL AND OBJECTIVE STUDY OF PROPOSALS FOR A CLOSER POLITICAL UNION IN EUROPE AND THAT THE PROBLEM SHOULD BE REFERRED TO A COMMISSION FOR A REPORT AS SOON AS POSSIBLE."
THIS MAY INDICATE THAT THE BRITISH LABOR PARTY WANTS TO PIGEON-HOLE THE SUBJECT OF EUROPEAN UNITY, LEAVING IT TO A COMMISSION TO STUDY FOR THE NEXT YEAR AND THUS PRECLUDING ACTION THIS YEAR.
"WE ALL NEED GREATER UNITY IN EUROPE," MORRISON SAID, "BECAUSE WE SHARE THE SAME MAJOR ECONOMIC AND POLITICAL PROBLEMS AND BECAUSE WE CAN ONLY SOLVE THEM TOGETHER. THE MAIN ECONOMIC PROBLEM ARISES FROM THE NEED TO ADJUST OURSELVES TO A PATTERN OF WORLD TRADE WHICH HAS PERMANENTLY CHANGED TO THE DISADVANTAGE OF EUROPE. THE MAIN POLITICAL PROBLEM IS TO ACHIEVE SECURITY AGAINST TOTALITARIAN ENCROACHMENTS."
MORRISON WAS FOLLOWED BY BRITAIN'S HAROLD MACMILLAN, A CONSERVATIVE LEADER, WHO SAID ANY COMMISSION SET UP TO STUDY THE PROBLEM OF EUROPEAN UNITY MUST NOT BE "WHAT WE CALL IN OUR BRITISH PROCEDURE A ROYAL COMMISSION X X X WHICH HAS BECOME, IN OUR COUNTRY, SOMETHING OF A JOKE. X X X THEY ARE MOSTLY USED TO STIFLE INFANTS AT BIRTH."
JS919AED

ROME, AUG. 17-(AP)-THE INDEPENDENT ROME NEWSPAPER MESSAGGERO SAID TODAY ITALY MUST OPPOSE BRITISH EFFORTS TO GET A BIGGER SHARE OF ERP FUNDS.
COMMENTING UPON THE MEETING AT VENICE LATER TODAY BETWEEN PREMIER ALCIDE DE GASPERI AND PAUL G.HOFFMAN, ECA ADMINISTRATOR, MESSAGGERO SAID WESTERN EUROPEAN NATIONS "ARE PREOCCUPIED BY ENGLISH REQUESTS FOR A GREATER SHARE OF THE FUNDS--WHICH WOULD MEAN A CUT IN ALLOTMENTS TO OTHER NATIONS.
"ITALY," IT ADDED, "MUST DEFEND HER QUOTA, REFUSING TO PAY FOR GREATER BRITISH NEEDS."
HOFFMAN LEFT PARIS BY PLANE FOR VENICE TODAY. HIS PARTY PLANNED TO SPEND THE NIGHT IN VENICE AND FLY TO ROME TOMORROW. FROM ROME THEY WILL GO TO ATHENS THURSDAY NIGHT.
THE PARTY INCLUDES MRS.HOFFMAN AND DAUGHTER BARBARA, AND RUSSEL DORR, ECA MISSION CHIEF TO TURKEY.
JS855AED

CASTEL GANDOLFO, ITALY, AUG 17-(AP)-POPE PIUS XII, IN AN APPARENT REFERENCE TO THE RECENT DECREE EXCOMMUNICATING MILITANT COMMUNISTS, SAID TODAY THE ROMAN CATHOLIC CHURCH SELDOM IN ITS HISTORY HAS FELT AS SERENELY CALM "AS SHE HAS SINCE HER MATERNAL VOICE RESOUNDED ALL OVER THE WORLD."
THE PONTIFF SPOKE AT HIS SUMMER RESIDENCE HERE IN REPLY TO A GREETING BY THE NEW PERUVIAN AMBASSADOR TO THE HOLY SEE, FELIPE S. PORTOCARRERO, WHO PRESENTED CREDENTIALS AS ENVOY TO THE HOLY SEE.
"OTHER COUNTRIES (OTHER THAN PERU) CAN SERVE AS AN EXAMPLE, AND A VERY PAINFUL ONE, OF THE DEADLY EFFECTS OF ANTI-RELIGIOUS PRINCIPLES AND AIMS OF CERTAIN MODERN SOCIAL TRENDS WHICH, OBTAINING POWER, AVAIL THEMSELVES OF THE CREDULITY AND INTEREST OF SOME CLASSES, AND, ONCE ESTABLISHED IN THE COUNTRY, LET THEMSELVES GO TO LAMENTABLE EXCESSES," THE PONTIFF SAID.
THE WORDS OF THE CHURCH, SAID THE PONTIFF, SPEAKING IN SPANISH, "HAVE SHOWN THE NECESSARY DIVISION BETWEEN THE FIELD OF JESUS CHRIST AND THAT OF HIS ENEMIES." THESE WORDS, HE SAID, HAD LONG BEEN AWAITED. THE WORDS WERE AIMED AT POINTING OUT TO CATHOLICS "THE ENLIGHTENED AND SAFE WAY LEADING TO SALVATION, AND THE DARK,

TWISTING PATHS THAT LEAD TO ERSH

AUG 17 1949

ENLIGHTENED AND SAFE WAY LEADING TO SALVATION, AND THE DARK, TWISTING PATHS THAT LEAD TO ERROR," HE SAID.
THE PONTIFF ADDED:
"THERE ARE FEW TIMES IN HISTORY THAT THE CHURCH HAS FELT AS CALM AND SERENE INTERNALLY AS SHE HAS SINCE HER MATERNAL VOICE RESOUNDED ALL OVER THE WORLD AND SINCE HER CHILDREN, THROUGH THE ECHO THAT THESE WORDS HAVE MADE IN THEIR HEARTS AND CONSCIENCES, MUST DECIDE, BECAUSE IF THEY (THE WORDS) ADMONISH, THEY ARE ALSO INSPIRED ONLY BY LOVE AND THE DESIRE FOR THEIR SALVATION."
M830AED

NIGHT LEAD POPE (200)
BY C.R.BRUSINI
CASTEL GANDOLFO, ITALY, AUG.17-(AP)-POPE PIUS XII, APPARENTLY REFERRING TO THE EXCOMMUNICATION OF MILITANT COMMUNISTS, SAID TODAY IT HAS MADE THE CATHOLIC CHURCH FEEL CALM AND SERENE INTERNALLY.
AS USUAL, THE PONTIFF REFRAINED FROM MENTIONING COMMUNISM BY NAME.
"THERE ARE FEW TIMES IN HISTORY," HE SAID. THAT THE CHURCH HAS FELT AS CALM AND SERENE INTERNALLY AS SHE HAS SINCE HER MATERNAL VOICE RESOUNDED ALL OVER THE WORLD AND SINCE HER CHILDREN, THROUGH THE ECHO THAT THESE WORDS HAVE MADE IN THEIR INTELLIGENCE, HEARTS AND CONSCIENCES, MUST DECIDE, BECAUSE IF THEY (THE WORDS) ADMONISH THEY ARE ALSO INSPIRED ONLY BY LOVE AND THE DESIRE FOR THEIR SALVATION."
THESE WORDS, THE PONTIFF SAID, "HAVE SHOWN THE NECESSARY DIVISION BETWEEN THE FIELD OF JESUS CHRIST AND THAT OF HIS ENEMIES."
THE PONTIFF SPOKE AT HIS SUMMER RESIDENCE HERE IN REPLY TO A GREETING BY FELIPE S.PORTOCARRERO, NEW PERUVIAN AMBASSADOR TO THE HOLY SEE.
SPEAKING IN SPANISH, THE PONTIFF SAID:
"OTHER COUNTRIES (THAN PERU) CAN SERVE AS AN EXAMPLE, AND A VERY PAINFUL ONE, OF THE DEADLY EFFECTS OF ANTI-RELIGIOUS PRINCIPLES AND AIMS OF CERTAIN MODERN SOCIAL TRENDS WHICH, OBTAINING POWER, AVAIL THEMSELVES OF THE CREDULITY AND INTEREST OF SOME CLASSES, AND, ONCE ESTABLISHED IN THE COUNTRY, LET THEMSELVES GO TO LAMENTABLE EXCESSES."
LS407PED NM

ROME, AUG 17-(AP)-A DELEGATION FROM THE ORDER OF SONS OF ITALY ARRIVED IN GENOA FROM THE UNITED STATES YESTERDAY ON A TOUR OF ITALY. IT IS HEADED BY EUGENIO ALESSANDRONI, A PHILADELPHIA, PA., LAWYER.
MK9AED

ANZIO, ITALY, AUG. 17-(AP)-SAMUEL CARDINAL STRITCH OF CHICAGO PRAYED TODAY BESIDE THE GRAVES OF AMERICAN SOLDIERS WHO DIED ON THE ANZIO BEACHHEAD.
THE PRELATE, WHO ARRIVED IN ROME LAST WEEK ON HIS FIVE-YEARLY AD LIMINA VISIT TO THE TOMBS OF THE APOSTLES PETER AND PAUL, DROVE HERE FROM THE ETERNAL CITY. WALKING THROUGH THE LONG LINES OF WHITE CROSSES MARKING THE RESTING PLACES OF MORE THAN 5,000 AMERICANS WHO LOST THEIR LIVES IN THE ITALIAN CAMPAIGN, HE STOPPED BRIEFLY TO KNEEL AT THE GRAVE OF PRIVATE GUIDO DI BARTOLO OF CHICAGO. (EDS: STREET ADDRESS UNAVAILABLE).
LATER HE SAID HE WAS "VERY PLEASED AT THE WAY THE GOVERNMENT IS

TAKING CARE OF OUR BOYS' GRAVES. I CAN ASSURE ALL PARENTS AND RELATIVES AT HOME THEY ARE RECEIVING THE BEST OF CARE."

BISHOP WILLIAM DAVID OBRIEN AND MONSIGNOR JOHN DAVID FITZGERALD, BOTH OF CHICAGO, ACCOMPANIED THE CARDINAL HERE FROM ROME.

JS139PED

AUG 17 1949

BY THOMAS A.REEDY

BONN, GERMANY, AUG. 17-(AP)-THE PROBABLE FIRST CHANCELLOR OF THE NEW WEST GERMAN STATE SAYS THE FUTURE OF GERMANY LIES IN THE "HOPE THAT THE SHARP CONTRASTS BETWEEN THE UNITED STATES AND SOVIET RUSSIA WILL BE SMOOTHED OUT."

DR.KONRAD ADENAUER, 73-YEAR-OLD CHAIRMAN OF THE CHRISTIAN DEMOCRATIC PARTY, VICTORS IN LAST SUNDAY'S PARLIAMENTARY ELECTIONS, MADE THE STATEMENT YESTERDAY IN HIS FIRST INTERVIEW SINCE THE BALLOTING.

ADENAUER SAID ECONOMIC COOPERATION BETWEEN EASTERN AND WESTERN GERMANY WOULD DEPEND ON RUSSIAN COMMUNISM AND AMERICAN PRIVATE ENTERPRISE FINDING A WAY TO LIVE TOGETHER.

"BUT NOT AT OUR EXPENSE," HE ADDED.

IN THE MEANTIME, HE DECLARED, "IT IS IMPOSSIBLE" FOR THE WEST GERMAN REPUBLIC "TO COLLABORATE WITH ANY AREA DOMINATED BY THE RUSSIANS."

"EASTERN GERMANY CONSTITUTES FOR US THE FOREMOST AND MOST DIFFICULT QUESTION," HE ADDED. "WE MUST MOVE VERY CAUTIOUSLY. WE OUGHT NOT TO GIVE THE IMPRESSION, EITHER IN GERMANY OR IN THE UNITED STATES, THAT WE SHALL COLLABORATE IN ANY WAY WITH THE RUSSIANS."

"WE CANNOT ALLOW THE PEOPLE OF EASTERN GERMANY TO FEEL THAT WE HAVE GIVEN THEM UP," ADENAUER SAID. "HOWEVER, I HAVE THE FIRM HOPE THAT WE SHALL BE JOINED TOGETHER (EASTERN AND WESTERN GERMANY) SOME DAY."

THE CONSERVATIVE POLITICAL LEADER SAID THE NEW GOVERNMENT "WILL HAVE TO REEXAMINE" THE PROBLEM OF ALLIED DISMANTLING OF GERMAN INDUSTRIAL PLANTS, A HOT SUBJECT IN THE ELECTION CAMPAIGN.

"WE MUST TRY TO SOLVE THIS QUESTION WITHOUT TOO MUCH NARROW-MINDEDNESS AND TOO MUCH STUBBORNESS," HE DECLARED.

ADENAUER SAID THE GERMAN PARLIAMENT WILL BE ASKED TO INQUIRE INTO THE NEED FOR DISMANTLING SOME 150 PLANTS STILL SCHEDULED TO BE DESTROYED BECAUSE THEY REPRESENT POTENTIAL WAR PLANTS.

ON THE DOMESTIC FRONT, ADENAUER SAID THE SOLUTION OF THE HOUSING PROBLEM "IS THE FIRST REAL DUTY" OF THE REPUBLIC. HE ASSERTED THE AIM SHOULD BE TO "MAKE EVERY FAMILY A HOME OWNER."

ADENAUER, WHOSE PARTY CAPTURED 139 OF THE 400 SEATS IN THE NEW PARLIAMENT, IS EXPECTED TO BE NAMED CHANCELLOR, WITH THE SUPPORT OF OTHER RIGHT WING PARTIES.

VS400AED

AUG 17 1949

FRANKFURT, GERMANY, AUG. 17-(AP)-A NEW CLUE TODAY QUIETED FEARS THAT TWO AMERICAN YOUTHS MISSING IN GERMANY MAY HAVE GONE INTO THE RUSSIAN OCCUPATION ZONE.

A PAIR FITTING THE DESCRIPTIONS OF WARREN OELSER, 20 OF OYSTER BAY, N.Y., AND PETER SELLERS, 18, OF PHILADELPHIA, WERE REPORTED SEEN IN FRANKFURT LAST SATURDAY, AUG. 13.

THAT WAS SEVERAL DAYS AFTER THEY HAD TALKED OF RIDING THEIR BICYCLES THROUGH THE RUSSIAN ZONE TO BERLIN.

A U.S. AIRFORCE OFFICER SAID HE ENCOUNTERED THE YOUTHS IN AN ARMY-OPERATED SNACK BAR IN FRANKFURT. THEY ASKED HIM ABOUT THE POSSIBILITY OF RIDING TO BERLIN ON THE AIRLIFT, AND DISCLOSED THEY HAD FAILED IN ATTEMPTS TO GET A PERMIT TO ENTER THE RUSSIAN ZONE ON BICYCLES.

THE YOUTHS TOLD THE AIRFORCE OFFICER THEY WERE PLANNING TO GO TO BERCHTESGADEN, THE ALPINE RESORT IN SOUTH GERMANY WHERE HITLER USED TO SPEND HOLIDAYS.

THAT FITS WITH A PREVIOUS REPORT FROM ANY ARMY CORPORAL WHO SAID HE HAD GIVEN THEM A LIFT ON THE HIGHWAY NEAR FRANKFURT LAST FRIDAY. THEY HAD TOLD HIM, TOO, THEY WERE GOING TO BERCHTESGADEN.

SO FAR NO TRACE OF THEM HAS BEEN FOUND IN THE BERCHTESGADEN AREA, THE U.S. ARMY PROVOST MARSHAL'S OFFICE REPORTED.

OELSNER AND SELLERS CAME TO EUROPE LAST MONTH AND WERE TOURING GERMANY BY BI

OELSER AND SELLERS CAME TO EUROPE LAST MONTH AND WERE TOURING GERMANY BY BICYCLE.

TU&BJ1033AED

FRANKFURT,GERMANY,AUG 17-(AP)-AN ANTI-COMMUNIST SAID TONIGHT ITALIAN COMMUNISTS IN TRIESTE WERE BEING TRAINED TO ASSASSINATE PREMIER MARSHAL TITO OF YUGOSLAVIA.

RUTH FISCHER, CO-FOUNDER OF THE GERMAN COMMUNIST PARTY BEFORE SHE TURNED AGAINST COMMUNISM, TOLD AN AUDIENCE OTHER FORMS OF VIOLENT ACTION AGAINST TITO WERE POSSIBLE.

SHE SAID TROOPS WERE BEING TRAINED IN BULGARIAN MACEDONIA AND IN HUNGARY FOR GUERRILLA ACTION AGAINST THE YUGOSLAV LEADER. HOWEVER, SHE SAID SHE DID NOT BELIEVE ACTION AGAINST TITO WOULD CONSIST OF A RUSSIAN INVASION OF YUGOSLAVIA.

MRS.FISCHER IS THE SISTER OF GERHARD EISLER, GERMAN COMMUNIST WHO RECENTLY FLED U.S. DEPORTATION PROCEEDINGS AND WHO NOW IS TEACHING AT LEIPZIG UNIVERSITY, IN THE SOVIET ZONE OF GERMANY.

JK719PED

frankfurt, germany, aug. 17 - (AP) - violent cominform action against premier marshal tito of yugoslavia this fall was seen as a possibility today by ruth fischer, co-founder of the german communist party and now an anti-red.

she told an audience here that italian communists in trieste were being trained to assassinate tito .

she also said troops were being trained in bulgarian macedonia and in hungary for guerrilla action against the yugoslav im leader. however, she did not believe action against tito would consist of a russian invasion of yugoslavia.

AUG 17 1949

mrs. fischer is the sister of gerhard eisler, german communist who recently fled ~~him~~ u. s. deportation proceedings and who now is teaching at leipzig university, in the soviet zone of germany.

AUG 17 1949

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BAD NAUHEIM, GERMANY, AUG 17-(AP)-DR.ALONZO GRACE, SAID TODAY HE HAD ASKED TO BE RELIEVED FROM HIS POSITION AS DIRECTOR OF EDUCATION FOR THE U.S. MILITARY GOVERNMENT IN GERMANY.

HE DECLINED TO COMMENT ON HIS REASONS UNTIL HIS LETTER OF RESIGNATION HAS BEEN ACTED UPON BY JOHN J. MCCLOY, U.S. HIGH COMMISSIONER.

ACQUAINTANCES SAID, HOWEVER, THAT GRACE HAD INDICATED HE WOULD RESIGN UNLESS HE WAS ASSURED THAT AN ADEQUATE PROGRAM FOR REEDUCATING GERMANS ALONG DEMOCRATIC LINES WOULD BE CARRIED OUT AFTER THE NEW GERMAN GOVERNMENT TAKES POWER.

GRACE, FORMER CONNECTICUT STATE COMMISSIONER OF EDUCATION, CAME TO GERMANY IN APRIL, 1948 TO DIRECT THE MILITARY GOVERNMENT PROGRAM OF REFORMING AND REBUILDING GERMANY'S EDUCATIONAL SYSTEM.

DY351PED

BREMEN, GERMANY,AUG.17-(AP)-CARL E.YAEGER, BRITISH ZONE REPRESENTATIVE OF THE LUTHERAN WORLD FEDERATION, TODAY PRESENTED THE GERMAN YOUTH VILLAGE OF ADELHEIDE-DELMENHORST, NEAR HERE, WITH MORE THAN 30 TONS OF COKE DONATED BY AMERICAN MINERS OF COLORADO.

DR.G.WOLFF, ADMINISTRATIVE MANAGER OF THE YOUTH VILLAGE, THANKED THE MINERS FOR THEIR GIFT.

BJ1103AED

AUG 17 1949

BY RICHARD KASISCHKE

PRAGUE, AUG.17-(AP)-BREAKING A TWO MONTH SILENCE, ROMAN CATHOLIC ARCHBISHOP JOSEF BERAN OF PRAGUE TODAY ACCUSED THE CZECHOSLOVAK GOVERNMENT OF INTERNING AND ISOLATING HIM IN HIS PALACE HERE IN VIOLATION OF CONSTITUTIONAL RIGHTS.

THE CATHOLIC PRIMATE CHARGED FURTHER THAT THE GOVERNMENT HAD ILLEGALLY SEIZED HIS CONSISTORY (ADMINISTRATIVE OFFICE) AND CONFISCATED THE FUNDS OF HIS PRAGUE DIOCESE.

HE MADE THESE CHARGES IN A LETTER TO THE STATE PROCURATOR (PROSECUTOR). IT WAS GIVEN TO THE FOREIGN PRESS HERE THROUGH CHURCH AND DIPLOMATIC CHANNELS. IN THIS LETTER BERAN ASKED THESE QUESTIONS:

"IS THE ROMAN CATHOLIC CHURCH IN CZECHOSLOVAKIA STILL RECOGNIZED BY THE STATE? IF SO, BY WHAT LAW WAS THE ROMAN CATHOLIC CHURCH DEPRIVED OF ITS LEGAL INDEPENDENCE IN INTERNAL MATTERS."

BERAN HAD BEEN SECLUDED IN HIS POLICE-GUARDED PALACE SINCE JUNE 19, WHEN COMMUNIST HECKLERS BROKE UP HIS SERVICE IN ST. VITUS CATEDRAL.

THE LAST WORD FROM HIM WAS IN A PASTROAL LETTER, ALSO SIGNED BY ALL THE BISHOPS OF HIS HIERARCHY, WHICH WAS READ IN CATHOLIC PULPITS ON JUNE 26. HOWEVER, THIS LETTER, WHICH ACCUSED THE COMMUNIST-LED GOVERNMENT OF PERSECUTING THE CHURCH, WAS COMPOSED AND SIGNED ON JUNE 15.

BERAN ASSERTED THAT IN THESE WEEKS OF SECLUSION HE HAD COMPLAINED IN VAIN TO THE GOVERNMENT MINISTRY OF EDUCATION, THE MINISTRY OF INTERIOR AND OTHER GOVERNMENT OFFICES ABOUT WHAT HE TERMED VIOLATIONS OF HIS OWN AND THE CHURCH'S RIGHTS. HE SAID HE HAD RECEIVED NO ANSWER -- VIRTUALLY NO MAIL, WHATSOEVER.

"I AM FORCED TO TURN TO THE STATE PROCURATOR," HE WROTE. "IT IS IMPOSSIBLE FOR ME TO CONFER WITH A LEGAL REPRESENTATIVE -- NO ONE IS PERMITTED TO VISIT ME -- AND THEN, TOO, ALL ARE AFRAID THAT THEY WOULD LOSE THEIR PRACTICE IF THEY WISHED TO PROTECT MY INTERESTS."

IN HIS LETTER, ARCHBISHOP BERAN MADE THE FOLLOWING CHARGES:

1- A REPRESENTATIVE OF THE GOVERNMENT MINISTRY OF EDUCATION, WITH THE AID OF POLICE, HAD SEIZED THE CONSISTORY IN THE ARCHBISHOP'S PALACE. THE ARCHBISHOP'S PROTESTS WERE IGNORED.

2- WITH THE CONSISTORY, THE STATE TOOK OVER THE OFFICIAL SEAL AND DISPOSITION OF THE FUNDS OF THE DIOCESE.

3- THE STATE LIQUIDATED REAL ESTATE OF THE ARCHBISHOP AND THE DIOCESE WITHOUT HIS KNOWLEDGE OR DUE LEGAL PROCESS.

4- THE ARCHBISHOP IS INTERNED, REFUSED VISITORS AND HIS MAIL AND "DEPRIVED OF ALL PERSONAL FREEDOM AND ALL RIGHTS AS THE ARCHBISHOP -- AND THIS WITHOUT ANY JUDICIAL DECISION."

BERAN CHARGED THAT THE OFFICIAL INSTALLED IN HIS CONSISTORY BY THE MINISTRY OF EDUCATION, DR. MIROSLAV HOUSKA, WAS "ACTING IN THE NAME OF THE ARCHBISHOP AND THE DIOCESE."

HE ALSO CHARGED THAT THE HECKLING WHICH DROVE HIM OUT OF HIS THRONE IN THE ST. VITUS CATHEDRAL ON JUNE 19 WAS A PRE-ARRANGED AFFAIR, AND THAT FACTORY WORKERS HAD BEEN INSTRUCTED IN ADVANCE TO COME TO THE CHURCH AND CREATE A DISTURBANCE.

HE ASSERTED THAT THE GOVERNMENT HAD NEVER ATTEMPTED TO ARREST ANYONE FOR THIS DISORDER, ALTHOUGH MANY POLICE WERE PRESENT.

"WHY WAS ALL THIS DONE?" DEMANDED THE ARCHBISHOP.

"OF THOSE CREATING THE DISTURBANCE NO ONE WAS APPREHENDED EVEN THOUGH THERE WERE MANY MEMBERS OF THE SECURITY POLICE PRESENT.

"IS THE LAW DEALING WITH THE PROHIBITION OF INTERRUPTING RELIGIOUS SERVICES STILL IN EFFECT? X X X

"I HAVE REQUESTED THE MINISTRY OF INTERIOR TO INVESTIGATE THE INCIDENT. TO DATE I HAVE RECEIVED NO REPLY."

THE ARCHBISHOP'S LETTER WAS DATED AUG. 5, FROM HRADCANY, THE CASTLE DISTRICT WHERE HIS PALACE IS SITUATED.

ARCHBISHOP BERAN'S CHARGES AND QUESTIONS TO THE STATE PROSECUTOR INDICATED THAT THE CHURCH HIERARCHY MIGHT BE SEEKING TO FORCE A BREAK IN THE DEADLOCKED STATE-CHURCH ISSUE.

THE DECISION TO GIVE BERAN'S LETTER PUBLICITY THROUGH THE WESTERN PRESS -- AND THE WESTERN BROADCASTS WHICH ARE PUMPED INTO CZECHOSLOVAKIA -- EMPHASIZED THIS.

SJ118PED

AUG 17 1949

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IN RECENT WEEKS THE STATE HAS BEEN MOVING SOMEWHAT SLOWER AGAINST THE CHURCH, EXCEPT FOR OPPOSING THE VATICAN DECREE OF JULY 13 EXCOMMUNICATING ALL MILITANT COMMUNISTS.

IN THIS CAMPAIGN THE STATE ACCUSED A VILLAGE PRIEST OF TREASON FOR ALLEGEDLY REFUSING TO ADMINISTER THE LAST SACRAMENT TO A SICK WOMAN BECAUSE SHE WAS A COMMUNIST. THE PRIEST WAS SENTENCED TO EIGHT YEARS IN JAIL.

THE GOVERNMENT MAY STEP UP ITS CAMPAIGN FOR CONTROL OF THE CHURCH IN THE FALL, AFTER THE HARVEST IS GATHERED.

A BILL GIVING THE STATE CONTROL OF ALL CHURCH APPOINTMENTS, ADMINISTRATION AND FINANCES WILL BE ONE OF THE FIRST MEASURES TO COME BEFORE PARLIAMENT THIS AUTUMN.

THE ARCHBISHOP'S LETTER SAID THE LAW OF 1874 HAD BEEN INVOKED BY THE GOVERNMENT IN ITS ACTION SENDING HOUSKA TO TAKE OVER THE CONSISTORY. THIS LAW DATES BACK TO THE AUSTRO-HUNGARIAN EMPIRE, OF WHICH CZECHOSLOVAKIA WAS THEN A PART. THE GOVERNMENT ONCE BEFORE INVOKED THE LAW IN CLAIMING IT HAD THE RIGHT TO APPROVE PASTORAL LETTERS BEFORE THEY WENT OUT.

THE FUNCTIONS OF THE STATE PROSECUTOR TO WHOM THE ARCHBISHOP APPEALED GENERALLY WOULD BE TO HANDLE THE CASE SHOULD THE ARCHBISHOP WISH TO FILE A COMPLAINT ON VIOLATION OF HIS LEGAL RIGHTS, OR IF HE HIMSELF WERE MADE THE OBJECT OF LEGAL ACTION.

MJ526PED

BELGRADE, YUGOSLAVIA, AUG. 17-(AP)-YUGOSLAVIA'S MORE THAN 1,000,000 MOSLEMS WERE TOLD BY THEIR HIGHEST RELIGIOUS AUTHORITY TODAY TO SUPPORT MARSHAL TITO'S COMMUNIST GOVERNMENT.

VAKUF, COUNCIL OF THE MOSLEM RELIGIOUS COMMUNITY IN YUGOSLAVIA'S CENTRALLY LOCATED REPUBLICS OF BOSNIA AND HERECEGOVINA, MADE PUBLIC A RESOLUTION IN WHICH IT DECLARED THE MOSLEM COMMUNITY "HAS ONLY ONE ROAD, AND THIS IS THE ROAD OF BROTHERHOOD AND UNITY, THE ROAD OF DEFENDING OUR COUNTRY, THE ROAD OF STRENGTHENING THE PEOPLE'S AUTHORITIES."

THE COUNCIL OBVIOUSLY WANTED TO AVOID ANY CHURCH-STATE CONFLICT GROWING OUT OF THE RECENT TRIAL AT SARAJEVO OF 14 ALLEGED FASCISTIC TERRORISTS WHO CALLED THEMSELVES "YOUNG MOSLEMS." THEY WERE CHARGED WITH PLOTTING AGAINST THE GOVERNMENT. FOUR OF THE DEFENDANTS WERE SENTENCED TO DEATH BEFORE A FIRING SQUAD AND 10 DREW LONG PRISON SENTENCES.

THE COUNCIL CONDEMNED THE ACTIVITIES OF THE YOUNG MOSLEM GROUP AS SEEKING SHELTER "BEHIND THE CLOAK OF RELIGION," AND SAID:

"VAKUF COUNCIL, AS THE HIGHEST REPRESENTATIVE BODY OF THE MOSLEM COMMUNITY IN BOSNIA AND HERECEGOVINA REJECT WITH CONTEMPT AND CONDEMNS THESE INDIVIDUALS AS TRAITORS AND AGENTS OF THE ENEMY WHO ATTEMPTED TO UNDERMINE THE GREAT RESULTS OF THE PEOPLE'S REVOLUTION."

IN ANOTHER DEVELOPMENT, THE NEWSPAPER BORBA, ORGAN OF THE GOVERNMENT, TODAY PUBLISHED A MASS CONFESSION SIGNED BY 1,416 PERSONS WHO SAID THEY HAD BEEN DISLOYAL TO THE GOVERNMENT IN THE PAST BUT NOW PLEDGED SUPPORT OF THE TITO GOVERNMENT.

THE STATEMENT SAID THEY HAD BEEN MISLED BY COMINFORM PROPAGANDA AND BECAUSE OF THEIR ACTIVITIES HAD BEEN ASSIGNED "FOR SOCIALLY USEFUL WORK" IN A STATE ENTERPRISE. BORBA SAID 51 REFUSED TO SIGN THE STATEMENT.

SJ154PED

PRAGUE, CZECHOSLOVAKIA, AUG. 17-(AP)-GREEK COMMUNIST REFUGEES APPEALED HERE TODAY TO CZECHOSLOVAKS FOR "MATERIAL, POLITICAL AND MORAL HELP" FOR GREEK GUERRILLA FORCES NOW UNDER HEAVY ATTACK BY GOVERNMENT ARMIES.

THE APPEAL, PRINTED IN ALL NEWSPAPERS, WAS ISSUED BY GREEK AND MACEDONIAN TEACHERS OF GREEK CHILDREN WHO ARE HARBORED IN CZECHOSLOVAK CAMPS.

IT SAID: "YOU KNOW AS WELL AS WE THAT THIS IS NOT ONLY A FIGHT OF GREEKS AND MACEDONIANS BUT ONE OF WIDER SCOPE. YOU HELP WILL NOT ONLY AID OUR PEOPLE BUT STRIKE A BLOW AGAINST FASCISM AND AGAINST THE ANGLO-AMERICANS. OU WILL AID THE FI

AGAINST THE ANGLO-AMERICANS. YOU WILL AID THE FIGHT AGAINST IMPERIALISM, WHICH IS YOUR ENEMY AS WELL AS OURS."

JS844AED

ATHENS,AUG.17-(AP)-THE YUGOSLAV CHARGE D'AFFAIRES IN ATHENS, JOSELYN MARTINOVIC, CALLED ON PANAYOTIS PIPINELIS, UNDERSECRETARY FOR FOREIGN AFFAIRS, TODAY.

IT WAS THE FIRST CALL ON THE MINISTRY OF FOREIGN AFFAIRS BY ANY REPRESENTATIVE OF THE YUGOSLAV LEGATION SINCE RELATIONS COOLED THREE YEARS AGO. THE SUBJECT UNDER DISCUSSION WAS NOT MADE PUBLIC.

BJ1137AED

BY SPENCER MOOSA

CANTON, AUG. 17-(AP)-A NATIONALIST ARMY SPOKESMAN ANGRILY DECLARED TODAY THERE WAS NOT A SHRED OF TRUTH TO REPORTS THAT COMMUNIST FORCES HAD DRIVEN INSIDE KWANGTUNG PROVINCE, IN WHICH THIS REFUGEE CAPITAL IS LOCATED.

(SIGNIFICANTLY, PERHAPS, THERE WAS NO DENIAL OF PRIVATE REPORTS YESTERDAY THAT THE NATIONALISTS WERE WITHDRAWING FROM NANHSIUNG (NAMYUNG). THIS TOWN IS 155 MILES NORTHEAST OF CANTON, JUST INSIDE KWANGTUNG.)

THE SPOKESMAN ASSERTED HEAVY FIGHTING WAS GOING ON NEAR NANKANG IN NEIGHBORING KIANGSI PROVINCE 195 MILES NORTHEAST OF CANTON.

(THERE WAS NOTHING TO INDICATE THE FATE OF KANHSIEN, GUARDIAN OF THE KAN RIVER VALLEY APPROACH TO CANTON. THIS CITY, 20 MILES NORTHEAST OF NANKANG, WAS CUT OFF FROM RADIO CONTACT YESTERDAY. POSSIBLY THE REDS ALREADY HAVE TAKEN IT).

CANTON WAS GETTING READY FOR THE ARRIVAL OF THE COMMUNISTS. FOREIGNERS WERE PACKING. AMERICAN, BRITISH AND OTHER FOREIGN FIRMS WERE EVACUATING THEIR ENTIRE FOREIGN STAFFS OF WOMEN EMPLOYES AND FAMILIES. THE U.S.EMBASSY AND CONSULATE PLANNED TO CLOSE.

ALL TRANSPORTATION TO THE BRITISH COLONY OF HONG KONG WAS BOOKED SOLID. U.S.NAVY PLANES WERE READY TO SUPPLY EMERGENCY EVACUATION FOR THE 73 AMERICANS HERE.

THE NATIONALISTS CLAIMED COMMUNIST ATTEMPTS TO SEAL OFF FOOCHOW FROM THE SEA HAD FAILED. OFFICIAL REPORTS SAID THE REDS' ATTEMPTS TO SEIZE POINTS BETWEEN THE FUKIEN PROVINCIAL CAPITAL AND THE MOUTH OF THE MIN RIVER HAD BEEN FOILED BY COUNTERATTACKS.

NATIONALIST REINFORCEMENTS FROM FORMOSA WERE REPORTED POURING INTO THE BATTLE FOR FOOCHOW, ALREADY CUT OFF BY THE REDS ON THE LAND SIDE.

FAR IN NORTHWEST CHINA,M

NATIONALIST REINFORCEMENTS FROM FORMOSA WERE REPORTED POURING INTO THE BATTLE FOR FOOCHOW, ALREADY CUT OFF BY THE REDS ON THE LAND SIDE.

FAR IN NORTHWEST CHINA, THE NATIONALISTS ADMITTED THE REDS HAD CROSSED THE LAST MOUNTAIN BARRIER TO THEIR DRIVE ON LANCHOW, CAPITAL OF KANSU PROVINCE. BUT THEY CLAIMED TWO RED ASSAULTS HAD BEEN BEATEN BACK NEAR TINGSI, 60 MILES SOUTHEAST OF LANCHOW.

FT1145PPS NM

CANTON,THURSDAY,AUG.18-(AP)-NATIONALIST CHINA HAS PROTESTED TO GREAT BRITAIN AGAINST ALLEGED VIOLATION OF CHINESE TERRITORIAL WATERS, IT WAS DISCLOSED TODAY.

BRITISH WARSHIPS ALSO WERE ACCUSED OF DISPLAYING A "BELLICOSE ATTITUDE" TOWARD NATIONALIST NAVAL CRAFT.

THE PROTEST WAS MADE IN A NOTE BY THE CHINESE FOREIGN OFFICE AND HANDED YESTERDAY TO JOHN COGHILL, BRITISH EMBASSY REPRESENTATIVE IN CANTON.

IN PROTESTING AGAINST ALLEGED VIOLATION OF CHINESE WATERS, THE NOTE WARNED BRITAIN AGAINST A REPETATION.

THE NOTE SAID THE BRITISH DESTROYER CONCORD WAS SIGHTED JULY 31 SAILING OFF THE MOUTH OF THE YANGTZE RIVER WITHIN CHINESE TERRITORIAL WATERS.

IN ANSWER TO SIGNALS, THE NOTE SAID, THE CONCORD INFORMED A NATIONALIST WARSHIP IT WAS ANCHORING AND PROCEEDED TO DO SO.

BUT AFTER DARK, THE NOTE CONTINUED, THE CONCORD MOVED INTO THE MOUTH OF THE RIVER.

(AT THE TIME THE CONCORD HAD A RENDEZVOUS WITH THE BRITISH SLOOP AMETHYST WHICH WAS DASHING DOWN THE YANGTZE WHERE IT HAD BEEN HELD CAPTIVE BY THE CHINESE COMMUNISTS SINCE LATE IN APRIL.

(THE AMETHYST REACHED THE OPEN SEA AUG. 1. SHE HAD BEEN DAMAGED IN A GUN BATTLE WITH COMMUNIST SHORE BATTERIES BETWEEN SHANGHAI AND NANKING.

(AFTER MONTHS OF NEGOTIATIONS WTIH THE COMMUNISTS FOR THE AMETHYST'S RELEASE, THE SHIP'S COMMANDING OFFICER FINALLY MADE A BREAK FOR FREEDOM. SHE WAS ONE OF FOUR BRITISH SHIPS FIRED ON BY THE REDS AS THE COMMUNISTS WERE PREPARING TO CROSS THE YANGTZE FOR THEIR INVASION OF SOUTH CHINA. THE OTHER THREE SHIPS BECAME ENGAGED WITH THE RED SHORE BATTERIES WHILE TRYING TO AID THE CRIPPLED AMETHYST).

THE NOTE SAID THE CONCORD'S ACTION VIOLATED CHINA'S SOVEREIGNTY.

IT DECLARED ANY BRITISH WARSHIP ENTERING CHINESE TERRITORIAL WATERS MUST GET PREVIOUS APPROVAL FROM THE NATIONALIST GOVERNMENT.

FJ1052PCS NM

EDITORS:

CANTON---SECOND NIGHT LEAD CHINESE, INSERT AFTER THIRD GRAF, STARTING "THE OFFICIAL X X X TAIPEH, FORMOSA.

THE NEWS AGENCY ANNOUNCEMENT FROM TAIPEH WAS ISSUED AT THE SAME TIME AN ARMY SPOKESMAN AT CANTON WAS VIGOROUSLY ASSERTING THE CITY STILL WAS IN NATIONALIST HANDS. THIS SPOKESMAN WARNED NEWSMEN, PARTICULARLY THOSE OF FOREIGN NEWS AGENCIES, THEY ARE LIABLE TO ARREST IF THEY PUBLISH "FALSE NEWS."

FOOCHOW IS X X X FOURTH GRAF.

FJ1043PCS

VARIOUS CONSULATES ASKED THEIR GOVERNMENTS FOR INSTRUCTIONS ON WHETHER TO STAY OR GET OUT. MOST ARE EXPECTED TO FOLLOW THE U.S. LEAD AND GET OUT, ALTHOUGH THE BRITISH PLAN TO STAY.

THE CHINESE FOREIGN OFFICE HAS GIVEN NO HINT AS TO WHEN IT WILL URGE EMBASSIES AND LEGATIONS TO LEAVE FOR CHUNGKING.

THERE WAS LITTLE NEWS FROM ANY WHERE ON THE FRONT NORTH OF CANTON, BUT THE NATIONALIST PORT OF FOOCHOW IN SOUTHEAST CHINA APPEARED TO BE IN GREAT PERIL.

COMMERCIAL RADIO CONNECTIONS WITH FOOCHOW WERE OUT. AN ARMY SPOKESMAN SAID STRONG NAVAL FORCES WERE BEING SENT UP THE MIN RIVER TO HELP THE GARRISON.

THE SPOKESMAN ASSERTED THAT NATIONALIST GUERRILLAS WERE ACTIVE IN WESTERN HUNAN PROVINCE TO THE NORTH AND HAD KILLED 20,000 REDS. (CHINESE ARE CARELESS WITH FIGURES, ESPECIALLY CASUALTY TOTALS.)

HH428PCS

TOKYO, AUG. 17-(AP)-NOW JA[illegible] HAVI LOYALTY OATH.

EFFECTIVE TOMORROW, JAPAN'[illegible]SONNE[illegible]THORITY RULED, ALL NEW GOVERNMENT EMPLOYES AR[illegible] GOING TO HAVE TO [illegible]WEAR TO SUPPORT AND PROTECT THE COUNTRY'S DEMOCRATIC CONSITUTION.

FJ1015PCS

NIGHT LEAD SYRIAN

DAMASCUS, SYRIA, AUG 17-(AP)-MORE THAN 200 PRISONERS OF THE LATE REMER ARSHAL HUSNI ZAYIM, INCLUDING THREE ACCU

LATE PREMIER MARSHAL HUSNI ZAYIM, INCLUDING THREE ACCUSED OF THE AUG. 5 BOMBING OF THE DAMASCUS SYNAGOGUE, WERE RELEASED TODAY.

TWELVE JEWS WERE KILLED AND MORE THAN A SCORE WOUNDED IN THE BOMBING. SHORTLY BEFORE HE WAS DEPOSED AND EXECUTED IN THE MILITARY COUP OF LAST SUNDAY ZAYIM HAD ANNOUNCED THAT THE THREE HAD CONFESSED THE BOMBING AND WOULD BE SENTENCED TO DEATH.

THE NEW GOVERNMENT OF HASEM BEY ATASSI ANNOUNCED THAT 230 OF THE 260 PERSONS IMPRISONED BY ZAYIM FOR POLITICAL REASONS HAD BEEN FREED.

THE NEW FOREIGN MINISTER, DR. NAZIM KUDSI, SAID SYRIA WAS WILLING TO ATTEND A MEETING OF THE ARAB LEAGUE POLITICAL COMMITTEE "ANYWHERE AT ANY TIME." A MEETING HAD BEEN SET FOR AUG. 20, AT ALEXANDRIA, EGYPT. BUT AFTER THE SYRIAN COUP SOME DOUBT HAS BEEN EXPRESSED ABROAD THAT IT WOULD BE HELD.

DY359PED

DAMASCUS, SYRIA,AUG. 17-(AP)-INTERIM PREMIER HASEM BEY ATASSI SAYS THE FINAL DECISION ON THE AMERICAN OIL PIPELINE CONCESSION WILL BE UP TO SYRIA'S FUTURE PARLIAMENT.

ATASSI TOLD NEWSMEN YESTERDAY HIS GOVERNMENT, FUNCTIONING AS A TEMPORARY CABINET, WILL NEITHER CONFIRM NOR DENY ACTIONS TAKEN BY THE REGIME OF THE LATE PRESIDENT MARSHAL HUSNI ZAYIM, WHO WAS EXECUTED IN SUNDAY'S MILITARY COUP.

ZAYIM RECENTLY APPROVED THE CONCESSION FOR A TRANS-ARABIAN PIPELINE IN SYRIA, DESPITE SOME DOMESTIC OPPOSITION.

ATASSI DECLARED THE CHIEF AIM OF HIS CABINET IS TO RESTORE CONSTITUTIONAL GOVERNMENT. THE AGED FORMER PRESIDENT SAID HIS COUNTRY WILL RETAIN CLOSE AND FRIENDLY RELATIONS WITH THE "GREATER DEMOCRACIES" SUCH AS AMERICA.

HE SAID SYRIA ALSO WILL MAINTAIN CLOSE RELATIONS WITH THE UNITED NATIONS AND THE OTHER ARAB STATES "BECAUSE THE ARABS ARE ONE NATION WHATEVER THEIR POLITICAL DIVISION MIGHT BE."

THE NEW CIVILIAN CABINET, REPRESENTING MOST SHADES OF SYRIAN POLITICAL OPINION, ISSUED A STATEMENT SAYING IT WOULD RETAIN POWER ONLY UNTIL A CONSTITUTIONAL GOVERNMENT CAN BE ESTABLISHED.

THE CABINET WAS FORMED FOLLOWING A LIGHTNING COUP IN WHICH ZAYIM, WHO HAD RULED SINCE HE SEIZED POWER MARCH 30, AND PREMIER MUHSEN BEY BERAZI WERE GIVEN SPEEDY TRIALS AND EXECUTED BY A FIRING SQUAD.

COL.SAMI HENNAWI WHO LED SUNDAY'S COUP SAID IN AN INTERVIEW HE HOPED IT HAD BROUGHT THE DESIRED STABILITY TO SYRIA.

AN OFFICIAL SAID 230 OF THE 260 POLITICAL PRISONERS JAILED BY ZAYIM HAVE BEEN RELEASED BY THE NEW SYRIAN GOVERNMENT.

IT WAS REPORTED THAT AMONG THOSE FREED WERE THREE MEN CHARGED WITH THE BOMBING OF A DAMASCUS SYNAGOGUE AUG. 5 IN WHICH 12 JEWS WERE KILLED AND MORE THAN A SCORE WOUNDED. ZAYIM HAD ANNOUNCED ON AUG. 9 THAT THE THREE MEN HAD CONFESSED THE ATTACK AND WOULD BE SENTENCED TO DEATH.

FORMER PRESIDENT AL SAYED SHUKRI AL KUWATLY, WHO WAS OVERTHROWN BY ZAYIM LESS THAN FIVE MONTHS AGO, HAS CABLED CONGRATULATIONS TO ATASSI AND THE ARMY ON THE SUCCESS OF LAST SUNDAY'S COUP, IT WAS ANNOUNCED.

KUWATLY WAS IMPRISONED FOR A SHORT TIME AFTER HIS REGIME WAS OUSTED. HE LEFT FOR SWITZERLAND LATE IN JUNE.

JS934AED

DAMASCUS, SYRIA, AUG 17-(AP)-THE DAMASCUS RADIO OFFICIALLY DENIED TODAY IT HAD BROADCAST ANY STORY ABOUT THE BORDER BETWEEN SYRIA AND TURKEY BEING CLOSED.

THE BORDER HAS NOT BEEN CLOSED.

THE REPORT ORIGINATED WITH A CAIRO NEWS AGENCY WHICH SAID MONITORS HEARD SUCH AN ANNOUNCEMENT BY THE DAMASCUS RADIO YESTERDAY.

M759AED

JERUSALEM,AUG.17-(AP)-THE JEWISH POPULATION OF JERUSALEM PAID ITS LAST RESPECTS TODAY TO THEODOR HERZL, FOUNDER OF MODERN POLITICAL ZIONISM.

LONG LINES FILED PAST HIS BODY LYING IN STATE IN THE COURTYARD OF THE JEWISH AGENCY BUILDING. INTERMENT WAS SCHEDULED FOR LATER IN THE DAY IN A NEWLY BUILT CONCRETE BOMBPROOF TOMB ON THE HIGHEST HILL IN JERUSALEM'S WESTERN SUBURBS.

HERZL DIED IN VIENNA IN 1904. A PLANE YESTERDAY BROUGHT HIS REMAINS FROM AUSTRIA TO TEL AVIV WHERE ABOUT 200,000 PERSONS FILED PAST THE COFFIN OUTSIDE THE ISRAELI PARLIAMENT BUILDING IN BRIGHT MOONLIGHT LAST NIGHT. THE FUNERAL PROCESSION MOVED OFF TO JERUSALEM BEFORE DAWN WHILE FLOODLIGHTS PLAYED ON THE BIER AND A FULL DRESS MILITARY GUARD OF HONOR SALUTED.

ISRAELI PREMIER DAVID BEN GURION SAID IT WAS "NOT A FUNERAL PROCESSION BUT A VICTORY MARCH--VICTORY OVER A VISION THAT BECAME A REALITY." THE PROCESSION FOLLOWED THE SAME ROUTE TO JERUSALEM THAT HERZL USED ON HIS PILGRIMAGE A HALF-CENTURY AGO. VILLAGES ALONG THE WAY WERE DECORATED WITH FLORAL ARCHES.

ALL ISRAELI GOVERNMENT MINISTERS, HIGH OFFICIALS AND MEMBERS OF PARLIAMENT ASSEMBLED IN JERUSALEM FOR THE ENTOMBMENT CEREMONY. THE CABINET WAS UNDERSTOOD TO BE MEETING AND IT WAS RUMORED THAT AN IMPORTANT DECISION ABOUT THE STATUS OF THE HOLY CITY MIGHT BE TAKEN.

ISRAELI AUTHORITIES HAVE SUGGESTED THE INCORPORATION OF JERUSALEM IN THE NEW JEWISH STATE. UNDER A UNITED NATIONS PROPOSAL JERUSALEM WOULD BE INTERNATIONALIZED.

BJ1047AED

AUG 17 1949

NEW DELHI, INDIA, AUG 17-(AP)-PRIME MINISTER JAWAHARLAL NEHRU SAID TODAY THAT RAISING THE LIVING STANDARDS OF ORDINARY MEN AND WOMEN IS THE "VITAL, BASIC PROBLEM" FACING THE WORLD'S DEMOCRACIES.

"DELAY IS DANGEROUS," NEHRU SAID.

THE PRIME MINISTER SPOKE FOR A RECORDED "AMERICA'S TOWN MEETING OF THE AIR" PROGRAM TO BE BROADCAST IN THE UNITED STATES SEPT. 17 (AMERICAN BROADCASTING COMPANY.).

NEHRU SAID INDIA, LIKE THE U.S., IS "WEDDED TO THE DEMOCRATIC IDEAL, THE DEMOCRATIC PROCESS, BECAUSE WE THINK IT HAS SOMETHING OF GREAT VALUE FOR HUMANITY."

DY413PED

batavia, java, aug. 17-(ap)-disorder today marked the fourth independenc

day celebration of the indonesian republic. several casualties were reported

in batavia.

thousands of persons streamed into the city and put on an impromptu

demonstration in koningsplein square where in 1945 president soekarno and

premier mohamed hatta proclaimed indonesia's independence.

shouting "merdeka" (freedom) demonstrators pushed their way into the

delegation headquarters building where a formal ceremony had been planned a,,d

took over the place.

~~scheffer~~

AUG 17 1949

dutch authorities had banned all outdoor festivals for the occasion.

IN SPITE OF THE DUTCH ORDER BANNING THE APPEARANCE OF INDONESIAN FLAGS, THOUSANDS WORE THE RED AND WHITE COLORS OF THE REPUBLIC.

IN A ONE-HOUR SPEECH, SOEKARNO SAID THE CONDITION FOR PEACE AND SECURITY IN INDONESIA IS THE TRANSFER OF COMPLETE INDEPENDENCE TO THE INDONESIANS. THE PEOPLE OF INDONESIA, HE DECLARED, MUST UNITE COME WHAT MAY.

"UNITY MUST BE MAINTAINED. A PROSPEROUS INDONESIA CAN ONLY BE ACHIEVED BY THE UNITED EFFORTS OF THE INDONESIAN PEOPLE."

FOUR HOURS AFTER A CROWD OF ABOUT 100,000 GATHERED IN AND NEAR THE BATAVIA HEADQUARTERS OF THE REPUBLICAN DELEGATION, IT BEGAN TO DISPERSE.

AMBULANCES CLANGED THROUGH THE STREETS WITH INJURED. SO FAR NO DEATHS HAVE BEEN REPORTED.

THE DEMONSTRATORS TRIED TO STOP STREET CARS, TELLING THE MOTORMEN IT WAS NATIONAL INDEPENDENCE DAY AND NOBODY SHOULD WORK.

M243AED

SHANGHAI,AUG.17-(AP)-FRED HAMPSON, ASSOCIATED PRESS BUREAU CHIEF, TODAY WAS ~~LOCKED IN FOR FOUR HOURS AT HIS~~ OFFICE BY FOUR DELIVERY COOLIES WHO DEMANDED ADDITIONAL SEVERANCE PAY.

DURING THE LOCKIN, THE FORMER EMPLOYES ALSO PREVENTED THE DELIVERY OF NEWS TO SHANGHAI MEMBERS. POLICE BROKE UP THE LOCKIN, TELLING THE EMPLOYES THEY WERE NOT PERMITTED TO USE FORCE BUT HAD TO SEEK THE MEDIATION OF THE (COMMUNIST) LABOR BUREAU.

THE FOUR HAD BEEN DISCHARGED JUNE 1 AND WERE GIVEN SEVERANCE PAY. THEY RETURNED AND DEMANDED RE-EMPLOYMENT

THE FOUR HAD BEEN DISCHARGED JUNE 1 AND WERE GIVEN SEVERANCE PAY. THEY RETURNED AND DEMANDED RE-EMPLOYMENT OR ADDITIONAL SEVERANCE PAY.

HH331PCSNM

VANCOUVER,B.C.,AUG.17-(AP)-BEVERLEY BAXTER, CANADIAN-BORN CONSERVATIVE BRITISH M.P., SAID IN AN INTERVIEW TODAY THERE IS "A REAL LIKELIHOOD" OF AN EARLY ELECTION IN BRITAIN "BECAUSE OF TREMENDOUS PRESSURE FROM OUTSIDE THE COUNTRY."

HE PREDICTED, TOO, THE CONSERVATIVES WILL WIN THE NEXT ELECTION "IF THE AMERICANS KEEP THEIR HANDS OFF."

MR.BAXTER, WHO HAS SAT IN THE BRITISH HOUSE OF COMMONS SINCE 1935, SAID "IF THE AMERICANS SAY THEY WON'T DO BUSINESS WITH A SOCIALIST GOVERNMENT IN BRITAIN, THE CONSERVATIVES WILL LOSE." SUCH AMERICAN PRESSURE WOULD ANGER SO MANY BRITONS THAT THE LABOR GOVERNMENT MIGHT BE SWEPT BACK INTO POWER, HE SAID, ADDING:

"AMERICANS ARE COMPLAINING THEY DON'T KNOW WHAT KIND OF A GOVERNMENT THEY'LL HAVE TO DO BUSINESS WITH AND ARE EXERTING GREAT INFLUENCE FOR AN EARLY VOTE."

HH953PCS

porto alegre, brazil, aug. 17 - (ap) - police breaking up a communist-sponsored "peace congress" in this big southern brazil port today reported capture of a number of molotov cocktails -- gasoline-filled bottles used as incendiary bombs.

the police arrested 40 persons charged with organizing the congress, which had been banned. they said many carried the gasoline bottles, apparently planning to throw them into police stations and public buildings.

the communist party is outlawed in brazil.

rios 6 prewi/wp 1017aed

AP SPECIAL WASHINGTON SERVICE

WASHINGTON,AUG 17-(AP)-NINETY-SEVEN EXCHANGE TEACHERS FROM THE BRITISH ISLES ARE DUE INTO NEW YORK CITY ON THE QUEEN ELIZABETH TOMORROW.

THEY WILL TEACH HERE FOR A YEAR IN 85 CITIES IN 35 STATES.

THE AMERICAN TEACHERS WHO ARE EXCHANGING POSITIONS WITH THE BRITISHERS SAILED FOR ENGLAND JULY 19.

THE TEACHERS WILL HOLD A 3:30 P.M. PRESS CONFERENCE AT COLUMBIA UNIVERSITY TOMORROW, AND WILL COME TO WASHINGTON BY SPECIAL TRAIN SATURDAY.

THEY WILL BE GREETED HERE BY EDUCATION COMMISSIONER EARL JAMES MCGRATH, AND WILL BE GUESTS AT AMERICAN UNIVERSITY DURING THEIR STAY HERE.

BEFORE DEPARTING FOR THEIR TEACHING ASSIGNMENTS NEXT WEDNESDAY, THEY ALSO WILL CALL UPON PRESIDENT TRUMAN AT THE WHITE HOUSE AND WILL BE ENTERTAINED AT A TEA AT THE BRITISH EMBASSY.

HY1056PED

WASHINGTON,AUG 17-(AP)-FOURTEEN OFFICERS OF THE BRITISH ARMED FORCES, RECENT GRADUATES OF THE IMPERIAL DERENSE COLLEGE IN LONDON, ARE COMING TO THE UNITED STATES FOR A ONE-WEEK AIR TOUR OF MILITARY INSTALLATIONS. THE DEFENSE DEPARTMENT SAID THEY ARE DUE TO ARRIVE AUG.21.

THE GROUP

INSTALLATIONS. THE DEFENSE DEPARTMENT SAID THEY ARE DUE TO ARRIVE AUG.21.

THE GROUP, ACCOJPANIED BY MAJ.GEN.W.P.OLIVER, ARMY INSTRUCTOR AT THE IMPERIAL DEFENSE COLLEGE, HAS BEEN TOURING CANADA FOR SEVERAL WEEKS.

THEIR TOUR BEGINS AT SELFRIDGE AIR FORCE BASE, MOUNT CLEMENS,MICH. AFTER VISITING THE ARMY TANK ARSENAL, AND GENERAL MOTORS CORP. PLANT IN DETROIT, THEY WILL FLY TO LANGLEY FIELD AT HAMPTON,VA., TO SEE MILITARY INSTALLATIONS IN THE NORFOLK AREA.

THEY WILL COME TO WASHINGTON FOR A VISIT AT THE NATIONAL WAR COLLEGE. AFTER A SIGHT SEEING TRIP TO NEW YORK, THEY WILL RETURN TO CANADA.

GG941PED

WASHINGTON,AUG.17-(AP)-THE HOUSE TODAY GOT A MEASURE TO BOLSTER THE WORLD'S ECONOMY WITH AMERICAN MONEY, ADVICE AND TECHNICAL KNOWHOW.

REP.HERTER (R-MASS) INTRODUCED THE MEASURE TO ESTABLISH AN ECONOMIC DEVELOPMENT ADMINISTRATION TO AID FRIENDLY COUNTRIES THAT GUARANTEE A FREE FLOW OF CURRENCY, AGREES TO PROTECT PATENTS, TRADEMARKS AND COPYRIGHTS AND TO NEGOTIATE TAX AGREEMENTS WITH THE U.S.

THE DEVELOPMENT ADMINISTRATOR WOULD BE UNDER THE GENERAL SUPERVISION OF THE SECRETARY OF STATE AND ADVISED BY A 12-MEMBER BOARD WITH "BROAD AND VARIED EXPERIENCE IN FOREIGN TRADE."

THE ADMINISTRATION WOULD SURVEY ECONOMIC CONDITIONS ABROAD TO STIMULATE INVESTMENTS OF AMERICAN RISK CAPITAL AND TO RECOMMEND SOUND PROJECTS FOR LOANS BY THE EXPORT-IMPORT BANK AND OTHER FEDERAL AGENCIES, IF PRIVATE FUNDS ARE NOT AVAILABLE.

TO BE ELIGIBLE FOR ASSISTANCE, FOREIGN COUNTRIES WOULD HAVE TO AGREE TO ESTABLISH JOINT ECONOMIC COMMISSIONS AND TO ACCEPT AMERICAN TECHNICAL MISSIONS AND ADVISERS.

THE AIDED COUNTRY WOULD ALSO HAVE TO PROHIBIT DISCRIMINATORY TAXATION OR CURRENCY RESTRICTIONS ON AMERICANS DOING BUSINESS THERE.

ALL AID AGREEMENTS WOULD PROVIDE ARBITRATION OF CLAIMS AND CONTROVERSIES BY THE INTERNATIONAL COURT OF JUSTICE.

MD1102PED

RADIO-RUSSIA

BY JOHN M.HIGHTOWER

WASHINGTON,AUG.17-(AP)-THE STATE DEPARTMENT IS PLANNING TO THROW HEAVY NEW REINFORCEMENTS INTO THE RADIO WAR WITH RUSSIA IF CONGRESS WILL PROVIDE THE MONEY.

THE HOUSE APPROPRIATIONS COMMITTEE TOOK THE FIRST STEP YESTERDAY BY RECOMMENDING AN APPROPRIATION OF $11,500,000(M). THIS IS STILL SUBJECT TO ACTION BY THE HOUSE ITSELF AND THE SENATE.

THE HOUSE COMMITTEE APPROVED THE ADDITIONAL SUM FOR THE VOICE OF AMERICA (WHICH NOW IS DOWN FOR $7,500,000) AFTER RECEIVING TESTIMONY FROM LT. GEN. ALBERT C.WEDEMEYER, DIRECTOR OF PSYCHOLOGICAL WARFARE FOR THE ARMY.

WEDEMEYER TESTIFIED THAT AMERICAN EFFORTS--COUPLED WITH THOSE OF THE BRITISH BROADCASTING CORPORATION--TO GET PROGRAMS INTO RUSSIA APPEAR TO BE CAUSING THE SOVIETS CONSIDERABLE INJURY IN THEIR TOTAL RADIO OPERATION.

"WE HAVE RECEIVED NUMEROUS REPORTS FROM GOOD SOURCES," WEDEMEYER SAID, "THAT WOULD INDICATE THAT WE ARE HURTING THEM AND HURTING THEM BADLY."

THE PRESENT PHASE OF THE RADIO CONFLICT BETWEEN RUSSIA AND THE WESTERN POWERS OPENED APRIL 24 WHEN THE SOVIETS BEGAN JAMMING BRITISH AND AMERICAN BROADCASTS TO THE RUSSIAN PEOPLE.

THAT WAS ON THE EVE OF THE FIRST ANNOUNCEMENTS CONCERNING THE

SUCCESSFUL NEGOTIATIONS FOR ENDING THE BERLIN BLOCKADE. STATE DEPARTMENT OFFICIALS SPECULATED AT THAT TIME THAT THE RUSSIANS WERE PRIMARILY INTERESTED IN COVERING UP TO THEIR OWN PEOPLE THEIR "RETREAT" FROM BERLIN.

IT WAS THEN ASSUMED THAT AS SOON AS THE BERLIN CRISIS WAS OVER THE RADIO SITUATION WOULD RETURN TO NORMAL; THAT IS, THE UNITED STATES AND BRITAIN WOULD BE ABLE TO BROADCAST INTO RUSSIA THEIR UNCENSORED VERSIONS OF WORLD NEWS JUST AS THE RUSSIANS ARE ABLE TO BROADCAST TO OTHER COUNTRIES.

HOWEVER, IT HAS NOT TURNED OUT THAT WAY. INSTEAD OF EASING OFF THE STRUGGLE HAS BECOME INTENSIFIED. ON MAY 7 THE UNITED STATES AND BRITAIN COORDINATED ALL THE BROADCASTING EQUIPMENT THEY COULD SPARE FOR THE PURPOSE TO TRY TO BREAK THROUGH THE SCREEN OF DISRUPTIVE RADIO WAVES WHICH THE RUSSIANS WERE THROWING UP WITH AN ENORMOUS NUMBER OF JAMMING STATIONS.

A35WX

A MONTH LATER, A SURVEY OF OFFICIAL REPORTS HERE SHOWED THAT THE BRITISH AND AMERICAN PROGRAMS WERE BREAKING THROUGH THE WALL OF NOISE ONLY IN SPOTS. AS FAR AS GETTING INFORMATION TO THE RUSSIAN LISTENER IS CONCERNED, THEREFORE, THE WESTERN POWERS HAVE NOT HAD TOO MUCH SUCCESS.

THEY HAVE PUT THEIR BROADCASTS ON AN AROUND THE CLOCK BASIS, FORCING THE RUSSIANS TO JAM 24 HOURS A DAY AND THEY HAVE OPENED SOME NEW SPECIAL PROGRAMS AND CHANGED FREQUENCIES OF BROADCASTING FROM TIME TO TIME.

ONE TRICK THEY HAVE USED IS TO BROADCAST SOME PROGRAMS ON FREQUENCIES SO CLOSE TO THOSE OF THE REGULAR RUSSIAN DOMESTIC RADIO STATIONS THAT WHEN THE SOVIETS TRY TO JAM THE WESTERN SIGNALS THEY JAM THEIR OWN AS WELL.

THIS PRESUMABLY IS ONE OF THE RESULTS THAT WEDEMEYER HAD IN MIND IN REPORTING THAT THE RUSSIANS ARE BEING HURT BY THE STRUGGLE. ANOTHER IS THE DIVERSION OF THEIR STATIONS FROM REGULAR BROADCASTING TO JAMMING. IN THEIR HUGE COUNTRY THE SOVIETS DEPEND LARGELY ON RADIO BROADCASTING TO DISSEMINATE NEWS AND INFORMATION OF ALL SORTS.

V517AED

AUG 17 1949

(150) NIGHT LEAD ALIENS

WASHINGTON,AUG.17-(AP)-PRESIDENT TRUMAN TODAY GAVE THE ATTORNEY GENERAL POWER TO KEEP OUT OF THE UNITED STATES ANY ALIEN WHOSE ENTRY HE BELIEVES WOULD BE PREJUDICIAL TO THIS COUNTRY.

THE PRESIDENT AUTHORIZED THE ATTORNEY GENERAL TO EXCLUDE SUCH ALIENS EVEN THOUGH THEY ARRIVE WITH VALID VISAS ISSUED BY THE STATE DEPARTMENT'S CONSULS ABROAD.

MR.TRUMAN CONFERRED THE POWER BY PROCLAMATION.

JUSTICE DEPARTMENT OFFICIALS SAID THE PROCLAMATION IS SIMPLY CLARIFYING IN EFFECT. SINCE THE STATE DEPARTMENT CONSULS ISSUE THE VISAS UNDER WHICH ALIENS TRAVEL TO THE U.S. PORTS OF ENTRY, THEY SAID, THE QUESTION HAS ARISEN FROM TIME TO TIME AS TO WHETHER AN EXCLUSION AT THE PORT REQUIRED A JOINT ACTION BY THE STATE AND JUSTICE DEPARTMENTS.

THE JUSTICE OFFICIALS SAID THERE HAS BEEN NO DISPUTE BETWEEN THE DEPARTMENTS OVER THIS MATTER, BUT THAT THE PROCLAMATION WAS THOUGHT DESIRABLE TO CLARIFY THE SITUATION.

MD1025PED

(150) CHINA

WASHINGTON, AUG 17-(AP)-SECRETARY ACHESON SAID TODAY THE STATE DEPARTMENT WILL AID THE DEPARTURE FROM CHINA OF ALL WHO WANT TO LEAVE BUT MAKING THE ARRANGEMENTS WILL BE A LONG AND DIFFICULT TASK.

ASKED WHETHER AMERICAN GOVERNMENT ASSISTANCE IN GETTING AMERICANS OUT OF COMMUNIST-HELD SHANGHAI WOULD REQUIRE A POLICY DECISION, ACHESON SAID THAT IT WOULD NOT. IT IS JUST A MATTER OF REGULAR STATE DEPARTMENT OPERATIONS, HE SAID.

THE DEPARTMENT HAS MADE A ROUGH CHECK AND ESTIMATES THAT ABOUT 1200 PERSONS WANT TO LEAVE, HE ADDED.

ACHESON SAID THAT MAKING ARRANGEMENTS WITH THE COMMUNISTS IN A SLOW AND EXASPERATING BUSINESS. ALL FOREIGNERS WHO LEAVE A PLACE ADMINISTERED BY THE CHINESE COMMUNISTS, HE SAID, REQUIRE EXIT PERMITS. IN SHANGHAI WERE HUNDREDS OF PERSONS WANT TO LEAVE, THE COMMUNISTS HAVE ASSIGNED THE WORK OF HANDLING PERMITS TO THREE CLERKS WHO HANDLE SOMEWHAT LESS THAN 30 PERMITS A DAY.

PF131PED

A170WX

WASHINGTON, AUG 17-(AP)-SECRETARY OF STATE ACHESON SAID TODAY HE DOUBTS THAT THE GREEK GOVERNMENT WANTS TO MOVE TROOPS ACROSS ANYBODY'S BORDER.

HE GAVE THAT RESPONSE AT A NEWS CONFERENCE WHEN TOLD BY A REPORTER THAT SOME DISPATCHES FROM WESTERN EUROPE REPORTED A FEAR THAT THE GREEKS, FIGHTING COMMUNIST GUERILLAS, MIGHT MOVE INTO ALBANIA.

PF132PED MH

A157WX (130)

WASHINGTON, AUG 17-(AP)-GREAT BRITAIN TODAY RECEIVED NEW MARSHALL PLAN AID TOTALLING $42,660,000 (M) AS THE ECONOMIC COOPERATION ADMINISTRATION ANNOUNCED A HALT TO FUTURE SPENDING APPROVALS UNTIL CONGRESS ACTS ON ITS APPROPRIATION FOR THE COMING YEAR.

THE GRANT TO BRITAIN WAS THE LARGEST CONTAINED IN $98,171,000 (M) IN ADDITIONAL AUTHORITY FOR 11 EUROPEAN COUNTRIES, WESTERN GERMANY, TRIESTE AND KOREA TO PURCHASE RECOVERY COMMODITIES UNDER THE MARSHALL PLAN.

OFFICIALS AT ECA SAID TODAY'S SPENDING APPROVALS WILL BE THE LAST UNTIL ADDITIONAL FUNDS ARE APPROPRIATED.

FRANCE ALSO RECEIVED A HEAVY SHARE OF THE NEW AID -- $18,935,000 (M) TO FINANCE PURCHASE FOR ITSELF AND ITS DEPENDENT TERRITORIES OF WIDESPREAD AGRICULTURAL AND INDUSTRIAL COMMODITIES.

PF1250PED

wash add ex ignored

A44WX

ALTHOUGH IT WAS A DAY IN WHICH NAMES WERE CALLED, SENATORS SMITH, MCCARTHY AND MUNDT ALL PRAISED HATHORN AND ELVOVE FOR STANDING FIRM.

ONCE MCCARTHY BROKE IN TO SAY OF HATHORN:

"I ONLY WISH THAT THE HOUSING EXPEDITER WOULD HAVE HAD THE GUTS OF THIS YOUNG MAN WHEN HE WAS CONTACTED ABOUT THE TANFORAN RACE TRACK."

MCCARTHY WAS REFERRING TO HOUSING EXPEDITER TIGHE WOODS.

WOODS TESTIFIED THAT VAUGHAN ASKED HIM TO GRANT A CONSTRUCTION PERMIT TO THE CALIFORNIA TRACK. WOODS SAID THE PERMIT WAS GRANTED THE DAY AFTER VAUGHAN CALLED ABOUT THE MATTER.

THE 34-YEAR-OLD HATHORN, FROM HATTIESBURG,MISS., LEFT THE DEPARTMENT OF AGRICULTURE IN JUNE, 1947, TO GO INTO BUSINESS FOR HIMSELF.

HE IS NOW ASSOCIATED WITH ALBERT NEMIR AS AN ECONOMIC ADVISER.

"WE STUDY RAW MATERIALS," NEMIR TOLD A REPORTER, "AND ADVISE OUR CLIENTS ON PRICE TRENDS."

ADDED NEMIR HASTILY:

"BUT WE'RE NOT FIVE PERCENTERS!"

HY715PED

AUG 17 1949

30.24- 5109

THOMAS TESTIFIED BEFORE THE COMBINED COMMITTEE ON FOREIGN RELATIONS AND ARMED SERVICES, WHICH REOPENED HEARINGS YESTERDAY IN ORDER TO HEAR HIM AND OPPONENTS OF THE PROGRAM, INCLUDING HENRY WALLACE.

West CAO xx

AUG 17 1949

A22WX

SENATOR GEORGE (D-GA) SUBSCRIBED TO THOMAS' SUGGESTION FOR A CONGRESSIONAL DISARMAMENT APPEAL.

THE GEORGIAN SAID HE THINKS THE UNITED STATES SHOULD BE MOVING IN A DIRECTION DIFFERENT FROM THE ONE IT IS TAKING.

"WE SHOULD HAVE AN AFFIRMATIVE AMERICAN POLICY FOR PEACE," HE DECLARED, ADDING THAT SUCH A POLICY CANNOT BE FOUNDED ON FEAR OF ANOTHER NATION OR HOSTILITY TOWARD IT.

SENATOR VANDENBERG (R-MICH) AGREED THAT AN EFFORT SHOULD BE MADE TO BRING ABOUT DISARMAMENT, BUT HE SAID HE COULD NOT AGREE TO THOMAS' SUGGESTION THAT THE ARMS AID BILL BE DELAYED WHILE THE ATTEMPT IS UNDERTAKEN. HE RECALLED HIS OWN SUGGESTION RECENTLY THAT THE PRESIDENT ISSUE AN APPEAL FOR WORLD DISARAMENT AT THE TIME THE U.S. ENTERED THE NORTH ATLANTIC ALLIANCE.

VANDENBERG WON THOMAS'S SUPPORT FOR HIS AMENDMENT WHICH WOULD MAKE CONTINUATION OF THE ARMS AID PROGRAM DEPENDENT ON COOPERATION OF EUROPEAN MEMBERS OF THE ALLIANCE WITH A COMMON DEFENSE PLAN.

THOMAS GAVE QUALIFIED APPROVAL TO ANOTHER AMENDMENT BY SENATOR SMITH (R-NJ) TO TIE CONTINUED EFFORTS FOR DISARMAMENT TO THE ARMS PROGRAM. THE SOCIALIST SAID ITS PURPOSE IS FINE BUT THAT IT PROBABLY WILL BE REGARDED AS "MORE WORDS THAT WON'T CREATE HARDLY A RIPPLE IN THE U.S. OR ABROAD."

QUESTIONS BY SENATOR KNOWLAND (R-CALIF) BROUGHT OUT THAT THOMAS IS MORE ALARMED ABOUT ASIA THAN EUROPE.

THOMAS SAID THAT NEHRU, INDIA'S PRIME MINISTER, WILL GET ALONG ALL RIGHT "IF THE INDIANS, THROUGH STARVATION, DON'T TURN TO COMMUNISM."

KNOWLAND, WHO HAS URGED THAT $175,000,000 OF THE PROPOSED ARMS OUTLAY BE EARMARKED FOR CHINA, OFFERED ANOTHER AMENDMENT DURING THE DAY. IT IS DESIGNED TO ASSURE THAT NATIONALIST CHINA WOULD BE CHARGED NO MORE FOR MILITARY SUPPLIES THAN ANY OTHER COUNTRY.

EARLY IN THE HOUSE DEBATE REP.COX (D-GA), WHO HAS VOTED WITH A COALITION OF REPUBLICANS AND SOUTHERN DEMOCRATS AGAINST MANY ADMINISTRATION BILLS IN THE PAST, URGED APPROVAL OF ARMS AIDM HIS ACTION DEALT A BLOW TO HOPES OF SOME REPUBLICAN OPPONENTS OF THE MEASURE.

COX CRITICIZED THE STATE DEPARTMENT AND CALLED FOR A SHAKEUP IN ITS PERSONNEL, BUT HE SAID THE FOREIGN ARMS PROGRAM IS NECESSARY TO IMPLEMENT THE ATLANTIC PACT.

"OUR RELIANCE UPON THE GOOD FAITH OF RUSSIA HAS PROVED TO BE A LOSING GAMBLE," THE GEORGIAN DECLARED. "WE NOW KNOW THAT RUSSIA MEANS TO RULE THE WHOLE WORLD, AND THAT UNLESS SHE IS CHECKED SHE WILL SUCCEED, AND IN THE TASK OF CHECKING HER, GREATEST RESPONSIBILITY RESTS UPON US."

REP.MORRIS (D-OKLA) CRITICIZED THE PROGRAM AS DANGEROUS, STUPID AND UNNECESSARY.

IT IS INCONSISTENT, HE SAID, FOR THE UNITED STATES TO SAY THAT COMMUNISM IS SUCH A FALSE DOCTRINE THAT IT CANNOT SUCCEED, "AND YET WE TURN AROUND AND SAY WE MUST SPEND BILLIONS TO STOP IT."

"DO WE THINK A FALSE, ERRONEOUS AND STUPID PHILOSOPHY IS GOING TO SWEEP THE WORLD?" THE OKLAHOMAN DEMANDED.

"COMMUNISM WAS ON THE RUN LONG BEFORE THE MARSHALL PLAN," HE DECLARED. "COMMUNISM STOPPED ITSELF."

MORRIS SAID HE FOUND IT HARD TO BELIEVE THAT AN UNSOUND PHILOSOPHY LIKE COMMUNISM COULD SWEEP THE ENTIRE WORLD WHEN CHRISTIANITY HAS BEEN UNABLE TO DO SO IN 2,000 YEARS.

GG555PED

CLEVELAND, AUG. 17-(AP)-GEN.JONATHAN M.WAINWRIGHT, COMMANDER OF THE DISABLED AMERICAN VETERANS, TODAY SAID THE GROUP'S STAND FOR ADEQUATE NATIONAL DEFENSE IS NOT "RATTLING THE SABRE."

"THE DAV," HE TOLD THE ORGANIZATION'S ANNUAL CONVENTION, "HAS A PERFECT RIGHT TO MAINTAIN ITS STAND FOR ADEQUATE NATIONAL DEFENSE BECAUSE WE ARE AGAINST WAR.

"SOME PEOPLE CONSIDER IT STRANGE THAT THE AVERAGE VETERAN WHO HAS SUFFERED EXPERIENCES IN WAR, COMMON TO ALL OF US, SHOULD ALMOST TO A MAN BELIEVE IN ACTUAL, PRACTICAL, REAL PREPAREDNESS.

"WHY SHOULDN'T THE DISABLED DEFENDERS OF THIS NATION WHO HAVE LIVED THROUGH TWO DEVASTATING WORLD WARS IN 25 YEARS HAVE A RIGHT TO DEMAND THAT THIS NATION BECOME STRONG X X X THAT NEVER AGAIN SHALL ANY CRAZED AND DRIVEN FOE DARE ATTACK US."

GEN.WAINWRIGH

AUG 17 1949

DEMAND THAT THIS NATION BECOME STRONG X X X THAT NEVER AGAIN SHALL ANY CRAZED AND DRIVEN FOE DARE ATTACK US."

GEN.WAINWRIGHT SAID THE DAV'S EFFORTS TO AID IN UNEMPLOYMENT PROBLEMS OF PHYSICALLY HANDICAPPED VETERANS SHOULD BE "ACCEPTED AS PROOF THAT WE ARE NOT TREASURY RAIDERS SEEKING HANDOUTS."

"YOU AS DISABLED VETERANS MUST REMEMBER THAT AS THE YEARS PASS, IDEAS AND PROMISES MADE TO YOU DURING THE WAR--AND RIGHT AFTER--FADE OUT OF THE MINDS OF MANY WHO MADE THEM," HE ADDED.

HE TOLD THE VETERANS THEY WILL HAVE TO FIGHT TO GET SECURITY "AND FIGHT TO RETAIN IT ALL THE YEARS OF YOUR LIVES."

GEN.WAINWRIGHT URGED THAT THE NATION NOT AGAIN SACRIFICE ITS YOUTH BECAUSE OF "CRIMINAL INDIFFERENCE TO CRUEL FACTS, AND BY ACCEPTING THE SAME FALSE IDEOLOGIES AND PHILOCOPHIES THAT LED US INTO WORLD, WAR I AND II."

ABOUT 4,000 DELEGATES ARE HERE FOR THE 28TH ANNUAL CONVENTION OF THE DAV WHICH OPENED SUNDAY AND CONCLUDES SATURDAY.

W420PES NM

CHICAGO, AUG.17-(AP)-REP.JAVITS (R-NY) SAID TONIGHT "THERE IS GRAVE DANGER" OF A NEW WAR BETWEEN ISRAEL AND THE ARAB NATIONS.

JAVITS CRITICIZED THE U.N. SECURITY COUNCIL FOR ENDING ITS BAN ON THE ENTRY OF FIGHTING PERSONNEL AND WAR MATERIALS INTO THE NEAR EAST.

HE TOLD THE LAWYERS DIVISION OF COMBINED JEWISH APPEAL OF CHICAGO THAT ENDING OF THE BAN HAS ADDED TO THE WAR DANGER.

"ALREADY," HE SAID, "THE BRITISH ARE PROPOSING TO SHIP ARMS TO THE ERSTWHILE BELLIGERENTS, IRAQ, EGYPT AND JORDAN, ON THE GROUNDS OF ALLEGED TREATY COMMITMENTS.

"IT IS REPORTED FROM TEL AVIV THAT ISRAEL FINDS HERSELF UNDER THE COMPULSION TO ACCEPT THE CHALLENGE OF AN ARMAMENTS RACE."

JAVITS ADDED "THE CONTINUED BOYCOTT OF ISRAEL BY THE ARAB STATES AND THE FANATICISM IN THE ARAB COUNTRIES WHICH HAS MADE OPPOSITION TO ISRAEL A HOT POLITICAL ISSUE THERE, FURTHER JEOPARDIZE THE PEACE."

ER-SZ1016PCD NM

DENVER, AUG.17-(AP)-DR.JOSEF KORBEL, FORMER CZECHOSLOVAKIA AMBASSADOR TO YUGOSLAVIA, SAYS THE ANSWER IS YES TO ALL THREE OF THESE QUESTIONS:

1. ARE THE RUSSIANS TRYING TO PROTECT THEMSELVES AGAINST WHAT THEY BELIEVE IS THE DANGER OF ATTACK FROM THE WEST?

2. ARE THEY FOLLOWING THE CENTURIES-OLD RUSSIAN POLICY OF IMPERIAL EXPANSION?

3. ARE THE RUSSIAN LEADERS TRYING TO SATISFY A LUST FOR POWER?

KORBEL POSED THE QUESTIONS AND GAVE WHAT HE REGARDS AS THE RIGHT ANSWER IN AN ADDRESS LAST NIGHT AT THE UNIVERSITY OF DENVER'S INSTITUTE ON SOVIET RELATIONS. KORBEL BECAME A POLITICAL EXILE AFTER HIS COUNTRY WENT OVER TO THE COMMUNISTS.

"EVEN DURING THE WAR THE RUSSIANS WERE PREOCCUPIED WITH DEVELOPING POSTWAR SECURITY AGAINST INVASION," HE SAID.

"AT FIRST, RUSSIA'S GREATEST FEAR WAS OF ANOTHER ATTACK FROM GERMANY, IF AND WHEN THAT NATION BECAME STRONG AGAIN. BUT NOW THE RUSSIANS HAVE COME TO DISTRUST ANY NON-COMMUNIST GOVERNMENT.

"FOR THAT REASON, THEY ARE ALMOST FATALLY BOUND TO DESTROY ANY NATION ON THEIR BORDERS UNLESS IT IS COMMUNIST-CONTROLLED. AND THERE IS NO TELLING WHERE THIS DESTRUCTION MAY END."

CO1040ACS NM

SECOND NIGHT LEAD

LOS ANGELES,AUG.17-(AP)-THREE AIRPLANE MANUFACTURERS TESTIFIED BEFORE A HOUSE SUBCOMMITTEE TODAY THAT THERE WAS NO POLITICAL PRESSURE INVOLVED IN THE AWARDING OF A GOVERNMENT WARTIME CONTRACT FOR THE B-36 SUPER-BOMBER.

THEY WERE JOHN K. NORTHROP, PRESIDENT OF NORTHROP AIRCRAFT, INC., OLIVER P. ECHOLS, CHAIRMAN OF THE BOARD AT NORTHROP, AND WILLIAM ALLEN, SEATTLE, PRESIDENT OF BOEING AIRCRAFT CO.

THE HOUSE ARMED FORCES SUBCOMMITTEE, HEADED BY REP. MELVIN PRICE (D-ILL.), IS INVESTIGATING REPORTS THAT POLITICAL FAVORITISM MAY HAVE FIGURED IN THE SELECTION OF CONSOLIDATED-VULTEE'S B-36 AS A MAJOR AIR FORCE WEAPON.

THE AIR FORCE ORIGINALLY AWARDED A CONTRACT TO NORTHROP FOR 30 B-49 BOMBERS, THE JET ENGINED "FLYING WING," BUT LATER CANCELLED THE CONTRACT AND GAVE ANOTHER ONE TO CONSOLIDATED-VULTEE.

TODAY, HOWEVER, NORTHROP TOLD THE COMMITTEE:

"I CAN'T CONCEIVE OF THERE BEING ANY POLITICAL IMPLICATIONS" IN THE AIR FORCE'S CANCELLATION OF NORTHROP'S CONTRACT.

NORTHROP SAID HE RECEIVED NOTICE FROM AIR SECRETARY W. STUART SYMINGTO IN THE SUMMER OF 1948 THAT THE CONTRACT WAS BEING CANCELLED. SYMINGTON GAVE NO REASON FOR CANCELLING THE CONTRACT, NORTHROP ADDED, AND HE DIDN'T ASK.

HE SAID HE DEDUCED BY READING NEWSPAPER ACCOUNTS, HOWEVER, THAT THE AIR FORCE WANTED A BOMBER WITH A WIDER RANGE THAN THE FLYING WING.

BOTH NORTHROP AND ALLEN TESTIFIED THEY HAD NEVER HEARD OF RUMORS TO THE EFFECT THAT VARIOUS AIRCRAFT FIRMS WERE PLANNING TO MERGE WITH CONSOLIDATED.

EARLIER, ECHOLS TOLD THE INVESTIGATORS THAT FLOYD ODLUM, HEAD OF CONSOLIDATED, ONCE SUGGESTED TO HIM THAT THE TWO FIRMS BE MERGED, WITH ECHOLS TAKING OVER AS HEAD OF BOTH. NORTHROP REJECTED THE IDEA, ECHOLS SAID, BECAUSE IT DIDN'T WANT TO LOSE ITS SEPARATE IDENTITY.

ECHOLS, ONETIME CHIEF OF THE AIR FORCE MATERIEL COMMAND, SAID THE MERGER WAS SUGGESTED SEVERAL YEARS AFTER HIS RETIREMENT AS A MAJOR GENERAL.

"I WAS PROBABLY MORE RESPONSIBLE THAN ANYONE ELSE FOR HAVING THE B-36 ORDERED," SAID ECHOLS. "I DON'T SEE HOW POLITICAL INFLUENCE COULD HAVE BEEN BROUGHT TO BEAR IN AWARDING THE CONTRACT. THE PRODUCTION WAS BROUGHT ABOUT THROUGH NORMAL PROCEDURE OF THE AIR FORCE."

ECHOLS WAS THE FIRST WITNESS. THE INQUIRY WAS ORDERED AFTER REP. VAN ZANDT (R-PA) SAID IN THE HOUSE LAST MAY 26 THAT HE HAD HEARD "DISTURBING REPORTS ABOUT SECRETARY OF DEFENSE JOHNSON, SECRETARY OF AIR SYMINGTON AND FLOYD ODLUM, AIRCRAFT MANUFACTURER AND FINANCIER.

VAN ZANDT SAID HE "HEARD" THAT SYMINGTON PLANNED TO RESIGN AND HEAD AN AIRCRAFT COMBINE TO BE ORGANIZED BY ODLUM, HEAD OF CONSOLIDATED VULTEE OF SAN DIEGO, MAKERS OF THE B-36. SYMINGTON EMPHATICALLY DENIED THIS AT A HEARING OF THE SUBCOMMITTEE LAST FRIDAY.

ECHOLS DESCRIBED HOW THE CONTRACT WAS AWARDED TO CONSOLIDATED-VULTEE IN 1941. HE SAID THE NEED FOR PRODUCTION OF AN INTERCONTINENTAL BOMBER WAS FIRST RAISED BY GEN. HENRY H. (HAP) ARNOLD, THEN CHIEF OF THE AIR FORCE.

A72KX

"ARNOLD TOLD ME THE WORLD SITUATION FROM THE VIEWPOINT OF THE U. S. ARMED FORCES WAS UNSATISFACTORY," ECHOLS TESTIFIED. "HE WANTED MY VIEW---WHETHER TO BUILD A BOMBER WITH A 10,000-MILE RANGE WHICH COULD CARRY A 10,000-POUND BOMB LOAD."

ECHOLS SAID WRIGHT FIELD, OHIO, ENGINEERS WERE ASKED TO STUDY THE QUESTION AND MAKE RECOMMENDATIONS. HE SAID THE WRIGHT FIELD ENGINEERS LATER PRESENTED A DESIGN TO A CONFERENCE OF TOP AIR FORCE OFFICERS.

THE WITNESS SAID HE RECALLED THAT BOEING, DOUGLAS, MARTIN, NORTHROP AND CONSOLIDATED-VULTEE WERE CONTACTED ON THE IDEA OF BIDDING FOR THE CONTRACT FOR THE NEW BOMBER.

ECHOLS SAID THE CONTRACT WAS AWARDED TO CONSOLIDATED-VULTEE AS A RESULT OF THE RECOMMENDATION OF AN ENGINEERING COMMITTEE AT WRIGHT FIELD WHICH CONSIDERED THE CONSOLIDATED DESIGN THE BEST. HE SAID THE AWARD WAS APPROVED BY AN AIRFORCE BOARD OF 15 TOP OFFICERS.

HE SAID APPROVAL BY THE 15 OFFICERS "WAS NOT USUAL PROCEDURE FOR AWARDING A CONTRACT."

"THIS WAS DIFFERENT BECAUSE THE TOP STAFF OFFICERS WERE SO INTERESTED IN THE PROJECT," HE EXPLAINED.

"WE GOT WHAT WE WANTED," SAID ECHOLS. "WE GOT A 10,000-MILE BOMBER THAT COULD CARRY A 10,000-POUND BOMB LOAD."

ECHOLS SAID THAT IN 1945 HE WAS TRANSFERRED FROM THE AIR FORCE TO THE MILITARY GOVERNMENT STAFF IN BERLIN AND AFTER THAT HAD NO FURTHER CONNECTION WITH THE AIR FORCE.

FJ654PCS

NITE LEAD TOKYO ROSE (270)

SAN FRANCISCO,AUG.17-(AP)-AN EX-AUSTRALIAN MAJOR WHO DESCRIBES "TOKYO ROSE" AS AN AMERICAN PATRIO TESTIFIED TODAY HE HAD FILED NO FORMAL CHARGES AGAINST THE JAPANESE FOR WAR ATROCITIES.

THE ADMISSION WAS MADE DURING CROSS EXAMINATION BY CHARLES COUSENS, A CHIEF DEFENSE WITNESS FOR MRS.IVA TOGURI D'AQUINO. THE CALIFORNIA BORN WOMAN IS ACCUSED OF TREASON FOR WARTIME BROADCASTS SHE MADE FROM RADIO TOKYO.

COUSENS, TAKEN PRISONER BY THE JAPS EARLY IN THE WAR, HAD TOLD THE FEDERAL COURT JURY UNDER QUESTIONING BY DEFENSE ATTORNEY WAYNE COLLINS HOW ALLIED PRISONERS WERE MISTREATED--BEATEN, STARVED AND KILLED.

ASSISTANT PROSECUTOR JAMES KNAPP ASKED IF HE HAD LODGED CHARGES WITH THE WAR CRIMES TRIBUNAL. HE REPLIED:

"I MADE ARRANGEMENTS THAT THEY BE GIVEN. I KNEW A COMPLETE DIARY EXISTED AND I HANDED IT OVER TO THE SENIOR OFFICER PRESENT."

HE SAID HE DID NOT KNOW IF ANYONE WAS EVER PROSECUTED.
KNAPP BROUGHT OUT THAT COUSENS WAS A GRADUATE OF SANDHURST, BRITAIN'S WEST POINT, AND THAT HE TOOK AN OATH OF ALLEGIANCE WHEN HE WENT INTO THE AUSTRALIAN ARMY.
"DID YOU CONSIDER YOU FOLLOWED THAT OATH WHEN YOU BROADCAST FOR THE JAPS?" ASKED KNAPP.
"TO THE UTMOST OF MY ABILITY, YES," WAS THE REPLY.
EARLIER, UNDER DIRECT EXAMINATION OF COLLINS, COUSENS CHALLENGED TWO OF THE EIGHT OVERT ACTS OF TREASON THE U.S. GOVERNMENT CHARGES IN THE INDICTMENT.
BOTH INVOLVE JAPANESE USE OF PART OF THE SOUND TRACK OF THE AMERICAN FILM, "GONE WITH THE WIND." THE GOVERNMENT CHARGES THAT BETWEEN MARCH 1 AND JUNE 1 OF 1944 IVA DISCUSSED THE PROGRAM AND LATER INTRODUCED IT OVER THE AIR.
THE AUSTRALIAN WITNESS TESTIFIED THAT BETWEEN THOSE DATES THERE WERE NO BROADCASTS OR SCRIPT BASED ON THE PICTURE.
HH756PCS

AUG 17 1949

SAN FRANCISCO, AUG. 17-(AP)-FORMER UNITED STATES SENATOR JAMES M. MEAD OF NEW YORK TODAY CALLED ON AMERICANS FOR "A UNITED COMMUNITY EFFORT TO COMBAT THE MENACE OF "ATHEISTIC STATISM OF TOTALITARIAN RUSSIA.
MEAD TOLD DELEGATES OF THE LOYAL ORDER OF THE MOOSE THAT "IT'S THE DEMOCRATIC SYSTEM OR IT'S COMMUNISM. NO MAN CAN REMAIN NEUTRAL."
"OVER THERE (IN RUSSIA) IT'S BIG GOVERNMENT AND LITTLE PEOPLE. OVER HERE, IT MUST ALWAYS REMAIN BIG PEOPLE AND LITTLE GOVERNMENT," HE DECLARED.
MEAD SAID IT WAS EVERY CITIZEN'S DUTY TO SUPPORT THE REHABILITATION OF WAR-DEVASTATED NATIONS OF THE ATLANTIC COMMUNITY AND TO "PREPARE THEM TO RESIST AGGRESSION."
THE FINAL SESSION OF THE NATIONAL MOOSE CONVENTION WILL BE HELD TOMORROW.
IT WILL BE HIGHLIGHTED BY INITIATION OF NEW OFFICERS.
NEW SUPREME GOVERNOR IS WILLIS E. DONLEY, MENOMONIE, WISC.; JUNIOR SUPREME GOVERNOR OLIVER S. TWIST, PHILADELPHIA; SUPREME PRELATE, JAMES M. BALLARD, SEATTLE, WASH.; SUPREME TREASURER, FRED W. ZABLE, AURORA, ILL.
FJ957PCS

SAN FRANCISCO, AUG.17-(AP)-IF CHINESE COMMUNIST LEADER MAO TZE-TUNG IS DEAD--AS NATIONALIST RUMOR HAS IT--THE RED RADIO IN PEIPING PROFESSES TO BE UNAWARE OF IT.
ONLY MONDAY, A NATIONALIST ARMY SPOKESMAN IN CANTON SAID THERE WAS "VERY RELIABLE INFORMATION" THAT MAO DIED IN PEIPING JULY 17.
TODAY A COMMUNIST BROADCAST FROM PEIPING SAID MAO SENT OFF A WIRE YESTERDAY TO GOVERNMENT GENERALS WHO REVOLTED AT CHANGSHA IN SOUTH CENTRAL CHINA. THE RADIO MADE NO MENTION OF THE CANTON RUMOR.
A BROADCAST HEARD BY THE ASSOCIATED PRESS AT SAN FRANCISCO SAID MAO SENT HIS MESSAGE TO GEN. CHEN MING-JEN AND GEN. CHENG CHIEN, WHO WENT OVER THE REDS EARLIER THIS MONTH. CHEN WAS

WENT OVER THE REDS EARLIER THIS MONTH. CHEN WAS DEPUTY NATIONALIST COMMANDER IN CENTRAL CHINA. CHENG HAD BEEN GOVERNOR OF HONAN PROVINCE
MAO TOLD THE GENERALS TO PREPARE "FOR REORGANIZATION INTO THE PEOPLES LIBERATION (COMMUNIST) ARMY AND EDUCATE THE TROOPS IN THE REVOLUTIONARY SPIRIT."
NN1256PCS NM

RAQUETTE LAKE, N.Y., AUG. 17-(AP)-MADAME CHIANG KAI-SHEK IS VACATIONING AT THE OLD J.P.MORGAN ESTATE NEAR THIS ADIRONDACK VILLAGE AS A GUEST OF GEN. AND MRS.GEORGE C.MARSHALL.
THE WIFE OF NATIONALIST CHINA'S LEADER ARRIVED SUNDAY NIGHT FOR A 10-DAY VISIT, DESCRIBED BY MARSHALL AS "PURELY SOCIAL."
MARSHALL, FORMER SECRETARY OF STATE AND WARTIME ARMY CHIEF OF STAFF, CAME HERE WITH MRS.MARSHALL LAST WEEK TO SPEND A "QUIET VACATION."
THE MORGAN ESTATE IS ON UTOWANA LAKE, EAST OF HERE.
318AED

AUG 17 1949

NEW YORK--DR. D.SOEMITRO, MEMBER OF THE INDONESIAN REPUBLIC'S DELEGATION TO THE HAUGE ROUNDTABLE CONFERENCE, WAS SCHEDULED TO DEPART BY AIR AT 2100 EDT FOR THE NETHERLANDS CAPITAL.
BEFORE EMPLANING HE ISSUED THIS STATEMENT:
THE REPUBLIC OF INDONESIA IS FULLY AWARE OF ITS RESPONSIBILITIES IN THE COMING ROUNDTABLE CONFERENCE AT THE HAUGE AND OF THE DIFFICULTIES THAT MAY ARISE IN ECONOMIC AND FINANCIAL MATTERS. ALL THE MORE SO SINCE A SOLUTION IN THESE FIELDS WILL GREATLY AFFECT THE UNITED STATES AND WESTERN EUROPE.
WE HOPE THAT THE DUTCH ALSO ARE AWARE OF THIS AND THAT THEY REALIZE A SETTLEMENT IS NOT ONLY A MATTER OF IMPORTANCE TO THE NETHERLANDS AND TO INDONESIA BUT TO THE WHOLE WORLD.
INDONESIA IS ONE OF THE RICHEST COUNTRIES IN SOUTHEAST ASIA AND THE SCOPE FOR TRADE CAN ASSUME VAST PROPORTIONS. THE DUTCH WILL HAVE THEIR PROPER SHARE IN THIS TRADE BUT WILL NOT DOMINATE IT. WE WOULD LIKE TO SEE OUR COUNTRY BECOME INCREASINGLY IMPORTANT IN INTERNATIONAL TRADE, WITH CLOSER TRADE RELATIONS WITH THE UNITED STATES THAN ENJOYED BEFORE THE WAR.
IT IS INDEED REGRETTABLE THAT PRODUCTION HAS BEEN DAMAGED SO EXTENSIVELY AND THAT SOCIAL AND HEALTH CONDITIONS HAVE DETERIORATED AS A RESULT OF THE UNHAPPY POLITICAL AND MILITARY SITUATION, BUT I FEEL CONFIDENT THAT EVERYONE WILL PUT FORTH A FORMULA FOR REACHING A FAIR SETTLEMENT. THEN AT LEAST THE PSYCHOLOGICAL CONDITIONS WILL PREVAIL PERMITTING RECONSTRUCTION AND REHABILITATION WHEREBY INDONESIA WILL BECOME A SOURCE OF WORLD SUPPLY AND AN INDUSTRIAL MARKET FOR GOODS OF THE INDUSTRIALIZED COUNTRIES.
IT IS IN THE INTEREST OF THE COUNTRIES OF WESTERN DEMOCRACY TO RENDER THE YOUNG STATE ALL POSSIBLE MATERIAL HELP THAT IT MAY NEED IN THE WAY OF RECONSTRUCTION. IT HAS BEEN PROVED THAT THE RECONSTRUCTION OF WESTERN EUROPE CANNOT ACHIEVE COMPLTE SUCCESS IF THE INTERESTS OF THE SOUTHEAST ASIAN COUNTRIES ARE NEGLECTED.
(END TEXT)
- - -
L.N. PALAR, CHIEF DELEGATE OF INDONESIAN DELEGATION TO UNITED NATIONS SECURITY COUNCIL, ALSO ISSUED A STATEMENT:
WE MARK THE FOURTH ANNIVERSARY OF THE FOUNDING OF THE REPUBLIC OF INDONESIA NOT AS A DAY FOR GREAT CELEBRATIONS BUT AS A MOMENT FOR REDEDICATION.
FOUR YEARS AGO TODAY, OUR PEOPLE ESTABLISHED THEIR OWN GOVERNMENT TO EXPRESS THEIR SOLEMN WILL FOR SELF-DETERMINATION. IN THE TIME

THAT HAS PASSED SINCE THEN, WE HAVE HAD TO PROVE OUR ABILITY TO MAINTAIN THAT SELF-DETERMINATION IN THE FACE OF THE DIFFICULTIES THAT BESET ANY NEW NATION AS WELL AS AGAINST THE MILITARY ATTACKS OF THE NETHERLANDS. ALL THESE WE HAVE OVERCOME AND WE HAVE NOW ARRIVED AT THE HOUR WHEN A PEACEFUL SOLUTION IS AT HAND.

THE STAGE IS SET. THE NETHERLANDS HAS ALREADY GUARANTEED BEFORE THE UNITED NATIONS, BEFORE THE UNITED NATIONS COMMISSION FOR INDONESIA AND BEFORE THE INDONESIAN DELEGATION IN JAVA, TO TRANSFER COMPLETE AND UNCONDITIONAL SOVEREIGNTY TO THE REPUBLIC OF THE UNITED STATES OF INDONESIA, WHICH THE REPUBLIC OF INDONESIA IS ALSO PREPARED TO DO.

THE COMPLETE TRANSFER OF SOVEREIGNTY MEANS THAT THE NEW REPUBLIC OF THE UNITED STATES OF INDONESIA SHALL HAVE FULL CONTROL OVER ITS INTERNAL AND EXTERNAL LIFE, OVER ITS ECONOMIC AND FINANCIAL FUTURE. THIS IS THE MEANING OF COMPLETE SOVEREIGNTY--NOTHING LESS. FURTHERMORE, WE HAVE AGREED TO ENTER INTO A UNION WITH HOLLAND, A UNION WHICH WILL BE AN ORGAN OF TWO FULLY SOVEREIGN STATES.

DURING MY RECENT VISIT TO MY COUNTRY, I FOUND THAT ALL INDONESIANS --REPUBLICANS AND FEDERALISTS ALIKE--BELIEVE THAT UNDER THE PRESENT CIRCUMSTANCES, THIS IS THE ONLY WAY IN WHICH STABILITY WILL BE ACHIEVED AND OUR COMMON NATIONAL ASPIRATIONS SATISIFIED.

(END TEXT)

WB714PED

AUG 17 1949

NEW YORK, AUG.17-(AP)-MALA ARBSTEIN, POLISH ACTRESS, AND HER HUSBAND, LEIB, 43, HAD WAITED A LONG TIME FOR THEIR VISAS TO ENTER THE UNITED STATES AS DISPLACED PERSONS.

THE UNITED SERVICE FOR NEW AMERICANS WAS READY TO HELP THEM ESTABLISH THEMSELVES IN AMERICA.

A COUSIN, SAMUEL POUBIAN OF (202 PATERSON ST.) PATERSON, N.J., HAD OFFERED THEM A HOME.

TODAY MRS. ARBSTEIN ARRIVED ON THE ARMY TRANSPORT GENERAL C.C. BALLOU WITH 1,271 OTHER DP'S. BUT HER HUSBAND WAS NOT AMONG THEM.

WHEN HE HE HEARD THE LONG-AWAITED NEWS THAT THEIR VISAS HAD COME THROUGH, HE BECAME SO EXCITED HE DIED OF A HEART ATTACK.

RB1030PED

UN - RESOURCES (350)

BY ALTON L. BLAKESLEE

LAKE SUCCESS, N.Y., AUG. 17-(AP)-THE WORLD'S FAST-GROWING POPULATION DOESN'T DOOM IT TO A LOWER STANDARD OF LIVING, INTERIOR SECRETARY J.A. KRUG DECLARED TODAY.

SCIENCE, HE SAID, CAN "FIND AND DEVELOP FOOD, FUELS AND MATERIALS" TO BOOST LIVING STANDARDS EVERYWHERE.

KRUG SPOKE AT THE OPENING OF THE UNITED NATIONS SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES. IT BRINGS TOGETHER 700 SCIENTISTS FROM 50 NATIONS.

"I DO NOT SIDE WITH THOSE WHO 'VIEW WITH ALARM' THE INCREASING WORLD POPULATION AND THE DECREASING RESERVES OF SOME THINGS WHICH NOW APPEAR TO BE ESSENTIAL TO OUR WAY OF LIVING," KRUG SAID.

REAL CONSERVATION CAN FIND NEW OR BETTER WAYS OF USING THE RICHES OF THE LAND AND SEA TO MEET THE WORLD'S NEEDS, HE SAID.

"REAL CONSERVATION CAN REMOVE ECONOMIC PRESSURES AND FEARS OF SCARCITY WHICH HAVE ALWAYS PLAYED A LARGE PART IN BRINGING ON WARS," KRUG DECLARED.

"THE PEOPLES OF THE WORLD WANT HELP IN TURNING THEIR BEST DREAMS INTO REALITY. THERE IS DEMAND EVERYWHERE FOR A FAIR CHANCE TO SHARE IN THE OPPORTUNITIES WHICH THE WORLD'S SCIENTISTS HAVE OPENED UP. PEOPLE IN THE REMOTEST HILLS AND DESERTS HAVE GLIMPSED THE POSSIBILITY OF SHIFTING SOME OF THEIR CENTURY-OLD BACK-BREAKING LABOR OVER TO THE MACHINES. THEY ARE FORMULATING THE GOALS OF A MUCH HIGHER STANDARD OF LIVING, OF BETTER EDUCATION FOR THEIR CHILDREN, OF A LIFE THAT CONTAINS SOME LEISURE, PLEASURE AND PROMISE.

"NONE OF US SHOULD UNDER-RATE THE FORCE OF THIS GREAT POPULAR LONGING. IT IS ONE OF THE MAJOR FACTS OF THIS CENTURY."

KRUG DECLARED THERE ARE DOZENS OF OPPORTUNITIES TO RAISE LIVING STANDARDS.

PEACETIME USE OF ATOMIC ENERGY IS ONE, AND BETTER USE OF THE SUN'S ENERGY IS ANOTHER, HE SAID. OTHERS ARE SYNTHETIC FUELS, NEW MATERIALS TO SUBSTITUTE FOR SCARCE ONES, BETTER METHODS OF AGRICULTURE TO SAVE SOIL, BETTER PLANTS, BETTER USE OF THE SEA TO SUPPLY FOOD, CHEMICALS AND MINERALS, TURNING SEA WATER TO FRESH FOR IRRIGATION, AND GREATER USE OF HYDRO-ELECTRIC POWER.

HE CAUTIONED THAT "SCIENCE MUST BE INDEPENDENT IF IT IS TO BE EFFECTIVE" HE WARNED, TOO THAT "WITHOUT A FAVORABLE ECONOMIC AND POLITICAL CLIMATE THERE CAN BE LITTLE SUCCESS IN BASIC RESOURCE DEVELOPMENT. IT WILL BE A DIFFICULT TASK TO HELP UNDEVELOPED NATIONS CREATE THAT CLIMATE."

THE THREE-WEEK MEETING IS THE FIRST WORLDWIDE CONFERENCE OF SCIENTISTS CALLED BY THE UNITED NATIONS.

WITH THIS MEETING, THE U.N. "IS EMBARKING ON A NEW PHASE OF ITS PROGRAM TO BUILD THE FOUNDATIONS FOR PERMANENT PEACE" SAID SECRETARY-GENERAL TRYGVE LIE.

"IT IS CALLING ON SCIENCE TO MOBILIZE TECHNICAL KNOWLEDGE IN SUPPORT OF ONE OF THE HIGH PURPOSES OF THE CHARTER -- TO RAISE THE STANDARDS OF LIVING. THIS IS ONE OF THE KEYS TO PEACE," LIE CONTINUED.

SJ1207PED

AUG 17 1949

WITH U.N. RESOURCES

LAKE SUCCESS, AUG 17-(AP)-A CONFERENCE OF 700 WORLD SCIENTISTS HURDLED ITS FIRST SCIENTIFIC PROBLEM TODAY--HOW TU OPERAO

HURDLED ITS FIRST SCIENTIFIC PROBLEM TODAY--HOW TU OPRATE THE 7N'S FIVE-LAN

HURDLED ITS FIRST SCIENTIFIC PROBLEM TODAY--HOW TU OPERATE THE UN'S FIVE-LANGUAGE INTERPRETATION GADGETS.

SEVERAL DELEGATES TO THE U.N. SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES COMPLAINED AFTER THE MORNING SESSION THAT THEY WERE STUMPED BY THE GADGETS.

LATER A U.N. OFFICIAL TOOK THE FLOOR AND EXPLAINED HOW THE DELEGATES COULD HEAR A SPEECH IN ENGLISH, FRENCH, RUSSIAN, CHINESE OR SPANISH BY PUTTING ON EARPHONES AND SETTING A DIAL AT THE DESIRED LANGUAGE.

RB1032PED

D121

AUG 17 1949

NIGHT LEAD HOFFMAN (280)

PARIS, AUG. 15-(AP)-PAUL G. HOFFMAN, MARSHALL PLAN ADMINISTRATOR, TOLD A NEWS CONFERENCE TODAY THAT DRASTIC CUTTING OF IMPORTS FROM THE U.S. WAS "PRECISELY THE WRONG WAY" FOR EUROPE TO CURE HER DOLLAR SHORTAGE.

HE ALSO DECLARED AUTOMOBILES ARE NOT THE KIND OF EXPORT

THAT CAN BE INCREASED TO THE UNITED STATES.

HOFFMAN, PRESIDENT OF THE STUDEBAKER CORPORATION BEFORE HE BECAME ADMINISTRATOR OF THE EUROPEAN RECOVERY PROGRAM, AVOIDED ANSWERING QUESTIONS WHICH INVITED DIRECT COMMENT ON ECONOMIC POLICIES OF THE BRITISH GOVERNMENT. HOWEVER, THE BRITISH GOVERNMENT HAS ANNOUNCED PLANS TO REDUCE BUYING IN AMERICA. IT ALSO HAS PUSHED AUTOMOBILE EXPORTS TO THE UNITED STATES. HOFFMAN IS ON A TOUR OF INSPECTION OF MARSHALL PLAN COUNTRIES.

AUG 17 1949

INSTEAD OF IMPORT CUTS HOFFMAN URGED EUROPEANS TO DOUBLE OR TRIPLE THEIR EXPORTS TO THE UNITED STATES.

"I KNOW OF NO OTHER CONSTRUCTIVE WAY TO CLOSE A DOLLAR DEFICIT THAN TO EARN A DOLLAR INCOME," HE SAID. "CERTAINLY TO CLOSE THAT GAP BY DRASTIC CURTAILMENT OF IMPORTS IS PRECISELY THE WRONG WAY TO DO IT. IT COULD ONLY MEAN A LOWER STANDARD OF LIVING FOR EUROPE."

POINTING OUT THAT EUROPE SOLD ONLY ABOUT $1,000,000,000 WORTH OF GOODS TO THE UNITED STATES LAST YEAR, HE SAID "IF THE RIGHT TYPE OF GOODS IS OFFERED AND MERCHANDISED THAT CAN BE DOUBLED OR TRIPLED IN THE NEXT FIVE YEARS."

COUNTING MONEY FROM AMERICAN TOURISTS, HE ADDED, EUROPE COULD EARN $4,000,000,000 FROM AMERICA EVERY YEAR.

HE SUGGESTED THAT EUROPEANS WORK "ON THE TYPE OF GOODS WHERE THE LABOR CONTENT IS HIGH" FOR EXPORT TO THE U.S.

"THE HIGH LEVEL OF WAGES IN THE U.S. DOES NOT ALLOW US TO MAKE ALL THE HANDICRAFT GOODS WE COULD USE," HE ADVISED.

THE ADMINISTRATOR SAID U.S. ARIFFS WERE ABOUT WHERE THEY WERE IN 1914 AND DENIED THEY WERE A MAJOR BARRIER TO EUROPEAN EXPORTS TO AMERICA.

MJ527PED

30.24- 5113

D60 (160)

PARIS, AUG. 15-(AP)-MARSHALL PLAN CHIEF PAUL HOFFMAN TODAY ATTACKED IMPORTS CUTS AS "PRECISELY THE WRONG WAY" TO CURE THE EUROPEAN DOLLAR SHORTAGE.

AUG 17 1949

SPEAKING TO A NEWS CONFERENCE, HOFFMAN AVOIDED QUESTIONS THAT MIGHT HAVE LED TO A DIRECT STATEMENT ON RECENTLY-ANNOUNCED BRITISH PLANS TO REDUCE BUYING IN AMERICA, INSTEAD, HE URGED EUROPEANS TO TRIPLE THEIR SALES IN THE U.S.

"I KNOW OF NO OTHER CONSTRUCTIVE WAY TO CLOSE A DOLLAR DEFICIT THAN TO EARN A DOLLAR INCOME," HE SAID. "CERTAINLY TO CLOSE THAT GAP BY DRASTIC CURTAILMENT OF IMPORTS IS PRECISELY THE WRONG WAY TO DO IT. IT COULD ONLY MEAN A LOWER STANDARD OF LIVING FOR EUROPE."

EUROPE'S DOLLAR DEFICIT RESULTS FROM NOT SELLING AS MUCH TO AMERICA AS IT BUYS. HOFFMAN POINTED OUT THAT LAST YEAR EUROPE SOLD ONLY ABOUT ONE BILLION DOLLARS WORTH OF GOODS TO THE U.S.

"IF THE RIGHT TYPE OF GOODS IS OFFERED AND MERCHANDISED," HE SAID, "THAT CAN BE DOUBLED OR TRIPLED IN THE NEXT FIVE YEARS."

COUNTING THE MONEY MADE FROM TOURISTS, HOFFMAN SAID, EUROPE COULD EARN $4,000,000,000 FROM AMERICA EVERY YEAR.

AUG 17 1949

JA207PED

End of August 17, 1949.

30.24- 5115

FINLAND RUSHES TROOPS TO QUELL STRIKE VIOLENCE

Police, Workers Clash as Communists Launch 'New Offensive'

1 KILLED, 9 HURT

Government Charges Reds Attempting to Take Over Nation

HELSINKI, Finland, Aug. 18—(AP) Troops were called out today following the first outbreak of violence in a new communist strike offensive. A government official said the offensive is designed to make Finland into a communist state.

The first skirmish was in the lumbering town of Kemi, in northern Finland, on the gulf of Bothnia. Police and striking lumberjacks exchanged fire after up to 1,500 strikers smashed through police lines in an effort to attack workers who were reporting for duty at a timber-sorting dam.

Strikers Return Fire

Police, struggling to disperse the surging lumberjacks with blackjacks and teargas bombs, fired warnings, they said, into the air. The strikers retaliated with pistol fire.

Maj. Gen. Arne Blick, commanding officer of the First Finnish Infantry Regiment stationed at Oulu 60 miles south of Kemi, said one striker was killed and nine other persons, including three policemen, were injured. The general, who took 200 soldiers in trucks to Kemi, said the situation there is "well in hand" and no more incidents are expected.

Blick said that in addition to being wounded by rubber truncheons and sabers, some of the strikers were injured by stones thrown by their own comrades.

The government yesterday declared the Kemi strike illegal.

Observers expect the scene of the next phase in the tense strike situation to be Helsinki.

The outbreak at Kemi was the first violence in what the government describes as a nationwide strike offensive, the aim of which is "to create chaos in order to usurp power and establish a people's democracy (communist government) in Finland."

Unto Varjonen, minister without portfolio who termed this the aim of the strike action, said the government intends to "inflict a crushing defeat on the communists." Varjonen heads a cabinet board chosen to deal with strike threats.

Majority Anti-Red

A majority of Finland's trade union members are non-communists and some 200,000 of the 300,000 unionists may defy the strike call. A walkout of 100,000 members, however, could seriously upset the nation's economic life. Virtually all unions have announced strike actions within the next eight days, and some of them struck today.

Last night, the Social Democratic party, whose members comprise the present cabinet, issued a statement saying the whole country "stands guard against the communist attempt to create chaos."

The government newspaper Soumen Sosialidemokraati said it believed the communists were seeking to lead Finland down the same road as that taken by Czechoslovakia, where the communists seized power in a coup in February, 1948. The paper added it did not think the communists would succeed here.

Bakery workers, dockers and building construction workers went on strike this morning. Tobacco workers already were out, and lumber and forestry workers were scheduled to start a walkout tonight. The dock strike was complete in most ports.

These strikes were decided upon by communist-led unions after the devaluation of the Finnish mark early in June. Union leaders asked the trade union federation to take strong action toward increasing wages, but the federation replied such actions were forbidden by law. It also said the cost of living had decreased. The federation has threatened to expel from its membership those unions which abide by the communist strike calls.

Other Strikes Scheduled

Here is the schedule for other strikes: Aug. 20, woodworkers, including carpenters, plywood makers and match factory hands; Aug. 22, transport workers and plumbers at Turku, 90 miles west of Helsinki; Aug. 23, leather, shoe and rubber workers, and meat and fish processing workers; Aug. 24, textile workers; Aug. 26, sea divers; Aug. 27, bricklayers.

The strikes at Kemi began recently when lumberjacks left their jobs at the timber-sorting river dams and demanded higher wages. When the government ordered them back to work yesterday under a special law designed to cope with such situations, about 10 per cent of the men returned. The others stayed on strike.

The Finnish cabinet met several times today but kept silent on its plans. Premier Karl A. Fagerholm has been meeting with his colleagues since yesterday after cutting short a vacation abroad.

Finland's government has been under Russian fire for some time. Under Soviet pressures, such as constant attacks in the Moscow press, the communists have been pushing the government, apparently seeking weak spots.

Russia has a treaty of friendship and mutual defense with Finland. The Russians also maintain a base on Finninsh soil near Helsinki.

Suomen Sosialidemokraati said the absence of Finland's leading communist, Hertta Kuusinen-Leino, should be viewed in connection with the failure of a communist strike offensive in Finland last spring. The paper claims she is being brushed aside by the party leaders. Mrs. Kuusinen-Leino has been in Hungary since July and the communists say she is there for a "rest cure".

Reports from various parts of Finland showed there were about 45,000 workers on strike in the ports and building construction industries.

Because of the Bakers' strike, there was no fresh bread in Helsinski today. Residents of the capital city had to eat hardtack, a sort of dried, thin rye bread, or cracker.

Lumberjack Walkout First in Many Now Ordered by Communists.

BELIEVED AIMED AT NATION

Cabinet Officer Says Purpose Is New Soviet Regime—Defeat Promised by Government.

Helsinki, Aug. 18 (A. P.).—Policemen and striking lumberjacks exchanged fire today in the first skirmish of a new Communist strike offensive, which a Government official says is aimed at seizing power in Finland.

The exchange took place at Kemi, a lumbering town. Up to 1,500 strikers broke through police lines in an attempt to attack others reporting for work at a timber sorting dam.

The police fired in the air. Strikers answered with pistol shots. The strikers were dispersed. One striker was reported shot.

Troops, which had been standing by for an emergency at a town some sixty miles away, were called to the Kemi area. The Government yesterday declared the strike there illegal.

First Area of Offensive.

Kemi was the first arena of what the government describes as a countrywide strike offensive, aimed at creating chaos "in order to usurp power and establish a People's Democracy (Communist Government) in Finland."

Unto Varjonen, Minister without Portfolio, who heads a Cabinet board named to cope with strike threats, said the Government intended to "inflict a crushing defeat on the Communists."

Virtually all trade unions have announced strike actions for some time during the next eight days, and some struck today. However, a majority of trade union members are non-Communists and some 200,000 of the 300,000 unionists may defy the strike orders.

A strike of 100,000 trade union members, however, could seriously upset Finland's economic life.

The strikes began recently at Kemi, when lumberjacks left the timber sorting river dams in a demand for higher wages. The Government ordered them back yesterday, under a special law designed to deal with such situations. About 10 per cent of the men returned.

The dominant Social Democratic party, whose leaders make up the Cabinet, issued a statement last night saying the whole nation "stands guard against the Communist attempt to create chaos."

Bakery workers, building construction workers and dockers went on strike this morning, with the latter walkout complete in most ports. Tobacco workers already were out.

The strikes were decided upon by Communist-dominated unions after the Finnish mark was devalued early in July. Finland's Government has been under Russian fire for some time. The Russians have a Treaty of Friendship and Mutual Defense with Finland and also maintain a base on Finnish soil near Helsinki.

The Federation of Trade Unions threatened to expel from its membership those unions which followed the Communist directions in calling strikes.

Cites Czech Coup.

The Government newspaper Suomen Sosialidemokraati said it believed the Communists were trying to lead Finland down the same road as that taken by Czechoslovakia, where the Communist party seized power in a coup.

The newspaper said the absence of Hertta Kuusinen-Leino, Finland's leading Communist, who has been in Hungary since July, should be viewed in connection with the failure of a Communist strike offensive in Finland last spring. The paper said she is being brushed aside by the party leadership. The Communists say she is in Hungary for a "rest cure."

The Cabinet held several sessions today. Premier Karl A. Fagerholm had cut short a vacation abroad and has been meeting with his colleagues since yesterday.

REDS ATTEMPTING TO REGAIN VETO POWER IN BERLIN

BERLIN, Aug. 18 (AP) — Brig. Gen. Frank L. Howley, retiring U. S. commandant for Berlin, said tonight the Russians are trying to regain their veto power in the running of Berlin.

A four-hour session of the city's four military chiefs was held today, their third meeting since a Paris directive by the big four foreign ministers last June called for four-power meetings here. The directive was issued in an attempt to get things back to normal in Berlin.

Revive Kommandtura

Howley told a press conference later that the Russians are attempting to rivive the old allied Kommandatura (made up of the military commanders) which was set up soon after the war to govern Berlin. Many east-west clashes developed in the Kommandatura, frequently resulting in stalemates over important issues. As a result Kommandatura sessions became less frequent, and Russia formally withdrew from four-power rule July 1, 1948.

Since then the four occupation powers have been administering their respective sectors, with close cooperation among the three western areas.

Referring to four-power meetings since the Paris directive, Howley said:

Seek Veto Power

"The Russians are doing everything they can to set up machinery at these meetings which would turn us back into a Kommandatura. x x x The Russians want the Kommandatura so they can have the veto power that goes with it."

Howley, who presided at today's session, said he had turned down a Russian proposal calling for written documents when agreements are reached. He added:

"The minute we start signing documents on a four-power level, we are on our way back to 1945 and

all that went with it."

He said the Paris directive had called only for the views of the four military chiefs to be expressed and did not require even that minutes be kept until such views were unanimous.

Confuse People

Howley expressed belief the Russians want to convert the four-power meetings into a Kommandatura for another reason—to "confuse the people again, to give the appearance that the western allies are sharing responsibility for what the Russians are doing in the east zone and sector."

"They have a phoney currency and a stooge government," he added. "I am certainly not anxious to share the responsibility for what they are doing over there."

The western allies have turned down Russian proposals made at past meetings of the four commandants calling for unified control of such things as potato bugs and sewage disposal.

"There is no reason for us to step in," he said. "These 'ticky' little proposals are not going to normalize Berlin. And we have a west Berlin city government capable of dealing with such matters."

A. M. G. IN GERMANY TO END ON NOV. 15

Berlin, Aug. 18 (A. P.).—The United States Military Government will go out of existence in Germany on November 15, John J. McCloy announced today. Occupation questions thereafter will be decided by the State Department and McCloy, as high commissioner.

McCloy said the switch from military government to civilian supervision is being accomplished gradually. He confirmed reports that reduction in the number of occupation personnel "is required." McCloy assured military government employees, however, that he would hire as many of them as possible in the new setup.

State Department officials are setting up job classifications this week. Employees who qualify will shift to the high commissioner's pay roll effective October 1.

QUITS U. S. REICH POST

Berlin, Aug. 18 (A. P.).—Jo Fisher Freeman, finance director of the American Military Government, announced his resignation today. Freeman, in charge of the finance division for three and a half years, declined to say why he resigned.

A former resident of Tucson, Ariz., Freeman was for eight years adviser to the Central Bank of China in Shanghai. At the start of world war II, he was interned in the Philippines by the Japanese.

He and Mrs. Freeman will leave Berlin about September 20 and will take up residence at Balboa, Cal.

Europe-Wide Hunt Is Underway For Missing Rothschild Gems

FRANKFURT, Germany, Aug. 18—(AP) A Europe-wide hunt for the Rothschild jewels which disappeared during the Nazi occupation of France was reported underway today.

The hunt was organized by Guy and Edouard De Rothschild of the French branch of the famous banking family, said Dr. Robert Kempner of Lansdowne, Pa.

Rewards Offered

Kempner, former U. S. prosecutor in Nuernberg, said high rewards were promised to anybody returning any of the jewels. The Rothschilds have set up a three-man board including Kempner, French attorney Henri Monneray and a German lawyer, to assure just distribution of the rewards.

Herman Goering, Kempner said, allegedly arranged for the removal to Germany of 56 cases with hundreds of Rothschild pearls, emeralds, diamonds and other precious stones valued at more than $1,000,000.

Claim Reds Got Gems

The Rothschild gems later vanished in Germany. American authorities traced them to the Nazi office for supervision of foreign currencies in Berlin. Kempner said witnesses recently interrogated in Frankfurt claimed the Russians stole them when the Red army took the reich capital.

A document found after the interrogation proved this to be untrue, Kempner said. It showed that early in 1944 only 189 of the Rothschild jewels still were left in Berlin. Kempner said U. S. investigators suspect the jewels were partly embezzled by Nazi officials and partly officially disposed of by selling them to pawnshops.

A hunt through pawnshops in German, France and other countries now is in progress.

Many Austrian Women Declared In Russ Mines

Vienna, Aug. 18 (AP)—Thousands of Austrian women and girls, kept as prisoners of war by the Soviet Union, are still working in Russian mines, Oscar Helmer, interior minister, said today.

He said there are still 10,000 Austrians in Russian hands.

It is "most regrettable," Helmer said, "that the Soviet Union, who calls herself a Socialist state, has not followed the example of the capitalistic western countries, which released all Austrian prisoners soon after the end of the war."

British, Czechs Sign Fiscal Pact

LONDON, Aug. 18 (AP)—The Treasury announced that Britain and Czechoslovakia signed a three-year payments agreement in London today. The agreement, effective tomorrow, provides for settlement in pounds sterling of all trade payments between Czechoslovakia and the sterling area. This, British sources noted, will enable Czechoslovakia to spend in Britain her accumulated sterling earnings.

Europe's Rock-Bottom Needs

Paris, Aug. 18 (AP)—Europe's Marshall plan needs have been tentatively scaled down to a rock-bottom $3,621,600,000 for the year 1949-50, it was learned today.

Of this sum, Britain has been allotted $842,700,000—a reduction of $675,300,000 from its latest estimated dollar shortage.

The United States Senate and House of Representatives have appointed a committee to split the difference in the total amount of Marshal plan money they want to make available. The Senate has voted $3,778,000,000. The House is willing to make it $3,568,000,000.

Set By "Technical Screening"

Both European and American experts insist the new figure reached here is not the result of an adjustment in the bills in Congress. It was calculated, the experts say, by "squeezing the water" out of earlier bids, and by drastic "technical screening."

"Of course," one economist said, "we had the congressional figures in mind—but only subconsciously. We never took a total from Capitol Hill and then cut to that."

Other leading claimants to Marshall plan funds put up by the United States:

France, $692,000,000; Germany (three zones), $400,000,000 (approximate); Italy, $382,700,000; Netherlands, $257,000,000; Belgium, $200,000,000.

Report To European Unit

The figures were contained in a thick report submitted today to the council of the Organization for European Economic Co-operation. The council, OEEC's ruling body, will take it up tomorrow in what is expected to be a session devoted to speeches of protest from discontented delegates who think they should get more.

This includes just about all the nineteen areas except Switzerland, which gets no dollar aid, and the Anglo-American occupation zone of Trieste. In what one expert called "a bombshell in reverse," the Trieste representative — Henri Bardolin—today told the OEEC program committee that he was pleased with the $14,000,000 allotted.

French Franc Continues Its Downward Spiral

Paris, Aug. 18 (AP)—The French franc continued a two-week downward spiral today in trading in gold on the official market and foreign currencies on the black market.

The French Napoleon gold piece was quoted at 4,510 francs against 4,360 at yesterday's close. The Swiss Louis was at 4,380 against 4,270 yesterday.

On the black market the English pound moved above 1,000 francs for the first time in several weeks, being quoted at 1,010 today against 980 yesterday. The dollar varied between 386 and 394 today, compared to 380-387 yesterday.

Trading sources said they could ascribe no reasons for the changes in values except that some buyers apparently feel that the forthcoming monetary conferences in Washington may take some action to raise the price of gold.

Danes And Norwegians Discuss Co-Operation

Oslo, Aug. 18 (AP)—Danish and Norwegian military leaders met today and, an official statement said, discussed "potential Danish-Norwegian co-operation in the field of production for military purposes."

Both nations are members of the North Atlantic alliance.

Cripps Going Home.

Zurich, Aug. 18 (A. P.).—Sir Stafford Cripps, Britain's Chancellor of the Exchequer, is leaving for home tomorrow, after four weeks of treatment in a Swiss clinic for an intestinal ailment. Dr. Dagmar Liechti, who treated him, said Cripps is much improved in health.

Greeks Say 5500 Reds Escaped

Athens, Aug. 18 (A. P.).—The general staff announced today that 5,500 Communist guerrillas fled into Albania during the Greek Army's victorious Vitsi campaign. The Albanians already have announced that 5,000 "civilians" crossed the border, and that more than 200 guerrillas who took refuge in Albanian territory were disarmed and interned.

The Greek Army's final losses in the Vitsi campaign were 206 killed, 296 wounded, and three missing, it was announced here. The guerrilla forces were reported to have lost 1,115 killed and 816 taken prisoner.

Total of Jews in Israel Up 44% Since 1948

TEL AVIV, Aug. 18 (AP).—The Jewish community in Israel has increased by 44 per cent through immigration since the establishment of the Israeli state in May, 1948, officials said today.

There are 940,000 Jews living in Israel and Israeli-occupied territory. An informed source said the number of registered and unregistered Arabs in Israel is estimated at 150,000.

KASHMIR TALK CALLED OFF

U. N. Unit Tells India, Pakistan of Decision on Truce Parley

NEW DELHI, India, Aug. 18 (AP)—A United Nations commission on Kashmir announced in Srinagar today that it had called off a joint Indian-Pakistani conference scheduled to be held Monday to implement the two nations' truce agreement in Kashmir state.

The Indian Government radio said the commission had notified the Governments of India and Pakistan of its decision. This was reportedly based on the latest replies and observations taken to Srinagar by a commission officer from New Delhi and Karachi.

Both India and Pakistan have claimed the right to incorporate Kashmir.

30.24- 5117

China Reds Regroup For Canton Drive

Communists May Proclaim New Government on October 10

SPENCER MOOSA

CANTON, China, Aug. 18—(AP) Political prophets in this Red-threatened nationalist capital predicted tonight that the communists would formally proclaim a government of China Oct. 10 and would get Russian recognition the same day.

(Unknown to Canton, supporting evidence for this forecast came independently from communist China.)

The war news was comparatively slack, but a Nationalist army spokesman said the Reds were stalled near Tayu, 170 miles northeast of Canton. Other official reports, however, said the communists were regrouping for a big drive due south down the railway, where they are about 290 miles from Canton.

Miao Islands Lost

The nationalists acknowledged loss of the Miao islands, whence they had blockaded the northern Red port of Tientsin. They claimed repulse of a Red amphibious attack on the Chusan island, a similar blockade base 100 miles south of Shanghai.

If the Reds can get ready in time, Oct. 10 is the logical date to proclaim a government. Known to every Chinese coolie as "Double Tenth"—the tenth day of the tenth month—it is China's independence day, anniversary of the 1911 revolution that overthrew the Manchus.

Some quarters believe that when the Reds proclaim a regime they will order withdrawal of all diplomatic personnel of countries which do not recognize it.

This might have been one of the factors that influenced American officials to decide to close shop in Canton before the Reds arrive.

The Russian embassy, like all other diplomatic missions, appears to be awaiting official Nationalist word on government transfer to a new seat—probably Chungking.

The question is whether the Russian embassy will accompany the government or sit in Canton and await arrival of the Reds. This may give a clue to Soviet intentions.

Reds Remain Aloof

The Russians in Canton remain rigorously aloof. Relations with the Nationalists are not good. The Nationalists see the Soviet Union as one of the prime architects of their disaster and lately have formally accused the Kremlin of violating the Sino-Soviet friendship treaty of 1945. Russia has not replied to this protest, which was based on the recent signing of a Russian-Manchurian trade pact.

The official Nationalist reaction to the American white paper on China called the Chinese Communists "thorough Marxists and tools of Moscow."

(From the communist side there came these indications that the Reds are getting ready to proclaim a government and that they have hopes of early Soviet recognition.

(Shanghai and Nanking papers quoted Mao Tze-Tung, communist chairman, as declaring Peiping would become the formal capital and would revert to its old name of Peking. The Nationalists renamed it Peiping—meaning northern peace—in 1928. Peking means northern capital.

Behind Timetable

[A Nanking dispatch said a conference to create a new government would begin in Peiping after the fall of Canton. It said the Communist armies had been ordered to take Canton by August 15, and—while well behind their timetable—were pressing hard.

[The Communist radio reported from Mukden that Kao Kang, chairman of the new Sino-Soviet Friendship Association and secretary of the Manchurian party central committee, declared:

["Victory in the war of liberation has cleared away the obstacles to the friendship between the Chinese and Soviet peoples, and at present there is no longer any power which can obstruct open, hand-in-hand co-operation between them.

["At a time when China is about to enter the period of systematic new democratic construction, the Chinese people stand in greater need of the help of world revolutionary forces—first and foremost the many-sided help of the Soviet Union."]

Canton, Friday, Aug. 19 (AP)—The United States Embassy announced today it was moving its staff to Hong Kong, the British crown colony.

The Embassy officers will commute daily to Canton, the refugee capital of Nationalist China, as long as the situation permits.

The American consulate general is closing this afternoon.

Jap Fishing Boat Reported Fired On

Tokyo, Aug. 18 (A. P.).—The newspaper Asahi said today that four Japanese fishermen from Hokkaido were left on the Russian-held island of Yuri after their craft was fired upon from the shore.

The four had gone ashore to ask directions after their vessel became lost in a fog. The fishing craft was fired upon before the four could return and the vessel put to sea hurriedly, the newspaper said.

Jap Loyalty Oath Imposed on Workers

Tokyo, Aug. 18 (A. P.).—Effective tomorrow, Japan's National Personnel Authority ruled today, all new Government employees must swear to support and protect the country's democratic constitution.

NEW ZEALAND ASKS FOR DOLLAR LOANS

Wellington, New Zealand, Aug. 18 (A. P.).—Finance Minister Walter Nash, presenting a budget tonight, said that the Government had inquired about dollar loans from Canada and the United States. He said loans were sought on reasonable terms to finance essential imports, particularly for capital purposes.

"Special measures will be taken to increase exports to the United States and Canada and to insure we obtain the benefit of dollars from such exports," he added.

He announced an increase of 5 shillings weekly from June 1 this year in war pensions. The shilling is valued at 16 cents.

Social Security benefits, including payments to widows, invalids and the aged, will now be 50 shillings weekly. This would lift New Zealand's Social Security expenditure to more than £46,000,000 (about $147,200,000) a year.

FILIPINOS CHEER QUIRINO

President Declares Mission to U. S. Was Successful

MANILA, Aug. 18 (AP)—President Elpidio Quirino was greeted by 100,000 cheering Filipinos today upon his arrival by plane from the United States. Mr. Quirino spent twelve days in the United States where he conferred with President Truman.

"I am happy that I have been able to place our cards on the table face up in discussions with Washington," he said at the airport. "President Truman's deep interest in the welfare, happiness and security of our people should be deeply imbedded in every Filipino heart and soul.

"You cannot put a dollar sign to the wealth of friendship that one nation has for another. My mission must have been successful. I honestly believe it has been."

JET PILOTS COMING HOME

69 of 84 in Canal Zone Are Ordered Back to U. S.

PANAMA, Panama, Aug. 18 (AP)—The U. S. Caribbean Air Command headquarters said today sixty-nine of eighty-four jet pilots of the Twenty-third Fighter Group, based in the Canal Zone, had been ordered to the United States.

A headquarters spokesman said no explanation for the transfer had been received. He said the pilots ordered home would be assigned to other jet organizations and added that the Canal area will be left with only "normal support aircraft."

Southern Rhodesia To Cut Imports

Johannesburg, Aug. 18 (A. P.).—Southern Rhodesia has decided to impose a further 25 per cent cut in dollar purchases and limit expenditures to $10,000,000 for year ending next June.

AMENDMENT SETS TIME LIMIT ON ENTIRE PROJECT

June 30 Deadline to Allow 'Second Look' Before Increasing Funds

GOES TO SENATE

Proposals to Supply China, Southern Asia Are Turned Down

WASHINGTON, Aug. 18—(AP) The House tonight approved an $869,505,000 program of arming foreign nations after dealing the administration a blow by halving the fund sought for European countries.

The vote on final passage was 283-182.

The members slashed $580,495,000 from the program designed to strengthen non-communist nations against Russian aggression.

The entire cut was made in the funds sought for western European members of the North Atlantic Security Treaty.

The bill now goes to the Senate.

Sets Time Limit

The cut, contained in an amendment by Rep. Richards (D-SC), also limited the whole rearmament undertaken to next June 30, whereas Mr. Truman planned it for two years.

The amendment was adopted by a topheavy 209 to 151 rollcall vote.

Administration leaders appealed in vain for the full $1,450,000,000 plan as presented by the President. It had been urged as the smallest amount needed to build up the nations in the shadow of Russia's military machine in a hurry and forestall any Soviet ideas of overrunning Europe.

But backers of the Richards amendment accepted it as a way of taking a "second look" next spring to make sure the European nations were cooperating for mutual defense before setting up any more money.

In the Senate, hearings on the program continued today before the combined Senate Foreign Relations and Armed Services committees.

The Richards amendment made no changes in the $211,370,000 military aid requested for Greece and Turkey, and $27,640,000 for Iran, Korea and the Philippines.

Must Use U. S. Ships

The only other major change in the bill requires that half the supplies sent abroad must be shipped in United States vessels and at prevailing shipping rates. It was adopted by voice vote.

The amendment was offered by Rep. Bonner (D-NC), who said its purpose was to guarantee that not all the shipping went to foreign merchant vessels because of lower shipping and labor rates.

The House defeated amendments to furnish arms to Nationalist China and Southern Asia, to prohibit the use of U. S. troops for non-combatant duty abroad, to require the President to give preference in furnishing supplies to business firms in areas having severe unemployment, and to prohibit the assignment of U. S. troops to other nations for any purpose.

Many northern Democrats on whom the administration had counted for support voted for the Richards amendment to cut the western European fund southerners split, while most Republicans backed the cut.

Before final passage, the House shouted down a motion by Rep. Jackson (R-Calif) to send the bill back to the Foreign Affairs committee.

The vote on the fund slashing Richards amendment went this way: for, 71 Democrats, 137 Republicans, one American-Laborite.

Against, 143 Democrats, 8 Republicans.

Rollcall Confirms Vote

The Richards amendment first was adopted by a teller vote 173 to 137 in which members are counted anonymously. It was confirmed later by the rollcall vote.

After the vote to chop the program, the possibility remained that the House might still approve almost as much as President Truman asked by adding $505,150,000 in contract authority. But this forlorn hope proved fruitless.

The House refused to add the contract authority by standing vote of 123 to 73. It was proposed in an amendment of the foreign affairs committee which had voted to split the amount Mr. Truman asked for Atlantic Pact nations between cash and contract authority.

(Contract authority means that administrators of the program could sign contracts for the delivery of the arms and congress would be obligated to put up the cash later.)

In their so-far successful move to trim the arms program in half, Richards and his supporters contended that the European treaty partners must show their willingness to work together in a mutual defense program, forgetting "ancient jealousies and rivalries." If they do, then Congress can put up the rest of the funds next year, Richards said.

Acheson Hits Delay

Before the vote, Secretary of State Acheson sent a letter to the House contending that the Europeans already have shown their determination to work together on defense planning by signing the Atlantic Treaty. To delay strengthening these treaty partners, he said, might make them and the Russians doubt our sincerity.

Speaker Sam Rayburn of Texas made one of his infrequent pleas to the House in the administration's strenuous fight to stem the drift to the Richards amendment.

"I am not speaking for Europe, or for England," he said. "I speak for the United States of America because I want a battlefield somewhere else in the world instead of within the borders of America."

He said it is a funny thing that those who "speak the loudest" against communism "are found wanting when we want to do something about it."

But when Rayburn finished, the teller vote found a substantial number of southern and northern Democrats marching along with the majority of Republicans for the Richards amendment. Some Republicans joined the Democrats against it.

Military Backed Bill

The amendment was the climax to a wave of concern which had welled up in the House as soon as the program was made public. In Foreign Affairs committee hearings, members repeatedly quizzed witnesses on the degree of cooperation to be expected between European nations if they got arms from the United States.

Acheson and military leaders contended that evidence of intention to cooperate was ample, and that the funds were the minimum needed to strengthen the European partners against possible aggression.

But Richards argued that the U. S. ought to say to the Europeans: "We are ready now to go half way with you. If you will go half way with us, then we can go the rest of the way together."

After final action in the House, scheduled for tomorrow, the bill goes to the Senate where strong efforts are under way to put restrictions on the program or cut it.

AUG 19 1949

PROBERS RELEASE SECRET TESTIMONY OF GEN. VAUGHAN

Hoey Denies Withholding Data Favorable to Truman's Aide

EUROPE TRIP CITED

Maragon Tried to 'Smuggle' Perfume Into U. S., Report Shows

WASHINGTON, Aug. 18—(AP) The perfume company which paid for Maj. Gen. Harry H. Vaughan's deep freezers got permission to fly John Maragon to Europe in 1945, a time when travel was difficult for a business man.

And on his return trip, said William P. Rogers, counsel for the Senate Investigating subcommittee, Maragon tried to bring in perfume essence disguised as "four bottles of champagne."

"It looks to me on the surface," said Rogers, "as though they caught Maragon red-handed smuggling the stuff in, and there was no prosecution."

These allegations were made public late today, when Senators, smarting under a comment by President Truman that they had been unfair to Vaughan, released testimony they had heard Monday.

Mr. Truman had called on the public to suspend judgment on Vaughan, his military aide and a friend of 31 years standing, until the general had a chance to tell his side of the story.

Denies Truman Charge

The President also had said that the committee had withheld testimony favorable to Vaughan. This brought a denial from Chairman Hoey (D-NC) and a decision by his group to release the testimony.

The testimony showed that Maragon—a former Kansas City bootblack and a longtime friend of Vaughan's—and two associates made the trip on a military transport plane.

Harry Hoffman, a Milwaukee advertising man who went along, said that Maragon made the arrangements for the trip.

Hoffman said his agency handles the advertising account of the Albert J. Verley Perfume company, Chicago. Its president is David Bennett.

Vaughan, in a statement last Saturday, said that the seven freezers had been given him by "two old friends of mine—Mr. Harry Hoffman and Mr. David Bennett."

This was in 1945, he said.

Hoffman had told him, Vaughan said, that the freezers were experimental models, and had no commercial value. Vaughan kept one of the freezers, and had the others sent to friends, including high officials. One wound up in the "Little White House" in Independence, Mo.

Other highlights of the secret testimony:

Hoffman Visits Vaughan

1. Hoffman said that last Sunday, the day before he testified before the committee, he visited Vaughan at the White House.

In reply to a question from Senator McCarthy (R-Wis), Hoffman said:

"I dropped in at the White House yesterday afternoon. Was with Vaughan for about an hour. Yes, sir."

"Was he at all interested in what you were going to testify today?"

"Obviously," said Hoffman.

2. Vaughan had said that Hoffman had told him that the freezers were factory rejects, but Albert J. Gross, Milwaukee manufacturer who assembled them, told the subcommittee:

"We had no such animal."

Rogers asked Hoffman:

"There was never any discussion between yourself and General Vaughan that these were rejected models or experimental models or anything like that, was there?"

Hoffman: No, although—

Senator Mundt (R-SD)—You are not trying to convey the idea that Mr. Bennett (David Bennett, president of the perfume Co.) was just giving some second-hand junk to the summer White House, were you?

Senator Mundt (R-SD) tried to connect thet freezer gifts with the arrangements which Maragon made for the trip.

Business men at that time were being denied the right to go abroad, Mundt said, and added:

"Somebody had to sort of grease the skids if you were going to be among the selected few who went, and General Vaughan had demonstrated himself to be a pretty good skid-greaser—."

Didn't Suggest Gifts

Hoffman said he didn't suggest the gift of the freezers; that it had been Bennett's idea.

He said that Bennett always has been a free spender.

Said Hoffman:

"I think you should know something about Mr. Bennett, perhaps. You see, I have worked for him since 1933. He has always been a very healthy man, a very prosperous man. He has always had big cars and chauffeurs, and big apartments.

"He has had yachts, and he has always had an extremely profitable business, and he is one of these people, one of these fellows to whom gifts like that just do not mean anything. Money was spent very freely.

"He sent these freezers without the knowledge of the people who received them, and I am sure that in most cases they probably were completely surprised to get them, but he just wanted to do it."

Senator O'Conor (D-Md) asked Hoffman if any "consideration" was received by him or Bennett "in exchange for having those freezers shipped."

Never Asked Favors

"No sir," Hoffman replied, "Mr. Bennett never to my knowledge asked any favors or had me ask any favors from anybody at the White House."

A report of the custom officer who examined Maragon's baggage was read into the record.

"When the passenger submitted his baggage," the report said, "the inspector noticed that one package was addressed to a Miss Truman and one addressed to Mr. George Drescher, White House, Washington, D. C."

(Drescher was a secret service man detailed to the White House at that time.)

The examiner, the report continued, "interrogated the passenger concerning the ownership content (SIC) of these packages, and was informed by the passenger that they were gifts by the embassy."

Commented Rogers:

"We have not been able to get what happened from this point on, but there was no prosecution of the case, and there was no confiscation of property.

"The law says the property is supposed to be confiscated."

Senator McCarthy (R-Wis), who since has demanded that Vaughan be fired as veterans' coordinator, then said that at the time Maragon was subject to "very severe penalties" the perfume company arranged to send "very valuable gifts" to Vaughan.

"I cannot speak for Mr. Bennett," Hoffman said, "except to say this: that he would never have countenanced John Maragon's doing anything like that. To my knowledge he never asked John to do anything shady, underhanded or unscrupulous."

Hoffman said Bennett didn't know about the champagne-perfume incident until about a year later.

Hoffman said this was Bennett's reaction when he learned of the episode:

"The damned fool! The stuff could have come in duty free anyway."

ADD

INDIA GETS LOAN FROM WORLD BANK

Washington, Aug. 18 (A. P.).—The World Bank today granted a $34,000,000 credit to India, marking its first loan to any country in Asia.

Eugene R. Black, president of the World Bank, said the fund will be used to finance part of the purchase price of railway locomotives, boilers and parts—expected to be obtained largely in this country and Canada—for reconstruction and development of railways owned and operated by the Indian Government.

The $34,000,000 loan, however, is but the "first phase" of dealings with India which likely will bring another $41,000,000 in loans to that country in the "immediate future," Black said.

The Indian loan is for a fifteen-year term and carries 3 per cent a year interest plus a 1 per cent commission for the bank's special reserve fund against losses, as is usual in World Bank loans.

FISHING PACTS RATIFIED

Senate Approves 3 Agreements on Atlantic and Pacific

WASHINGTON, Aug. 18 (AP) — The United States has ratified three international agreements covering fishing. The Senate unanimously approved the three conventions yesterday.

The main agreement deals with northwest Atlantic fisheries. The United States and eleven other countries signed it here last Feb. 8. The other countries were: Canada, Denmark, France, Iceland, Italy, Newfoundland, Norway, Portugal, Spain, Great Britain and Northern Ireland.

It is aimed primarily at cooperative action to provide information about fisheries in the northwest Atlantic, and maintain a maximum, sustained yield of fish. Its work will be carried out by an international commission.

Also approved were conventions signed by the United States May 31 with Mexico and Costa Rica. An inter-American tropical tuna commission, under the agreement, will make scientific investigation of tuna fisheries of the eastern Pacific. The aim will be to determine conservation measures.

30.24- 5119

SCIENTISTS RAP LOYALTY CHECKS FOR AEC WORKERS

WASHINGTON, Aug. 18—(AP) The world's largest general organization of scientists today assailed President Truman's "loyalty order" affecting federal employes as "basically objectionable."

The same organization, the American Association for the Advancement of Science (AAAS) also strongly criticized the "security clearance" programs of the National Military Establishment (NME) and the Atomic Energy Commission (AEC) as they affect scientists.

In a report published in the association's weekly journal "Science", the AAAS noted that Mr. Truman's loyalty order provides that no person shall be employed in a federal post "if he is believed to be disloyal" to the U. S. government.

"No one doubts the importance of faithful discharge of duty by public officials," the report said. "No one questions the propriety of the government's demanding that its employes be loyal to their jobs and to the democratic institutions they serve.

"The loyalty order is, however, basically objectionable because it seeks to determine the employe's loyalty by inquiring into his supposed thoughts and attitudes, which are established in large part by imputing to him the beliefs of his associates."

"If the loyalty order is to be retained," the statement said, "a drastic revision is essential. Instead of focusing on an employe's associations, it should focus on his behavior in overt acts. Legislation already on the statute books amply protects the federal service against retention of employes who advocate overthrow of the government."

The association said the NME's program allowed appeal only to military "tribunal" when a civilian scientist's clearance is disapproved by the NME, and it added:

Contrary to U. S. Tradition

"Such subjection of the destinies of civilians to military tribunals is contrary to national tradition."

Of the AEC's program, the AAAS declared that "work in that (atomic energy) field will be shunned by men of ability and pride if they are constantly treated as objects of suspicion and possible calumny."

The statements were contained in a report drafted by the AAAS's "Special Committee on Civil Liberties of Scientists." Secretary Howard Meyerhoff of the association told a reporter the report has been ratified by the governing council of the organization, representing 24,000 members in 211 affiliated scientific organizations.

The report said the Atomic Commission "has recently manifested a tendency to require security clearance not only for those scientists who themselves have access to restricted data, but also for their fellow scientists with whom they may have personal contact."

"This apparently reflects a yielding to uninformed or sensationalist legislators and others who tend to exaggerate the problem of 'keeping our atomic secrets,'" the report said.

Says Secrecy Damaging

"So far as disclosures of evidence reveal, the problem of faithless scientific personnel in this country appears to be markedly less grave than the public has been led to suppose x x x."

In another phase of its report, the committee asserted "secrecy is damaging to both science and democracy" and added that it endorsed the 1947 report of President Truman's Scientific Research Board which said in part:

"xxx Security regulations xxx should be applied only when strictly necessary and then limited to specific instruments, machines or processes. They should not attempt to cover basis principles of fundamental knowledge."

House Gets Bill to Keep Mrs. Kasenkina in U. S.

WASHINGTON, Aug. 18 (AP).—Legislation was introduced in the House today to make sure that Mrs Oksana Kasenkina, who escaped Russian clutches by jumping out a window, can stay in this country.

Representative Frederick R. Coudert jr., Republican, of New York, sponsored a bill that would say Mrs. Kasenkina was admitted to this country lawfully for permanent residence. Actually she came here from Russia in 1946 on a temporary permit to teach in a school for children of Soviet diplomats.

The fifty-three-year-old woman turned against the Russians, but was seized and held prisoner in the Soviet Consulate in New York. She leaped from a consulate window and spent months in a hospital. Mr. Coudert said in a statement that the government has granted her political asylum but a future change in State Department policy could bring about deportation. So he introduced his bill to guarantee that couldn't happen. Mr. Coudert said Mrs. Kasenkina hopes to become an American citizen.

HE HAS A COUNTRY NOW

Pole Is Allowed to Stay in U. S. Under Bill Truman Signs

WASHINGTON, Aug. 18 (AP)—President Truman today signed the Celler bill permitting Samuel Fadden, a man without a country, to make the United States his home.

Mr. Fadden, a New York importer, fled the Nazi invasion of Poland, came to the United States from Palestine, found himself unable to get a permit to re-enter Palestine and said he is a known anti-Communist who would not dare to return to Poland.

The President also signed a bill halting deportation proceedings against Louis Esposito of New York, who was convicted in 1939 of participation in a narcotics-smuggling conspiracy.

He signed another permitting John J. Boyle, a Canadian who served a term for stealing a letter from the mails in Regina, Sask., to enter the United States. Boyle wants to live in Ithaca, N. Y.

ANTI-RED DIPLOMAT SEEKS U. S. REFUGE

Washington, Aug. 18 (A. P.).—The United States is expected to grant political refuge to the former Polish Consul-General in Montreal, who was reported yesterday to have resigned with a blast of criticism at his country's Communist Government.

The diplomat is Tadeusz J. Rakowski, one-time high official in the Foreign Office at Warsaw and a personal friend of Arthur Bliss Lane, the former Ambassador to Poland.

W. C. T. U. Sees Yalta Drinking Costly to U. S.

Says Americans Got Vodka, Russians Surreptitiously Drank Water at Parleys

PHILADELPHIA, Aug. 18 (AP).—The head of the national Woman's Christian Temperance Union charged today "drinking by United States officials at the Yalta and Potsdam conferences was greatly responsible for concessions made to the Soviets during the talks."

Mrs. D. Leigh Colvin declared in her annual address at the opening of the group's seventy-fifth convention:

"American representatives wondered at the conferences how the Russians could consume such large quantities of vodka and keep sober, when it had such an intoxicating effect upon the Americans."

"But," she continued, "we have learned since that Stalin and the Soviets outwit the representatives of other nations by plying them with vodka while the Russians drink water from vodka bottles."

Mrs. Colvin called for a unification of the nation's dry forces to overthrow liquor traffic and "wrest the nation from the grip of the organized, politically entrenched, financially powerful and ruthless liquor industry."

She declared more than a third of the adults in the United States would vote for prohibition if given the chance.

"This convention is called," Mrs. Colvin said, "to rally the Christian men and women of today to a new crusade to rescue our children and the children of tomorrow from the greatest evil that any nation ever legalized and permitted to destroy its citizens."

The W. C. T. U. delegates approved a three-day pilgrimage to Cleveland, where the group was founded seventy-five years ago. The pilgrimage is set for Nov. 18, 19 and 20.

PLANE EXPERT DENIES REPORT

Says He Didn't Renegotiate Pact For Symington Firm

Los Angeles, Aug. 18 (AP)—A retired Air Force colonel denied today that he acquired an $85,000 house after favorably renegotiating a wartime contract for the private electrical concern of W. Stuart Symington, Secretary of the Air Force.

The subject was injected into a hearing of the House armed forces subcommittee investigating the B-36 bomber development program. The committee, headed by Representative Melvin Price (D., Ill.) concluded hearings here and is flying to San Francisco to question General H. H. Arnold, retired Air Force chief, tomorrow.

Joseph B. Keenan, committee counsel, called as a witness Franklin C. Wolfe, Beverly Hills, Cal. He is an Air Force armament expert who retired November 1, 1944, after 20 years service.

Cites Anonymous Document

Keenan said an anonymous document in the committee's hands alleged that a turret contract with Symington's Emerson Electric Company, St. Louis, was renegotiated by Colonel Wolfe whereby rework on defective turrets was paid for by the Government instead of the company. Keenan said the documents also stated that Colonel Wolfe now lives in an $85,000 house.

Colonel Wolfe replied he had nothing to do with renegotiation of the Emerson Electric contract which was done before Symington became air secretary. Wolfe said, however, that after he retired he was employed as an armament consultant by Emerson Electric, earning $15,000 to $20,000 thereby between November 1944 and September 1945.

Denies Owning House Now

He said he also was consultant for other concerns but received nothing from any of them before he left the service.

The house in Beverly Hills, he said, actually is a four-unit apartment building worth about $35,000. He said he owned it for a short time by trading a San Diego county ranch but then traded back and does not own it now although he rents a $50-a-month apartment in it.

U. N. PURGE IS PROPOSED

K. of C. Asks Ouster of Nations That Attack Religious Heads

PORTLAND, Ore., Aug. 18 (AP)—The Knights of Columbus proposed today at its national convention that Iron Curtain countries that have attacked religious leaders be purged from the United Nations.

The Roman Catholic lay organization mentioned no country by name, but condemned the "brutal totalitarian regime responsible for the detention of Archbishop Beran, and the torture and imprisonment of Cardinal Mindszenty and Archbishop Stepinac."

The resolutions called upon the United States representatives in the United Nations to "take all steps available to them to bring about the condemnation of these crimes against human rights, and to purge the United Nations of their perpetrators."

In another resolution, the organization demanded the internationalization of Jerusalem, to assure "free access to the sacred shrines."

JUDGE THREATENS TO JAIL EDITOR OF DAILY WORKER

NEW YORK, Aug. 18—(AP) An angry defense demand for mistrial and a threat by the judge to jail a witness for not answering questions punctuated the communist conspiracy trial today.

The mistrial motion, like many previous ones, was denied. The jailing threat was lifted by a change in the line of questioning.

The defense demanded a mistrial as Federal Judge Harold R. Medina sustained a long series of government objections to defense questioning of the witness, Alan Max. Max is managing editor of the

Daily Worker, communist paper.

A. J. Isserman, one of the lawyers for 11 accused communist leaders, asked the judge if objections by U. S. Attorney John F. McGohey resulted from "the form of the questions."

Judge Cracks Down

"I have nothing further to say," replied the judge, who has often said he will not permit questions which do not pertain to trial issues. Medina added:

"It takes you lawyers about two months to realize I'm going to do exactly what I say I'm going to do."

"Now you better go on to something else. That's what other lawyers have to do and that is what communists' lawyers have to do too," the judge added.

Two other defense attorneys joined Isserman in a protest.

To them, as to some spectators in the coutrroom, it sounded as if Judge Medina said 'communist lawyers."

Harry Sacher, defense counsel, protested "Your Honor's remark is so profoundly prejudiced that there cannot be a fair trial."

The judge asked if Sacher was making a motion.

Sacher said he was stating "grounds for a motion for mistrial."

Denies Motion

"Motion denied," Judge Medina replied swiftly.

Max, in one of his few replies entered into the record, testified that during Daily Worker staff meetings nobody talked of violent overthrow of the government.

The 11 communist leaders are charged with conspiring to advocate violent overthrow of the U. S. government.

Earlier, Judge Medina threatened to jail Max if he did not answer questions about the identity of persons who attended the staff meetings.

Max had named some persons in attendance, but refused to identify others for the prosecution.

The judge called a recess after threatening to jail the witness.

When court resumed he granted a defense request to change the line of questioning.

Not National Organ

Max also testified he had never heard any of the defendants teach or advocate overthrowing the government. He added he never heard anything by them which advocated it, either.

Under cross-examination, Max denied the Daily Worker is the official organ of the communist party.

McGohey read him a report by John B. Williamson, one of the defendants, which said the newspaper was "our central organ."

"Do you disagree with that?" McGohey asked.

"I do," Max replied.

Max was asked if the National Board of the Communist party delegated any authority through the editor to the editorial board of the paper.

"The paper makes its own decisions, carries on its own work and has no authority delegated to it," Max replied.

McGohey then read from the Williamson article:

"Delegation of authority of the National Board is through the editor and executive committee of the paper to the editorial board."

Taylor Back From Vatican

New York, Aug. 18 (AP)—Myron . Taylor, President Truman's personal envoy to the Vatican, landed n the liner Queen Elizabeth today en route to Washington to eport to the White House. He aid he last saw Pope Pius XII two eeks ago and found him putting n his full time on world problems.

MRS. WOODHOUSE LEAVES FOR NEAR EAST GERMANY

NEW YORK, Aug. 18 — (AP) Mrs. Chase Going Woodhouse, Democratic congresswoman from Connecticut, left by plane today for a six-week survey tour of the near east and Germany.

Mrs. Woodhouse was accompanied by Mrs. Beatrice Fox Auerbach, president of the Auerbach Foundation of Connecticut.

FINANCIAL

BY ARTHUR GAVSHON

LONDON, AUG. 18-(AP)-A SECRET DOCUMENT OUTLINING PROPOSALS FOR MEETING THE WORLD DOLLAR CRISIS HAS BEEN DRAWN UP BY A COMMITTEE OF TOP BRITISH FINANCIAL EXPERTS AND GOES BEFORE THE CABINET FOR APPROVAL NEXT WEEK.

IF OKAYED, THE FOUR-PART DOCUMENT WILL FORM BASIC BRITISH POLICY AT NEXT MONTH'S DOLLAR-POUND WASHINGTON CONFERENCE, WHEN SIR STAFFORD CRIPPS, BRITISH CHANCELLOR OF THE EXCHEQUER, AND FOREIGN SECRETARY ERNEST BEVIN MEET U.S. TREASURY SECRETARY JOHN W.SNYDER AND CANADIAN OFFICIALS.

THESE OFFICIALS WILL DISCUSS THE UNBALANCED TRADE BETWEEN THE U.S. DOLLAR AND BRITISH STERLING AREAS WHICH HAS LEFT BRITAIN DESPERATELY SHORT OF DOLLARS.

OFFICIAL SOURCES SAID THE FOUR-PART DOCUMENT COMPRISES:

1 - A STUDY OF THE BACKGROUND AND CAUSES OF THE CRITICAL UNBALANCE BETWEEN THE DOLLAR AND STERLING AREAS.

2 - A REVIEW OF WHAT EACH OF THE THREE GOVERNMENTS HAS DONE TO MEET AND REDRESS THAT UNBALANCE.

3 - A CLOSE LOOK AT THE SITUATION AS IT EXISTS NOW, UNDERLINING ALL THE IMPLICATIONS OF A FAILURE TO AGREE ON A SOLUTION.

4 - A SERIES OF PROPOSALS AIMING BROADLY AT ACHIEVING SOME KIND OF WORLD PATTERN WHICH WOULD ALLOW A FREE FLOW OF CURRENCIES BETWEEN THE DOLLAR AND NON-DOLLAR SYSTEMS.

INFORMANTS SAID THE BRITISH DOCUMENT ATTEMPTS TO PROVE THAT THE DOLLAR CRISIS IS NOT BRITISH OR AMERICAN, BUT A GLOBAL CRISIS.

CRIPPS AND BEVIN WILL STUDY AND DISCUSS THE BRIEF BEFORE THE CABINET MEETING NEXT WEEK.

U.S. SECRETARY OF STATE DEAN ACHESON ALSO WILL TAKE PART IN THE WASHINGTON CONFERENCE, SCHEDULED FOR SEPT. 7.

PART OF THE BRITISH DELEGATION SAILS FOR THE STATES AUG. 23. IT WILL INCLUDE OFFICIALS FROM THE TREASURY, BOARD OF TRADE AND FOOD MINISTRY. CRIPPS AND BEVIN SAIL AUG. 27.

JT310AED

AUG 19 1949

A79

LONDON, AUG.18-(AP)-BRITAIN'S COMMUNIST PARTY, IN A DRAFT PLATFORM FOR NEXT YEAR'S ELECTIMN, DEMANDED TODAY THAT THIS COUNTRY GET RID OF UNITED STATES TROOPS.

THE DRAFT, WRITTEN BY THE EXECUTIVE COMMITTEE FOR CONSIDERATION AT A NOVEMMER PARTY CONGRESS, ALSO CALLED FOR MORE KV

AUG 19 1949

THE DRAFT, WRITTEN BY THE EXECUTIVE COMMITTEE FOR CONSIDERATION AT A NOVEMBER PARTY CONGRESS, ALSO CALLED FOR MORE NATIONALIZATION. THE PARTY CLAIMS SOME 40,000 MEMBERS.

"WE DEMAND THE ENDING OF THE MILITARY OCCUPATION OF BRITAIN BY AMERICAN TROOPS AND BOMBERS AND THE RESTORATION OF BRITAIN'S NATIONAL INDEPENDENCE," THE PLATFORM SAID.

"COOPERATION OF BRITAIN AND THE SOVIET UNION IS THE INDISPENSABLE BASIS FOR PEACE IN EUROPE AND THE WORLD."

UNITED STATES SOLDIERS AND BOMBERS ARE SCATTERED OVER A STRONG OF AIRBASES IN BRITAIN.

JM9PED

B114 Q

LONDON, AUG. 18-(AP)-THE ADMIRALTY ANNOUNCED TONIGHT THAT ADM. SIR PHILIP LAVIAN, 55, HAS BEEN APPOINTED COMMANDER OF THE BRITISH HOME FLEET, EFFECTIVE NEXT JANUARY.

HE SUCCEEDS ADM. SIR RHODERICK MCGRIGOR IN THE TWO-YEAR APPOINTMENT.

SIR PHILIP, WHO COMMANDED THE BRITISH DESTROYER COSSACK IN THE WAR, LED A DARING RAID ON A GERMAN PRISON SHIP IN A NORWEGIAN FJORD IN 1940 AND RESCUED 300 CAPTURED BRITISH SEAMEN.

SIR RHODERICK WILL BECOME COMMANDER IN CHIEF AT THE PLYMOUTH NAVAL BASE.

GH308PED

AUG 19 1949

30.24- 5121

London, Aug. 18--(AP)--The 6,267-ton Yugoslav vessel Partizanka was badly damaged by fire last week while under going repair at a Yugoslav shipyard, a Tanjug broadcast said tonight.

The broadcast by the official Yugoslav news agency said the cause of the fire, which occurred last Friday, is being investigated.

The Soviet radio monitor here quoted a dispatch from Trieste by Ansa, an Italian news agency, which said the vessel caught fire at the port of Split, on the Adriatic. The dispatch added that Yugoslav police "have carried out arrests in Split on suspicion of complicity in firing the ship."

LONDON, AUG. 18-(AP)-KING ABDULLAH OF HASHEMITE JORDAN (TRANS-JORDAN) ARRIVED IN ENGLAND TODAY FOR TALKS ON THE POLITICAL, MILITARY AND ECONOMIC FUTURE OF THE MIDDLE EAST.

THE 67-YEAR-OLD ARAB RULER AND HIS ENTOURAGE REACHED SOUTHAMPTON BY PLANE. A BRITISH MILITARY ESCORT WAS PROVIDED FOR HIS MOTOR TRIP TO LONDON.

ABDULLAH'S VISIT TO BRITAIN AS GUEST OF THE LABOR GOVERNMENT IS FOR 10 DAYS. HE IS THEN EXPECTED TO GO TO FRANCE AND SPAIN.

HE WILL CONFER HERE WITH THE HIGHEST GOVERNMENT LEADERS AND MEMBERS OF THE BRITISH ROYAL FAMILY. HE ALSO WILL WATCH SPECIALLY ARRANGED DISPLAYS OF BRITAIN'S AIR, LAND AND SEA POWER.

IN WORLD WAR II ABDULLAH, MONARCH OF A SPARSELY POPULATED COUNTRY WHICH WAS CARVED OUT OF THE SIDE OF PALESTINE, WAS ONE OF THE FEW ARAB LEADERS WHOO REMAINED LOYAL TO THE ALLIED CAUSE. BRITAIN REWARDED HIM THREE YEARS AGO BY GIVING INDEPENDENCE TO WHAT WAS THEN TRANS-JORDAN.

THE FOREIGN OFFICE HAS BLACKED OUT ALL OFFICIAL COMMENT ON DETAILS OF ABDULLAH'S TALKS. HE HIMSELF HAS SAID HE IS COMING ON VACATION.

PRIVATELY OFFICIAL SOURCES SAID, HOWEVER, THAT AMONG QUESTIONS

SURE TO COME UP FOR CLOSE STUDY ARE:
THE FUTURE OF JERUSALEM--WHETHER THE HOLY CITY SHOULD
BE PARTITIONED BETWEEN HASHEMITE JORDAN AND ISRAEL OR BE
INTERNATIONALIZED AS THE UNITED NATIONS GENERAL ASSEMBLY HAS URGED.
RE-EQUIPMENT AND MODERNIZATION OF AB'S ARAB LEGION
NOW THAT THE U.N. MIDDLE EAST ARMS EMBARGO HAS BEEN LIFTED.
WAYS AND MEANS OF TIGHTENING PAN-ARABIAN POLITICAL AND
MILITARY COOPERATION TO KEEP COMMUNISM AT BAY.
GH314PED

BS1 (140)
CULTHORPE, ENG., AUG. 18-(AP)-PLANES OF THE U.S. AIR FORCE'S 43RD
BOMB GROUP STARTED TO ARRIVE AT THIS AIR BASE TODAY, THE U.S. THIRD
AIR DIVISION REPORTED.
THE GROUP, FROM TUCSON, ARIZ., HAS BEEN ASSIGNED TO BRITAIN
FOR 90 DAYS OF TRAINING. IT WILL REPLACE SEVERAL SQUADRONS OF THE
509TH BOMB GROUP, WHICH LEFT FOR THE UNITED STATES TWO DAYS AGO.
THE LEAD PLANE IN THE 43RD'S FLIGHT LANDED THIS AFTERNOON AT THIS
JOINT ROYAL AIR FORCE-U.S. AIR FORCE FIELD. THIRD AIR DIVISION
SAID THE REST OF THE PLANES WERE EXPECTED TONIGHT OR TOMORROW.
A SPOKESMAN FOR THE DIVISION, WHICH INCLUDES ALL U.S. HEAVY
BOMBER FORCES STATIONED IN ENGLAND, SAID ONE OF THE PLANES IN THE 43RD
GROUP EN ROUTE HERE WAS THE B-50 "LUCKY LADY SECOND," WHICH
COMPLETED A NON-STOP ROUND-THE-WORLD FLIGHT MARCH 2.
THE PLANE WAS REFUELED FOUR TIMES IN THE AIR AS IT CIRCLED THE
GLOBE.
RP105PED

THE HAGUE, THE NETHERLANDS, AUG 18-(AP)-A ROUND TABLE CONFERENCE
ON THE TRANSFER TO A UNITED STATES OF INDONESIA OF SOVEREIGNTY UNDER
THE DUTCH CROWN WILL BEGIN HERE AUG. 23, THE GOVERNMENT ANNOUNCED TODAY.
PREPARATIONS FOR THE MEETING HAVE BEEN MADE BY REPRESENTATIVES OF
THE DUTCH, THE INDONESIAN REPUBLICANS AND THE DELEGATIONS FROM THE
INDONESIAN FEDERALISTS, ALONG WITH MEMBERS OF THE UNITED NATIONS
COMMISSION ON INDONESIA, THE ANNOUNCEMENT SAID.
DA1025AED

ROME, AUG. 18-(AP)-THE PRO-COMMUNIST NEWSPAPER IL PAESE SAID TODAY ITALIAN COMMUNISTS WHO CONSIDER THEMSELVES CUT OFF FROM THE ROMAN CATHOLIC CHURCH BY THE EXCOMMUNICATION DECREE OF THE VATICAN MAY TAKE THE LEAD IN FORMING A NEW CHURCH.

THE NEWSPAPER CARRIED A FRONT PAGE EDITORIAL WHICH SAID THE HOLY YEAR --1950 -- COULD BE THE SETTING FOR "AN UNFORESEEN DEVELOPMENT OF RELIGIOUS SPIRIT."

"IF PONTIFICAL HOSTILITY SHOULD CONTINUE X X X MILLIONS AND MILLIONS OF BELIEVERS MAY LEAVE THE RANKS OF THE FAITHFUL AND TURN THEMSELVES TOWARD NEW ALTARS," THE EDITORIAL SAID.

"AND, AS WE ITALIANS ALWAYS HAVE BEEN PIONEERS -- UNFORTUNATE BUT PIONEERS -- IT WOULD NOT BE OUTSIDE LOGIC TO BELIEVE THAT FROM ITALY, THE CRADLE OF SO MANY SPIRITUAL IDEAS, A DECISIVE IMPULSE COULD ARISE TO ASSEMBLE AND UNITE TRENDS ALREADY EXISTING IN VARIOUS COUNTRIES."

THE MARXIST-LENINIST COMMUNISM OF MODERN EUROPE IS, IN ITSELF, ANTI-RELIGIOUS. HOWEVER, COMMUNISTS HAVE ATTEMPTED AT VARIOUS TIMES IN THE COUNTRIES THEY DOMINATE TO FORM A CHURCH SUBSERVIENT TO THE STATE RATHER THAN TO ANY SPIRITUAL AUTHORITY. THIS IS THE COMMUNIST APPROACH TO THE PROBLEM OF SATISFYING THE NEED OF EUROPE'S INSTINCTIVELY DEVOUT MASSES FOR RELIGION. THE ROMAN CATHOLIC CHURCH IS ANATHEMA TO COMMUNISTS BECAUSE IT INVOLVES UNSWERVING ALLEGIANCE TO A POWER WHICH CONSIDERS ITSELF ABOVE GOVERNMENTS.

IN ITALY THE COMMUNISTS ARE STRONG, ALTHOUGH AT THE PRESENT THEY ARE NOT REPRESENTED IN THE GOVERNMENT. FORMATION OF A CHURCH IN OPPOSITION TO THE VATICAN WOULD BE ONE MEANS OF DRIVING A WEDGE INTO THE STRENGTH OF THE CHURCH IN CATHOLIC ITALY.

IL PAESE'S EDITORIAL CONCLUDED: "AS MEN ARE NATURALLY DRIVEN TO PRAY TOGETHER, IT IS POSSIBLE THAT THE RELIGIOUS SPIRIT OF THE MASSES MAY TAKE SHELTER UNDER THE NAVES OF OTHER CHURCHES WHERE CHRIST, THE FIRST APOSTLE OF THE PEOPLE, IS VENERATED WITH MORE AUSTERITY."

SJ1253PED

ROME, AUG. 18-(AP)-EUROPEAN RECOVERY CHIEF PAUL G. HOFFMAN TOLD THE ERP STAFF HERE TODAY AMERICANS ARE SO CERTAIN OF ITALY'S ECONOMIC COMEBACK THEY OVERLOOK THE DIFFICULTIES.

IN AN EIGHT-MINUTE PEP TALK, HOFFMAN SAID THE OPTIMISTIC FEELING HAS GROWN SINCE THE DEFEAT OF THE COMMUNISTS IN LAST YEAR'S GENERAL ELECTIONS.

HOFFMAN DID NOT MENTION ANY SPECIFIC STUMBLING BLOCKS TO ITALIAN RECOVERY, BUT AMERICAN AND ITALIAN OFFICIALS HAVE FREQUENTLY MENTIONED OVER-POPULATION AS THE NO. 1 HURDLE.

HOFFMAN CONFERRED AT LENGTH IN VENICE YESTERDAY WITH ITALIAN PREMIER ALCIDE DE GASPERI.

HE IS FLYING TO ATHENS LATER TODAY.

AUG 19 1949

SJ1033AED

A92

NIGHT LEAD (100)

BERLIN, AUG.18-(AP)-THE RUSSIANS PUBLISHED TODAY WHAT THEY CALLED AN EYE-WITNESS ACCOUNT FROM A FORMER GERMAN PRISONER OF WAR WHO SAID ABOUT 120,000 GERMAN SOLDIERS DIED IN BIG AMERICAN P.O.W. CAMPS IN THE RHINELAND AFTER THE WAR.

A U.S. ARMY SPOKESMAN IN FRANKFURT SAID THE STORY WAS FANTASTIC AND, "CONSIDERING THE SOURCE, THERE IS NO NEED FOR FURTHER COMMENT."

THE RUSSIANS, WHO FREQUENTLY ARE THEMSELVES ACCUSED OF MISTREATING GERMANS, PUBLISHED THE ACCOUNT IN THE SOVIET ARMY NEWSPAPER IN BERLIN, TAEGLISCHE RUNDSCHAU. THEY SAID THEIR EYE-WITNESS WAS A FORMER GERMAN SOLDIER NAMED HANS OHL. THEY QUOTED HIM AS SAYING PRISONERS STARVED AND DIED IN CRUEL WINTRY CONDITIONS.

RB947PED

A93

BERLIN, AUG. 18-(AP)-THE RUSSIANS -- CHARGED BY THE ALLIES WITH MISTREATMENT OF GERMAN PRISONERS OF WAR -- CAME UP TODAY WITH WHAT THEY CALLED AN EYE-WITNESS ACCOUNT OF STARVATION AND DEATH IN AMERICAN PRISONER CAMPS.

THE SOVIET ARMY NEWSPAPER IN BERLIN, TAEGLISCHE RUNDSCHAU, DESCRIBED ITS WITNESS AS ONE HANS OHL, FORMERLY OF THE GERMAN ARMY. IT QUOTED HIM AS SAYING "ABOUT 120,000 GERMAN SOLDIERS DIED IN THE LARGE PRISONER-OF-WAR CAMPS OF THE AMERICANS IN THE RHINELAND AFTER THE WAR."

A U.S. ARMY SPOKESMAN IN FRANKFURT DESCRIBED THE STORY AS FANTASTIC, ADDING: "CONSIDERING THE SOURCE, THERE IS NO NEED FOR FURTHER COMMENT." GERMANS WHO HAVE BEEN IN AMERICAN PRISONER OF WAR CAMPS USUALLY LAUD THE TREATMENT AND FOOD.

THE STORY WAS STRIKINGLY SIMILAR TO SEVERAL RECENT ONES IN THE WESTERN GERMAN PRESS WHICH HAD QUOTED PRISONERS FREED FROM SOVIET-OPERATED CAMPS.

OHL WAS QUOTED AS SAYING HE WAS IN THE AMERICAN-OPERATED KREUZNACH CAMP IN THE RHINELAND AFTER THE WAR. THE STORY SAID THE PRISONERS "FOR MONTHS WERE EXPOSED TO ALL THE ROUGHNESS OF THE WEATHER WITHOUT A ROOF OVER THEIR HEADS AND HAD TO LIE HALF STARVED AND SICK IN THE OPEN." IT SAID THE GERMANS WERE SUBJECTED TO TINY RATIONS AND NUMEROUS CRUELTIES.

THE NEWSPAPER CONCLUDED THE STORY THUS: "ALWAYS REMEMBER THIS IF SOMEBODY TRIES TO TELL US THE AMERICANS WANTED ONLY THE BEST FOR THE GERMANS AND WERE THEIR FRIENDS IN DISTRESS."

SJ1135AED

FRANKFURT, GERMANY, AUG. 18-(AP)-POLICE SEARCHED THE BERCHTESGADEN RESORT AREA TODAY WITHOUT FINDING ANY TRACE OF TWO AMERICAN YOUTHS WHO DISAPPEARED RECENTLY ON A BICYCLE TOUR OF GERMANY.

THEY ARE WARREN OELSNER, 20, OF OYSTER BAY, N.Y., AND PETER SELLERS, 18, OF PHILADELPHIA.

AN AIR FORCE OFFICER REPORTED TWO YOUTHS OF THEIR DESCRIPTION TOLD HIM LAST SATURDAY IN FRANKFURT THAT THEY WERE GOING TO HITLER'S FORMER MOUNTAIN RETREAT AFTER FAILING TO GET PERMISSION TO TOUR THROUGH THE SOVIET ZONE.

AUG 19 1949

THE OFFICER MET THEM IN AN ARMY SNACK BAR.

BRIG. GEN. NORMAN H.SCHWARZKOPF, DEPUTY PROVOST MARSHAL, SAID AMERICAN MILITARY POLICE AND GERMAN POLICE IN THE RESORT AREA HAD BEEN NOTIFIED BUT SO FAR HAD FOUND NO CLUES.

GH1124AED

FRANKFURT, GERMANY, AUG. 18-(AP)-A BAN ON OCCUPATION PERSONNEL PATRONIZING GERMAN BARS AND RESTAURANTS IN THE THREE WESTERN ZONES WAS ORDERED RELAXED TODAY.

THE AMERICAN, BRITISH AND FRENCH MILITARY GOVERNORS SAID AFTER A MEETING HERE:

"IT IS NO LONGER NECESSARY TO DENY THE PRIVILEGE OF PURCHASING UNRATIONED FOOD, INCLUDING BEER, WINE AND SPIRITS, TO OCCUPATION PERSONNEL. "THEREFORE, EACH MILITARY GOVERNOR WILL DETERMINE TO WHAT EXTENT THE REGULATIONS WILL BE MODIFIED TO RELAX PRESENT PROHIBITIONS."

GH305PED

Frankfurt, Germany, Aug. 18--(AP)--An American soldier expected to go on trial Aug. 22 on a chage of murdering three Germans will be first examined by two well known American psychiatrists, the army announced today.

The soldier is Pvt. Russell S. Jones, 22, of Fall River, Mass. The army charges that May 1 in the Stuttgart area Jones shot a motor pool guard and stole a jeep, shot a German girl who refused to ride with him in the jeep, shot a German passerby and then wrecked the jeep.

The doctors who will examine him are among those who have been attending the International Psychoanalists Congress at Zurich. They are Dr. Clarence Pa l Oberndorf, chief professor of psychiatry at Columbia University, and Dr. Paul Henry Hoch, also of Columbia.

An army psychiatric board announced May 26 it had found Russell sane.

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A89
FRANKFURT, GERMANY, AUG.18-(AP)-WESTERN GERMANY'S TWO GERMAN NEWS AGENCIES HAVE BEEN MERGED, IT WAS ANNOUNCED TODAY.
THEY WERE THE AMERICAN-LICENSED GERMAN NEWS AGENCY (DENA) AND THE BRITISH-LICENSED GERMAN PRESS SERVICE (DPD).
THE NEW AGENCY WILL BE KNOWN AS THE GERMAN PRESS AGENCY, OR DEUTSCHE PRESSEAGENTUR (DPA).
THE FRENCH-LICENSED SOUTH GERMAN NEWS AGENCY (SUDENA WAS MERGED EARLY

THE FRENCH-LICENSED SOUTH GERMAN NEWS AGENCY (SUDENA) WAS MERGED EARLY THIS WEEK WITH DPD.
RB935PED

FRANKFURT, GERMANY, AUG. 18-(AP)-RUSSEL G. BIRD'S TWO SIGNED STATEMENTS' THAT HE GAINED $2,930 FROM ILLEGAL CIGARETTE DEALS WERE ADMITTED AS EVIDENCE IN HIS COURTMARTIAL TODAY.
BIRD, FROM MISHAWAKA, IND., PROTESTED HE SIGNED THE STATEMENTS ONLY BECAUSE HE FEARED HE WOULD BE BEATEN BY ARMY INVESTIGATORS AND "THROWN BACK IN JAIL."
THE COURT IS TRYING HIM ON CHARGES OF MISAPPROPRIATING 4,200 CARTONS OF CIGARETTES FROM THE ARMY POST EXCHANGE HE MANAGED.
BIRD ALSO LOST TODAY HIS APPEAL FOR DELAY OF HIS TRIAL UNTIL A WASHINGTON, D.C., FEDERAL COURT RULES ON HIS APPLICATION FOR A WRIT OF HABEAS CORPUS.
A CABLE FROM THE ARMY DENYING THAT REQUEST WAS READ IN COURT HERE. THE CABLE ALSO SAID THE FEDERAL COURT HAD DENIED HIS REQUEST TO APPEAL IN PERSON IN SUPPORT OF HIS HABEAS CORPUS APPLICATION.
BIRD CHARGES THAT THE ARMY BROUGHT HIM BACK FROM THE UNITED STATES WITHOUT AN ARREST WARRANT OR EXTRADITION PROCEEDINGS AND DENIED HIM A CHANCE TO APPEAL TO CIVIL AUTHORITIES.
HE HAD FLED TO THE UNITED STATES WHILE UNDER RESTRICTION HERE AWAITING TRIAL.
RP207PED

BERLIN, AUG 18-(AP)-BERLIN'S FOUR ALLIED COMMANDANTS MEET HERE TODAY TO HAGGLE OVER TRUCK PASSES, POSTAGE STAMPS AND POTATO BUGS.
BRIG. GEN. FRANK HOWLEY, U.S. SECTOR COMMANDANT, CALLED THE MEETING TO SETTLE OUTSTANDING PROBLEMS BEFORE HE LEAVES FOR HOME AND RETIREMENT SEPT. 7.
HIGH ON THE AGENDA WILL BE A WESTERN REQUEST ONCE TURNED DOWN BY RUSSIA, THAT TRUCKS BE ALLOWED TO TRAVEL WITHOUT SPECIAL PASSES FROM WESTERN GERMANY TO BERLIN.
THE WESTERN ALLIES ALSO ARE EXPECTED TO BRING UP AGAIN THEIR PROPOSAL THAT EASTERN AND WESTERN GERMANY POSTAGE BE MUTUALLY RECOGNIZED.
ALSO TO BE DISCUSSED ARE RUSSIAN PROPOSALS FOR EAST-WEST COOPERATION IN FIGHTING SUCH AGRICULTURAL PESTS AS POTATO BUGS.
DA820AED

PRAGUE, AUG 18-(AP)-CZECHOSLOVAKIA'S COMMUNISTS TODAY WERE WAGING A BIG-SCALE PROPAGANDA CAMPAIGN URGING THE YUGOSLAV PEOPLE TO REVOLT AND "DESTROY TITO'S CRIMINAL REGIME."

THE CAMPAIGN ALSO HAD THE APPARENT KINDRED AIM OF STIRRING UP THE CZECH PEOPLE AGAINST THE FORMER COMINFORM ALLY.

THE DRIVE WAS FEATURED BY THE PASSING OF RESOLUTIONS AMONG WORKERS IN CZECHOSLOVAK FACTORIES AND BY PROCLAMATIONS ISSUED BY YUGOSLAV EMIGREE GROUPS RESIDENT IN THIS COUNTRY.

IT WAS SUPPORTED BY THE ENTIRE PRAGUE PRESS, WHICH MADE TITO ITS NO. 1. PROPAGANDA TARGET.

THE RESOLUTION OF WORKERS IN THE SVOBODA PRINTING HOUSE, WHICH PRINTS RUDE PRAVO, ORGAN OF THE CZECH COMMUNIST PARTY, SAID:

"YUGOSLAV BROTHERS AND COMRADES, BRAVELY AHEAD TO DESTROY TITO'S AND (MINISTER OF INTERIOR ALEXANDER) RANKOVIC'S CRIMINAL REGIME. BRAVELY AHEAD FOR THE VICTORY OF SOCIALISM IN YUGOSLAVIA."

ONE OF THE FACTORIES IN WHICH A SIMILAR ANTI-TITO RESOLUTION WAS ADOPTED WAS THE CZECH-MORAVIAN KOLBEN DANEK PLANT, WHICH FORMERLY WAS CALLED THE "TITO ENTERPRISES" IN THE YUGOSLAV LEADER'S HONOR BUT WAS RENAMED AFTER THE COMINFORM EXPELLED HIM.

THE RESOLTUION OF YUGOSLAV EMIGREES HERE THANKED THE CZECH COMMUNIST PARTY AND TRADE UNIONS FOR THEIR SUPPORT AND ADDED: "WE PLEDGE OUR UTMOST EFFORTS TO LIBERATE OUR NATION AS SOON AS POSSIBLE FROM THE HANGMEN TITO AND RANKOVIC."

SF8AED

WITH WASHINGTON YUGOSLAV (A22)

BELGRADE, YUGOSLAVIA, AUG 18-(AP)-A SPECIAL COMMISSION OF THE WORLD BANK ARRIVED BY TRAIN LAST NIGHT FOR AN ON-THE-SPOT INQUIRY INTO YUGOSLAVIA'S REQUEST FOR A BIG LOAN TO HELP COMBAT THE COMINFORM ECONOMIC BLOCKADE.

THE COMMISSION IS HEADED BY A.S.G. HOAR, ASSISTANT DIRECTOR OF THE BANK'S DEPARTMENT FOR LOANS. THE GROUP PROBABLY WILL REMAIN HERE SEVERAL WEEKS STUDYING A PRIORITY LIST OF YUGOSLAVIA'S NEEDS BEFORE RETURNING TO WASHINGTON WITH RECOMMENDATIONS.

ONE WAY OR ANOTHER, THE OUTCOME OF THIS STUDY WILL HAVE A PROFOUND EFFECT UPON YUGOSLAVIA, HEMMED IN BY COMMUNIST NEIGHBORS WHO ARE INTENT UPON STRANGLING HER ECONOMICALLY BECAUSE OF HER DEFIANCE OF MOSCOW.

PREMIER-MARSHAL TITO IS WAGING AN INDEPENDENT BATTLE AGAINST THE COMINFORM (COMMUNIST INTERNATIONAL INFORMATION BUREAU). IN A SPEECH AT POLA LAST MONTH, HE SAID YUGOSLAVIA WOULD USE A WORLD BANK LOAN NOT FOR TANKS AND GUNS BUT FOR MACHINERY TO RECONSTRUCT THE NATION'S ECONOMY.

NO OFFICIAL FIGURES HAVE BEEN MADE PUBLIC ON HOW MUCH YUGOSLAVIA IS SEEKING. UNOFFICIALLY THE LONG-RANGE FIGURE HAS BEEN PLACED IN THE NEIGHBORHOOD OF $280,000,000, WITH THE MORE IMMEDIATE NEEDS ADDING UP TO ABOUT $53,000,000.

THE COMMISSION WAS MET AT THE RAILWAY STATION BY A DELEGATION OF THE YUGOSLAV FINANCE MINISTRY.

THE PROPAGANDA WAR BETWEEN YUGOSLAVIA AND HER NEIGHBORS CONTINUED.

THE OFFICIAL YUGOSLAV COMMUNIST NEWSPAPER BORBA REPORTED THE ACTING CHIEF CZECHOSLOVAK COUNCILLOR AT ZAGREB, YUGOSLAVIA'S SECOND CITY, WOULD BE EXPELLED ON CHARGES OF MISUSING HIS DIPLOMATIC MISSION.

THE PAPER IDENTIFIED THE DIPLOMAT AS STEFAN HORVAT. IT CHARGED HIM WITH ATTEMPTING TO SMUGGLE YUGOSLAV EMIGRES ACROSS THE BORDER WITH FALSIFIED DOCUMENTS, WITH THE AIM OF PROMOTING THE ANTI-TITO CAMPAIGN.

SJ1217PED

NIGHT LEAD LOAN (350)

BY ALEX SINGLETON

BELGRADE, YUGOSLAVIA, AUG. 18-(AP)-A SPECIAL WORLD BANK INVESTIGATING COMMISSION SERVED NOTICE TODAY THAT ITS RECOMMENDATIONS ON YUGOSLAVIA'S REQUEST FOR A MULTI-MILLION-DOLLAR LOAN WILL BE BASED ON THE BALKAN COUNTRY'S FULL "PRACTICAL AND PRODUCTIVE POSSIBILITIES."

THE STATEMENT CAME FROM A.S.G. HOAR, CHIEF OF THE DELEGATION AND ASSISTANT LOAN DIRECTOR OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT. HE SPOKE AT A NEWS CONFERENCE LESS THAN A DAY AFTER THE COMMISSION'S ARRIVAL IN BELGRADE.

ALTHOUGH NO OFFICIAL FIGURES HAVE BEEN RELEASED, PREMIER MARSHAL TITO'S GOVERNMENT HAS BEEN REPORTED SEEKING ABOUT $280,000,000 (M) OVER A LONG-RANGE PERIOD, AND ABOUT $50,000,000 MORE IMMEDIATELY TO REBUILD THE COUNTRY'S ECONOMY AND COMBAT THE COMINFORM'S ECONOMIC SQUEEZE.

HOAR MADE IT PLAIN YUGOSLAVIA'S REQUEST WILL GET A THOROUGH STUDY BOTH HERE IN BELGRADE GOVERNMENT OFFICES AND DURING AN ON-THE-SPOT SURVEY OF SUCH PROJECTS AS MINES AND LUMBER MILLS, BEFORE THE COMMISSION LEAVES IN ABOUT SIX WEEKS.

IT APPEARED EVIDENT AT THE OUTSET OF THE COMMISSION'S INQUIRIES THAT THE LOAN ITSELF, IN TERMS OF DELIVERED GOODS, WILL NOT MATERIALIZE FOR ABOUT SIX MONTHS. THIS IS ORDINARY PRACTICE WHEN THE WORLD BANK DEALS WITH LOAN APPLICATIONS.

THE PROSPECTS OF A LOAN SHOULD STRENGTHEN TITO'S HAND IN DOMESTIC AFFAIRS AND IN DEALING WITH HIS EASTERN EUROPEAN NEIGHBORS WHO HAVE TRIED UNSUCCESSFULLY TO OUST HIM FOR THE PAST 14 MONTHS.

ONE FACTOR WHICH STANDS OUT IN YUGOSLAVIA'S FAVOR IS THAT IT WAS ONE OF THE COUNTRIES WHICH JOINED THE BANK AT ITS INCEPTION.

HOAR SAID THE BANK "DOES NOT REGARD ITS RELATIONS WITH ITS MEMBERS AS LIMITED TO THE CONCLUSION OF A SINGLE LOAN."

THIS STRENGTHENS THE CONVICTION IN SOME QUARTERS HERE THAT THE BANK WILL START OFF A LOAN PROGRAM WITH A COMPARATIVELY SMALL GRANT TO FINANCE PROJECTS REQUIRING IMMEDIATE AID.

SAID THE COMMISSION HOPED TO SEE DURING ITS STAY HERE "THE TANGIBLE RESULTS OF THE GREAT EFFORT YOUR PEOPLE HAVE MADE TO REBUILD THEIR WAR-TORN ECONOMY AND TO DEVELOP THE RICH MATERIAL AND HUMAN RESOURCES OF "YUGOSLAVIA."

K457PED

30.24- 5125

BUDAPEST, HUNGARY, AUG.18-(AP)-PARLIAMENT TONIGHT ADOPTED BY ACCLAMATION A NEW CONSTITUTION FORMALLY DECLARING HUNGARY A PEOPLE'S REPUBLIC.

(HITHERTO THE GOVERNMENT OF COMMUNIST-DOMINATED HUNGARY HAD NO BASIC LAW. THE NEW CHARTER PROVIDES THAT "ALL THE RESOURCES AND MEANS OF PRODUCTION OF THE COUNTRY ARE THE PROPERTY OF THE STATE.")

PARLIAMENT BECOMES THE SUPREME AUTHORITY FOR THE COUNTRY. A PRESIDIUM, WHICH WILL ASSUME MOST OF THE EXECUTIVE, WILL BE COMPOSED OF A PRESIDENT, TWO VICE-PRESIDENTS, A SECRETARY AND 17 MEMBERS. ALIOM TESE WILL BE ELECT

OF A PRESIDENT, TWO VICE-PRESIDENTS, A SECRETARY AND 17 MEMBERS. ALL OF THESE WILL BE ELECTED BY PARLIAMENT TUESDAY.

RB130PED

CHINA ROUNDUP

CANTON, AUG. 18-(AP)-CHINA PROTESTED TODAY THAT BRITISH WARSHIPS, DISPLAYING A BELLICOSE ATTITUDE TOWARD NATIONALIST NAVAL UNITS, HAD VIOLATED CHINESE TERRITORIAL WATERS.

THE PROTEST WAS HANDED TO THE BRITISH EMBASSY YESTERDAY BY THE CHINESE FOREIGN OFFICE AS THESE DEVELOPMENTS CAME SWIFTLY IN THE ASIAN MAINLAND WAR:

1. FOOCHOW, BIG PORT OPPOSITE FORMOSA, FELL TO THE REDS.
2. THE NATIONALISTS ADMITTED WITHDRAWING FROM THE MIAO ISLANDS, 210 MILES EAST OF TIENTSIN. THE ISLANDS HAD BEEN USED BY NATIONALIST NAVAL UNITS TO BLOCKADE NORTHERN COMMUNIST HELD PORTS.
3. COMMUNIST ARMIES MOUNTED A BIG OFFENSIVE IN HUNAN PROVINCE.
4. AMERICANS AND OTHER FOREIGNERS FLED FROM CANTON. THE U.S. CONSULATE GENERAL EXPECTS TO BE CLOSED BY TOMORROW.

THE CHINESE NOTE OF PROTEST TO GREAT BRITAIN WAS GIVEN TO JOHN COGHILL, EMBASSY REPRESENTATIVE IN CANTON.

THE NOTE WARNED BRITAIN AGAINST REPETITION. IT SAID THE BRITISH DESTROYER CONCORD WAS SIGHTED OFF THE MOUTH OF THE YANGTZE RIVER IN TERRITORIAL WATERS ON JULY 31. AFTER DARK, THE DESTROYER MOVED INTO THE MOUTH OF THE RIVER, THE NOTE SAID.

THE CONCORD

AUG 19 1949

(THE CONCORD THAT NIGHT KEPT A RENDEZVOUS WITH THE

INTO THE MOUTH OF THE RIVER, THE NOTE SAID

(THE CONCORD THAT NIGHT KEPT A RENDEZVOUS WITH THE BRITISH SLOOP AMETHYST, WHICH HAD BEEN HELD ON THE YANGTZE BETWEEN SHANGHAI AND NANKING FOR MONTHS BY COMMUNIST SHORE GUNS. THE AMETHYST ESCAPED IN A RUNNING FIGHT DOWN THE WIDE RIVER.)

THE CHINESE NOTE SAID THAT ANY BRITISH WARSHIP ENTERING TERRITORIAL WATERS MUST HAVE THE APPROVAL OF THE NATIONALIST GOVERNMENT.

FALL OF FOOCHOW WAS FIRST ANNOUNCED BY THE OFFICIAL CENTRAL NEWS AGENCY FROM TAIPEH, CAPITAL OF FORMOSA.

AT THE SAME TIME AN ARMY SPOKESMAN IN CANTON VIGOROUSLY ASSERTED THE BIG PORT CITY STILL WAS IN THE HANDS OF NATIONALIST FORCES. THE SPOKESMAN WARNED NEWSMEN, ESPECIALLY FOREIGN CORRESPONDENTS, THEY WERE LIABLE TO ARREST IF THEY PUBLISH "FALSE NEWS."

A61FX

(A REPORT FROM SHANGHAI SAID THE COMMUNISTS HAD THROWN AN IRON COLLAR AROUND THE CITY, WHICH IS THE CAPITAL OF FUKIEN PROVINCE. THE SHANGHAI DISPATCH SAID PRO-COMMUNIST NEWSPAPERS REPORTED THE FALL OF FOOCHOW APPEARED TO BE BUT A MATTER OF HOURS.

(SHANGHAI'S TA KUNG PAO SAID ALL OUTER DEFENSES OF FOOCHOW HAD BEEN DAKNN ENCIRCLING RED TROOPS HAD ALSO CAPTURED VILL

OF FOOCHOW APPEARED TO BE BUT A MATTER OF HOURS.

(SHANGHAI'S TA KUNG PAO SAID ALL OUTER DEFENSES OF FOOCHOW HAD BEEN TAKEN AND THE ENCIRCLING RED TROOPS HAD ALSO CAPTURED VILLAGES DOWN THE MIN RIVER FROM FOOCHOW, SEALING OFF THE CITY FROM THE SEA.

(HOW MANY NATIONALIST TROOPS REMAINED IN FOOCHOW WAS UNKNOWN IN SHANGHAI BUT THEIR HEADQUARTERS REPORTEDLY HAD BEEN MOVED TO HAITAN ISLAND OFF THE COAST NEAR THE MOUTH OF THE MIN. SHANGHAI DISPATCHES SAID ALSO THE FUKIEN PROVINCIAL GOVERNMENT HAD MOVED TO AMOY, 150 MILES TO THE SOUTH ON THE COAST.)

NATIONALIST SOUTHEAST CHINA HEADQUARTERS AT TAIPEH, FORMOSA, ANNOUNCED ALL NATIONALIST FORCES IN THE MIAO ISLANDS OFF THE NORTH CHINA COAST HAD PUL

NATIONALIST SOUTHEAST CHINA HEADQUARTERS AT TAIPEH, FORMOSA, ANNOUNCED ALL NATIONALIST FORCES IN THE MIAO ISLANDS OFF THE NORTH CHINA COAST HAD PULLED OUT.

THE HUNAN OFFENSIVE WAS REPORTED IN OFFICIAL DISPATCHES. THEY SAID RED GEN. LIN PIAO WAS REGROUPING FOUR ARMIES TOTALLING 120,000 MEN WEST OF THE CANTON-HANKOW RAILROAD APPARENTLY FOR A DRIVE SOUTHWARD.

THEIR OBJECTIVE PROBABLY WOULD BE TO CUT THE ESCAPE ROUTE OF NATIONALIST GEN. PAI CHUNG-HSI INTO KWANGSI PROVINCE AND BOTTLE UP HIS FORCES.

THE AMERICAN CONSULATE GENERAL PLANS TO FOLLOW THE NATIONALIST GOVERNMENT TO CHUNGKING, WARTIME CAPITAL FAR INLAND. MOST OF THE CHINESE OFFICIALS LEAVING CANTON HAVE GONE TO CHUNGKING ALTHOUGH SOME HAVE GONE TO FORMOSA WHERE GENERALISSIMO CHIANG KAI-SHEK HAS SET UP HIS HEADQUARTERS.

(DISPATCHES FROM SHANGHAI AND NANKING SAID CHAIRMAN MAO TZE-TUNG, CHINESE COMMUNIST LEADER, HAD DECIDED TO MAKE PEIPING THE RED CAPITAL OF CHINA WHEN A RED SPONSORED COALITION GOVERNMENT WAS SET UP.

(MAO, THE DISPATCHES QUOTED SHANGHAI AND NANKING NEWSPAPERS AS SAYING, WOULD RENAME THE OLD CHINESE CAPITAL PEKING, TH
SAYING, WOULD RENAME THE OLD CHINESE CAPITAL PEKING, THE NAME IT BORE FOR 500 YEARS BEFORE CHIANG KAI-SHEK CHANGED IT IN 1928. IN CHINESE PEKING MEANS NORTHERN CAPITAL. PEIPING, THE NAME CHOSEN B
PEKING MEANS NORTHERN CAPITAL. PEIPING, THE NAME CHOSEN BY CHIANG FOR THE HISTORIC OLD CITY, MEANS NORTHERN PEACE.

(MAO, THE NANKING DISPATCH SAID, CALLED FOR RECONSTRUCTION OF PEIPING TO FIT IT FOR ITS TRADITIONAL ROLE AS THE CAPITAL. MAO'S SUGGESTION WAS MADE ON AUG. 13 AT A CONFERENCE.

(BEFORE THE SAME CONFERENCE CHOU EN-LAI, A SENIOR MEMBER OF THE COMMUNIST POLITBUREAU, CRITICIZED FORMER AMERICAN ENVOYS TO CHINA -- GEN. PATRICK HURLEY, LT. GEN. ALBERT C. WEDEMEYER, GEN. GEORGE C. MARSHALL AND AMBASSADOR J. LEIGHTON STUART. HE CHARGED THAT THE FOUR SOUGHT TO FORCE THE CHINESE PEOPLE INTO THE AMERICAN SPHERE TO PRESERVE THE SPECIAL INTERESTS OF THE UNITED STATES.

(CHOU SAID HURLEY AND WEDEMEYER USED BULLYING TACTICS WHILE MARSHALL AND STUART CAMOUFLAGED THEIR ACTIVITIES BEHIND A FACADE OF FRIENDLINESS.)

X/LW309A 330A

SECOND NIGHT LEAD CHINESE

BY SPENCER MOOSA

CANTON, FRIDAY, AUG. 19-(AP)-THE FALL OF A KEY CITY ONLY 170 MILES FROM THIS REFUGEE CAPITAL OF NATIONALIST CHINA WAS REPORTED TONIGHT BY THE DEFENSE MINISTRY.

THE CITY IS TAYU, ON THE KAN RIVER VALLEY ROAD TO CANTON. ITS FALL CAUSED CITIZENS IN INCREASING NUMBERS TO FLEE FROM KUKONG, 120 MILES NORTH OF CANTON.

IT IS GENERALLY CONCEDED HERE THAT WHEN THE COMMUNISTS ATTACK KUKONG, THE BATTLE FOR CANTON ITSELF WILL BE JOINED. KUKONG IS 70 MILES WEST OF TAYU.

POLITICAL PHORPHETS IN CANTON PREDICTED THE COMMUNISTS WOULD FORMALLY PROCLAIM A GOVERNMENT OF CHINA ON OCT. 10 AND WOULD BE GIVEN RUSSIAN RECOGNITION THE SAME DAY.

(UNKNOWN TO X X X SECOND GRAF NIGHT LEAD (A8KX) AND DELETING THIRD GRAF "THE WAR NEWS X X X FROM CANTON)

FJ1109PCS NM

AUG 19 1949

CANTON--FIRST ADD U. S. EMBASSY (A96KX) X X X THIS AFTERNOON.

THE DECISION TO REMOVE THE STAFF WAS TAKEN IN VIEW OF THE "PRESENT COMMUNIST THREAT TO THIS REGION," AN EMBASSY STATEMENT SAID.

AN EMBASSY OFFICIAL SAID THE U. S. CHARGE D'AFFAIRES, LEWIS CLARK, WOULD TRAVEL TO CANTON EACH MORNING BY U. S. NAVY PLANE AND RETURN TO HONG KONG THE SAME EVENING.

HE WILL BE ACCOMPANIED ON THESE DAILY TRIPS BY BRADLEY CONNORS, HEAD OF THE U. S. INFORMATION SERVICE IIN CHINA.

THE AMERICAN CONSULAR STAFF BEGAN LEAVING BY U. S. NAVY PLANE FOR HONG KONG.

THE OFFICIAL STATEMENT SAID CONSULAR OFFICERS WOULD BE AVAILABLE TO HELP AMERICAN CITIZENS TO LEAVE AND WOLD PERFORM ESSENTIAL CONSULAR SERVICES AS LONG AS POSSIBLE.

FJ1018PCS NM

FOLLOW WASHN (160)

TOKYO,AUG. 19-(AP)-A DATE FOR SENDING JAPANESE CONSULAR OFFICIALS ABROAD HAS NOT YET BEEN DECIDED, WILLIAM J. SEBALD, HEAD OF GENERAL MACARTHUR'S DIPLOMATIC SECTION, SAID TODAY.

SEBALD SAID THAT IN THE ABSENCE OF ANY FAR EASTERN COMMISSION POLICY TO THE CONTRARY, IT WAS BELIEVED HERE MACARTHUR HAS THE AUTHORITY TO ALLOW CONSULAR RELATIONS BETWEEN JAPAN AND ANY NATION WHICH DESIRES IT. THE COMMISSION SETS POLICY FOR JAPAN.

AUG 19 1949

SEBALD DECLARED THERE WERE "THOUSANDS AND THOUSANDS" OF CASES WHERE THE ABSENCE OF CONSULATES HAS PREVENTED JAPANESE LIVING ABROAD FROM REGISTERING BIRTH CERTIFICATES AND OTHER LEGAL DOCUMENTS.

A SPOKESMAN FOR THE JAPANESE FOREIGN OFFICE SAID HE WAS ELATED BY THE WASHINGTON ANNOUNCEMENT MACARTHUR WAS GOING AHEAD WITH PLANS TO ALLOW LIMITED JAPANESE DIPLOMATIC CONTACT WITH OTHER COUNTRIES.

"IT MEANS JAPAN HAS ADVANCED A STEP FURTHER ON THE ROAD TO READ-MITTANCE TO INTERNATIONAL SOCIETY," SAID SPOKESMAN SIGHERU YOSANO.

YOSANO SAID WHILE PLANS WERE NOT YET DEFINITE, THE FIRST CONSULATES PROBABLY WOULD BE SOUGHT IN THE NATIONS WHICH HAVE IMPORTANT TRADE RELATIONS WITH JAPAN.

FJ&VR1223ACS NM

HONG KONG, AUG 18-(AP)-THE CHINESE NATIONAL AVIATION CORP. (CNAC) ANNOUNCED TODAY IT HAS BEEN GIVEN THREE WEEKS GRACE IN WHICH TO COMPLY WITH A HONG KONG GOVERNMENT ORDER TO TAKE ITS MAINTENANCE PLANT OUT OF KAITAK AIRPORT HERE. IT SAID FULL NORMAL OPERATIONS WILL BE RESUMED TOMORROW.

THE GOVERNMENT LAST WEEK HAD OBTAINED AN INJUNCTION AGAINST FURTHER MAINTENANCE OF THE PLANT BY CNAC. IT ANNOUNCED THE SHOP BUILDINGS HAD BEEN REQUISITIONED FOR USE OF THE ROYAL AIR FORCE.

ONE WEEK WILL BE ALLOWED CNAC TO OVERHAUL AND REAPAIR ENGINES IN THE WORKSHOPS AND TWO WEEKS TO MOVE THE MAINTENANCE PLANT OUT OF HONG KONG. CNAC IS OPPOSING THE REQUISITION DECISION AT HIGHER LEVELS IN LONDON.

AUG 19 1949

DA1015AED

SINGAPORE, AUG 18-(AP)-AGENTS OF THE 8,192-TON AMERICAN FREIGHTER FLYING CLIPPER SAID TODAY THE VESSEL HAD LOADED 1,000 TONS OF RUBBER DESTINED FOR COMMUNIST-HELD TIENTSIN. THE SHIP WOULD HAVE TO RUN THE BLOCKADE IMPOSED BY THE CHINESE NATIONALIST GOVERNMENT TO REACH THE PORT.

WAHHIN AND COMPANY, REPRESENTATIVES OF THE ISBRANDTSEN LINE SHIP, SAID THE VESSEL IS SCHEDULED TO SAIL TOMORROW, WITH MANILA ITS FIRST PORT OF CALL. THE CAPTAIN MAY RECEIVE OTHER INSTRUCTIONS BEFORE MAKING THE TIENTSIN RUN, BUT THUS FAR ALL INTENTIONS ARE TO TAKE THE CARGO TO TIENTSIN, WAHHIN AND COMPANY SAID. THE RUBBER HAS A VALUE OF $375,000 (U.S.)

DA1019AED

WELLINGTON, NEW ZEALAND, AUG. 18-(AP)-PRIME MINISTER PETER FRASER TOLD THE HOUSE OF REPRESENTATIVES TODAY THAT NEW ZEALAND WILL SEND THREE DAKOTA AIR TRANSPORTS TO ASSIST BRITISH AIR FORCES AT HONG KONG AT THE REQUEST OF THE BRITISH GOVERNMENT.

THE THREE PLANES, WITH 57 OFFICERS AND MEN, WILL BE USED FOR TRANSPORT BETWEEN SINGAPORE AND HONG KONG.

FRASER SAID ARRANGEMENTS ALSO ARE BEING MADE TO SEND THREE NEW ZEALAND FRIGATES TO HONG KONG IF THEY ARE REQUIRED.

AUG 19 1949

JR528AED

RANGOON, BURMA, AUG. 18-(AP)-THE BURMESE GOVERNMENT ANNOUNCED TONIGHT THAT ITS TROOPS HAD DRIVEN KAREN AND MON REBELS FROM A SMALL VILLAGE IN THE TAVOY DISTRICT AFTER AN EIGHT-HOUR BATTLE.

THE FLEEING INSURGENTS LEFT 50 DEAD, A COMMUNIQUE SAID. THE REBELS ALSO WERE REPORTED TO HAVE CARRIED OFF THREE TROLLEY CAR LOADS OF WOUNDED. THE TAVOY DISTRICT IS ON BURMA'S SOUTHEAST COAST.

THE KARENS AND MONS, RACIAL GROUPS, MAKE UP TWO OF THE FOUR FACTIONS IN REVOLT AGAINST THE BURMESE GOVERNMENT. THE OTHERS ARE THE COMMUNISTS AND A DISSIDENT SECTION OF THE WHITE BAND PEOPLE'S VOLUNTEER ORGANIZATION.

THE GOVERNMENT ALSO ANNOUNCED THE REOCCUPATION OF TAPAT, 15 MILES SOUTHWEST OF THE DELTA RICE TOWN OF MAUBIN. NO RBEL OPPOSITION WAS ENCOUNTERED THERE.

GH11AED

30.24- 5127

DAMASCUS, SYRIA, AUG. 18-(AP)-TURKEY'S MINISTER TO SYRIA, ABDULA-HAD AQSHIN, CONFERRED TODAY WITH PREMIER HASEM BEY ATASSI AND FOREIGN MINISTER NAZEM KUDSI.

POLITICAL CIRCLES INTERPRETED AQSHIN'S ACTION AS REFLECTING TURKEY'S DESIRE TO MAINTAIN FRIENDLY ECONOMIC AND POLITICAL RELATIONS WITH THE NEW SYRIAN REGIME, WHICH GAINED POWER FOLLOWING A MILITARY COUP LAST SUNDAY.

COL. SAMI HENNAWI, 51-YEAR-OLD SYRIAN HERO OF THE PALESTINE WAR, LED THE COUP WHICH BROUGHT ABOUT THE EXECUTION OF PRESIDENT HUSNI ZAYIM AND PREMIER MUHSEN BEY BERAZI. ZAYIM HAD SEIZED POWER MARCH 30.

THE DAMASCUS RADIO DENIED YESTERDAY IT HAD BROADCAST A REPORT THAT THE SYRIAN-TURKISH BORDER WAS BEING CLOSED. THE BORDER REMAINS OPEN. THE REPORT ORIGINATED WITH A CAIRO NEWS AGENCY WHICH SAID MONITORS HEARD SUCH AN ANNOUNCEMENT BY THE DAMASCUS RADIO TUESDAY.

--DASH--

(EDITOR'S NOTE: THE ABOVE DISPATCH WAS FILED THROUGH SYRIAN CENSORSHIP AT 1:10 P.M. DAMASCUS TIME (6:10 A.M. EST). IT WAS RECEIVED SEVERAL HOURS AFTER THE DAMASCUS CORRESPONDENT WAS ASKED TO CHECK A PUBLISHED REPORT FROM CAIRO THAT A CIVILIAN HAD ASSASSINATED HENNAWI.)

SJ1212PED

AUG 19 1949

SYRIAN

DAMASCUS, SYRIA, AUG. 18-(AP)-THE SYRIAN INFORMATION OFFICE SAID TONIGHT BOTH COL. SAMI HENNAWI AND HIS SON ARE IN GOOD HEALTH. IT SCOFFED AT A CAIRO REPORT THAT HENNAWI, WHO LED THE SUCCESSFUL COUP AGAINST THE LATE PRESIDENT HUSNI ZAYIM, HAD BEEN ASSASSINATED.

SJ338PED

WITH DAMASCUS (A145)

CAIRO, EGYPT, AUG. 18-(AP)-EGYPTIAN JOURNALISTS WHO LEFT DAMASCUS, SYRIA, BY PLANE AT 1 P.M. (6 A.M., EST) TODAY SAID THERE IS NOTHING NEW TO REPORT IN THAT CAPITAL.

THESE JOURNALISTS SAID THEYKNEW NOTHING OF PUBLISHED REPORTS THAT THE LEADER OF THE MOST RECENT SYRIAN COUP, COL. SAMI HENNAWI, HAD BEEN ASSASSINATED.

RUMORS ABOUT SYRIA HAVE BEEN CIRCULATING FREELY IN CAIRO FOR THE PAST 72 HOURS.

SJ110PED

AUG 19 1949

BUENOS AIRES, AUG.18-(AP)-THE MUMPS--OR FEAR OF THEM--HAS PUT A WET BLANKET ON COMMUNIST PLANS FOR A "PEACE" CONGRESS IN LA PLATA, CAPITAL OF BUENOS AIRES PROVINCE.

MAYOR VITAL M.BERTOLDI OF LA PLATA ISSUED AN ORDER TODAY CLOSING THE COLISEO PODESTA THEATER, WHERE THE CONGRESS, PATTERNED AFTER THE RECENT INTERNATIONAL MEETING IN PARIS, WAS SCHEDULED TO OPEN.

THE MAYOR SAID HE FEARED THE COMMUNISTS MIGHT GET THE MUMPS. THE PROVINCIAL HEALTH DEPARTMENT ALSO EXPRESSED CONCERN LEST THE DELEGATES SPREAD THE DISEASE. THE NUMBER OF CASES OF MUMPS, IF ANY, WAS NOT DISCLOSED.

BUT THE HEALTH DEPARTMENT SAID AN INVESTIGATION SHOWED THE THEATER WAS NOT SANITARY. THE DELEGATES SAID THEY WERE WILLING TO BE VACCCNATED AND URGED THAT THE THEATER BE DISINFECTED, BUT TO NO AVAIL.

JM902PED

YUGOSLAV

BY JOHN SCALI

WASHINGTON, AUG.18-(AP)-MARSHAL TITO OF YUGOSLAVIA PICKED UP NEW REINFORCEMENTS TO CARRY ON HIS FIGHT WITH MOSCOW TODAY WITH ASSURANCE FROM THE UNITED STATES THAT HE CAN BUY AN AMERICAN STEEL MILL.

AFTER MONTHS OF CONSIDERATION, THE ADMINISTRATION GRANTED THE YUGOSLAV GOVERNMENT AN EXPORT LICENSE WHICH IT NEEDED BEFORE PLACING THE ORDER FOR THE PLANT.

THE AMERICAN DECISION REPRESENTS THE STRONGEST AND RISKIEST MOVE TAKEN BY THE AMERICAN GOVERNMENT TO HELP THE YUGOSLAV DICTATOR SINCE HE SPLIT WITH MOSCOW NEARLY 14 MONTHS AGO.

IT ALSO SETTLED A LONG-STANDING ARGUMENT BETWEEN THE NATIONAL DEFENSE AND STATE DEPARTMENTS ON WHETHER SHIPMENT OF A STEEL MILL TO YUGOSLAVIA WOULD ENDANGER AMERICAN SECURITY. DEFENSE OFFICIALS HAD FROWNED ON THE IDEA.

THE DECISION TO GO AHEAD FORESHADOWED POSSIBLE APPROVAL OF A LOAN TO YUGOSLAVIA FROM THE WORLD BANK, WHERE THE UNITED STATES HAS A DOMINANT VOICE.

GOVERNMENT OFFICIALS WHO DISCLOSED THE APPROVAL OF THE YUGOSLAV PLANT REQUEST TO A REPORTER SAID IT WAS INTENDED TO HELP COMBAT THE TIGHTENING RUSSIAN-DIRECTED ECONOMIC BLOCKADE OF YUGOSLAVIA.

SHIPMENT OF THE STEEL MILL, VALUED AT $3,000,000 (M), WOULD MARK THE FIRST TIME SINCE THE WAR THAT THE UNITED STATES HAS DELIBERATELY SENT "WAR POTENTIAL" MATERIAL TO A COMMUNIST-RUN NATION.

POLAND AND CZECHOSLOVAKIA HAVE BEEN CLAMORING FOR AMERICAN MACHINERY AND EQUIPMENT FOR THE PAST YEAR. THE UNITED STATES HAS FLATLY REFUSED TO HEED THEIR APPEALS FOR FEAR SUCH STRATEGIC MATERIALS MIGHT BE USED FOR WAR PURPOSES.

OFFICIALS FAMILIAR WITH THE FACTS GAVE THIS ACCOUNT OF THE BEHIND-THE-SCENE ARGUMENT WITHIN THE ADMINISTRATION HIGH COMMAND THAT LED AT LAST TO THE FAVORABLE DECISION FOR YUGOSLAVIA.

SECRETARY OF STATE ACHESON STRONGLY SUPPORTED THE YUGOSLAV PLEA ON THE GROUND THAT THE PLANT IS VITALLY NEEDED TO PREVENT YUGOSLAVIA'S RECOVERY PROGRAM FROM COLLAPSING AND POSSIBLY CAUSING MARSHAL TITO'S DOWNFALL.

ACHESON ARGUED THAT THE PLANT, A BLOOMING AND SLABBING MILL, WOULD NOT INCREASE YUGOSLAVIA'S STEEL MAKING CAPACITY TO ANY GREAT EXTENT BUT WOULD AID IT IN REFINING AND PROCESSING STEEL INGOTS TURNED OUT BY THE BLAST FURNACES YUGOSLAVIA ALREADY HAS.

A23WX

ACHESON ACKNOWLEDGED THAT THERE WAS ALWAYS A CHANCE TITO MIGHT RECONCILE WITH MOSCOW AND THUS MAKE THE PLANT AVAILABLE TO RUSSIA. HE INSISTED THIS WAS A CALCULATED RISK THE ADMINISTRATION HAD TO TAKE AS PART OF ITS WORLD WIDE CAMPAIGN TO STOP SOVIET EXPANSION.

SECRETARY OF DEFENSE JOHNSON, ON THE BASIS OF FIGURES FURNISHED BY HIS DEPARTMENT, MAINTAINED THE STEEL MILL WOULD GREATLY INCREASE YUGOSLAVIA'S WAR STRENGTH AND THUS WAS A BAD RISK TO AMERICAN SECURITY.

JOHNSON ARGUED THAT IF YUGOSLAVIA WANTED FINISHED STEEL IT COULD BUY IT FROM AMERICAN COMPANIES WHICH SOON WOULD HAVE A SURPLUS. A BLOOMING MILL, HE CONTINUED, COULD EVENTUALLY BE USED TO MAKE BETTER STEEL FOR YUGOSLAV GUNS AND TANKS AS WELL AS RAILS AND STRUCTURAL STEEL--THE PURPOSES FOR WHICH THE YUGOSLAV GOVERNMENT REQUESTED IT.

JOHNSON AND ACHESON AGREED TO REVIEW THEIR FIGURES AND THEIR ARGUMENT ALONG WITH OTHER KEY GOVERNMENT AGENCIES INCLUDING THE NATIONAL

AUG 19 1949

SECURITIES RESOURCES BOARD AND THE ATOMIC ENERGY COMMISSION.

AFTER SEVERAL WEEKS OF ADDITIONAL TALKS, JOHNSON DROPPED HIS OBJECTIONS WITH THE PROVISO THAT THE DECISION BE REVIEWED ONE YEAR LATER JUST BEFORE SHIPMENT IN THE LIGHT OF CONDITIONS EXISTING IN THE WORLD AT THAT TIME.

ACHESON AGREED. EXPORT LICENSES ISSUED BY THE COMMERCE DEPARTMENT ARE SUBJECT TO AMENDMENT OR SUSPENSION ANY TIME PRIOR TO SHIPMENT, ANYHOW.

THE PLANT IS TO BE BUILT BY THE CONTINENTAL FOUNDRY AND MACHINERY CO., IN PITTSBURGH. THE DELIVERY IS SCHEDULED ONE YEAR AFTER THE COMPANY BEGINS WORK ON THE ORDER. IN PITTSBURGH, WILLIAM B. TODD, AN OFFICIAL OF THE COMPANY, SAID WORK ON THE MILL ALREADY HAS STARTED.

GOVERNMENT OFFICIALS DECLINED TO DISCLOSE THE PAYMENT PROVISION BUT INDICATED THE YUGOSLAV GOVERNMENT IS PAYING CASH IN DOLLARS OR MAKING A SUBSTANTIAL DOWNPAYMENT.

THESE OFFICIALS SAID RUSSIA AND HER SATELLITE COUNTRIES CAN BE EXPECTED TO UNLEASH NEW DENUNCIATIONS OF MARSHAL TITO AND HIS GOVERNMENT ONCE THEY LEARN OF THE EVENT. THE ARGUMENT WILL BE THAT THIS PROVES YUGOSLAVIA IS NOW TIED TO THE WESTERN NATIONS PERMANENTLY.

VH357AED

WASHINGTON,AUG 18-(AP)-THE ECONOMIC COOPERATION ADMINISTRATION TONIGHT ANNOUNCED FORMATION OF A PROGRAM TO INCREASE EUROPEAN INDUSTRIAL PRODUCTION THROUGH AN EXCHANGE OF KNOW-HOW BETWEEN OVERSEAS COUNTRIES PARTICIPATING IN THE MARSHALL PLAN.

THE RECOVERY AGENCY SAID THE PROJECT PARALLELS ITS CURRENT TECHNICAL ASSISTANCE PROGRAM UNDER WHICH EUROPEAN TECHNICIANS ARE STUDYING AMERICAN PRODUCTION OPERATIONS IN THIS COUNTRY. AN OFFICIAL STATEMENT SAID THAT THE INTRA-EUROPEAN SWAPPING OF PRODUCTIVE TECHNIQUES IS EXPECTED TO BOLSTER RECOVERY EFFORTS.

IT WAS ANNOUNCED MEANWHILE THAT 39 REPRESENTATIVES OF GREAT BRITAIN'S COTTON TEXTILE INDUSTRY WILL VISIT THE UNITED STATES EARLY IN OCTOBER.

HY1033PED

WASHINGTON, AUG.18-(AP)-THE UNITED STATES IS EXPECTED TO GRANT POLITICAL REFUGE TO THE FORMER POLISH CONSUL GENERAL IN MONTREAL, WHO WAS REPORTED YESTERDAY TO HAVE RESIGNED WITH A BLAST OF CRITICISM AT HIS COUNTRY'S COMMUNIST GOVERNMENT.

THE DIPLOMAT IS TADEUSZ J.RAKOWSKI, ONE-TIME HIGH OFFICIAL IN THE FOREIGN OFFICE AT WARSAW AND A PERSONAL FRIEND OF ARTHUR BLISS LANE, THE FORMER AMBASSADOR TO POLAND.

LANE, SAYING HE ACTED AT RAKOWSKI'S REQUEST, RELEASED A STATEMENT IN WHICH RAKOWSKI ANNOUNCED HE HAD SUBMITTED HIS RESIGNATION AND SAID THAT HE WAS ASKING FOR "THE PRIVILEGE OF POLITICAL ASYLUM" IN THE UNITED STATES.

SUCH REQUESTS ARE CUSTOMARILY GRANTED. RAKOWSKI APPEARED PERSONALLY BEFORE JUSTICE DEPARTMENT OFFICIALS YESTERDAY TO FILE HIS PLEA AND LANE ASKED THE COOPERATION OF THE STATE DEPARTMENT.

RAKOWSKI PLANS TO WRITE HIS EXPERIENCES, DEALING MAINLY WITH IS OBSERVATION OF THE CLOSE TIES WHICH HE SAID EXIST BETWEEN WARSAW AND MOSCOW. HE INTENDS TO LIVE IN LOS ANGELES.

A CATHOLIC WHO DISAPPROVES OF THE ATTACKS OF EASTERN EUROPE'S COMMUNIST GOVERNMENTS ON THE CATHOLIC CHURCH, RAKOWSKI ALSO DESCRIBES HIMSELF AS A POLE WHO COULD NOT ACCEPT THE "ACTIVITIES OF THE PRESENT COMMUNISTIC GOVERNMENT OF POLAND."

THAT GOVERNMENT, HE DECLARED, "DOES NOT ACT FOR THE GOOD OF THE COUNTRY BUT IN THE INTERESTS OF AND ACCORDING TO DIRECTIVES RECEIVED FROM A FOREIGN POWER--RUSSIA."

HE SAID HE DOES NOT INTEND TO RETURN HOME UNTIL IT IS POSSIBLE "TO CREAT A TRULY DEMOCRATIC GOVERNMENT IN POLAND."

RAKOWSKI'S WIFE AND DAUGHTER ARE WITH HIM IN THIS COUNTRY.

BEFORE TAKING THE MONTREAL ASSIGNMENT IN OCTOBER, 1947, RAKOWSKI WAS PRIVATE SECRETARY TO THE POLISH FOREIGN MINISTER. IT WAS AT THAT TIME THAT HE BECAME ACQUAINTED WITH LANE.

VH321AED

WASHINGTON, AUG.18-(AP)-TWO INVESTIGATORS OF THE UN-AMERICAN ACTIVITIES COMMITTEE HAVE SLIPPED OUT OF WASHINGTON TO TRY TO BUILD A PERJURY CASE AGAINST THE "SCIENTIST X" ACCUSED OF WARTIME ATOMIC SPYING.

REP.VELDE (R-ILL), A COMMITTEE MEMBER, FORECAST THE SCIENTIST EVENTUALLY WILL BE BROUGHT TO TRIAL ON STRONG PERJURY CHARGES.

THE SCIENTIST WORKED DURING THE WAR AT THE RADIATION LABORATORY AT THE UNIVERSITY OF CALIFORNIA AT BERKELEY, WHICH DID SOME OF THE SUPER-SECRET WORK ON THE ATOMIC BOMB.

THE COMMITTEE NEVER HAS NAMED HIM, ALTHOUGH HE HAS FIGURED REPEATEDLY IN ITS SPY HEARINGS. AND LAST MONDAY IT REPEATED IN A PUBLISHED DOCUMENT THAT LATE ONE NIGHT IN MARCH, 1943, SCIENTIST X GAVE A COMPLICATED FORMULA TO COMMUNIST LEADER STEVE NELSON.

THE COMMITTEE SAID THE SCIENTIST X CASE WAS A "POSITIVE CASE OF SOVIET ESPIONAGE," THAT IT WAS ONE OF THREE ATTEMPTS OF A COMMUNIST CELL IN THE RADIATION LABORATORY TO GET INFORMATION ON ATOMIC DEVELOPMENT FOR THE SOVIET GOVERNMENT.

THE COMMITTEE HAS CALLED NELSON AN OUTRIGHT RED ESPIONAGE AGENT. NELSON NOW IS A COMMUNIST PARTY ORGANIZER FOR WESTERN PENNSYLVANIA.

SCIENTIST X, THE COMMITTEE SAID, HAS DENIED IN SECRET SESSION THAT HE EVER HAD KNOWN NELSON OR MRS.NELSON OR THAT HE EVER HAD GIVEN ANY UNAUTHORIZED PERSON A FORMULA OR OTHER SECRET INFORMATION.

"THIS," THE COMMITTEE SAID, "IS IN DIRECT CONFLICT WITH INFORMATION IN THE POSSESSION OF THE COMMITTEE."

NOW, VELDE SAID, INVESTIGATORS ARE TRACKING DOWN EVIDENCE TO SUPPORT THAT STATEMENT. HE SAID THEY ARE TRYING TO FIND OTHER ATOMIC EXPERTS WHO WERE STATIONED AT THE BERKELEY LABORATORY WHO WILL BE ABLE TO TESTIFY THAT SCIENTIST X DID KNOW THE NELSONS.

"THE JUSTICE DEPARTMENT," HE SAID, "HAS THE NAMES OF SEVERAL PERSONS WHO SAW NELSON AND SCIENTIST X TOGETHER."

VELDE ONCE WORKED ON THE SCIENTIST X CASE AS AN FBI AGENT. NOW, HE SAID, CHAIRMAN WOODS (D-GA) OF THE UN-AMERICAN ACTIVITIES COMMITTEE HAS NAMED HIM A ONE-MAN SUBCOMMITTEE TO WORK ON IT AGAIN.

VH425AED

30.24- 5129

(400) NIGHT LEAD TRUMAN ROUNDUP

BY D.HAROLD OLIVER

WASHINGTON,AUG 18-(AP)-PRESIDENT TRUMAN TODAY TARTLY CRITICIZED SENATE FIVE PERCENTER INVESTIGATORS FOR ALLOWING LEAKS FROM THEIR CLOSED SESSIONS.

AT THE SAME TIME HE ASKED THE PRESS "IN COMMON FAIRNESS" TO SUSPEND JUDGMENT ON MAJ.GEN.HARRY H.VAUGHAN, HIS MILITARY AIDE, UNTIL HE HAS STATED HIS CASE BEFORE THE SENATE GROUP.

VAUGHAN'S NAME HAS BOBBED UP FREQUENTLY IN THE INVESTIGATION. WITNESSES HAVE TESTIFIED THAT HE USED PRESSURE TO HELP HIS FRIENDS REPRESENTING PRIVATE CLIENTS DOING BUSINESS WITH THE GOVERNMENT.

THE PRESIDENT SAID AT HIS NEWS CONFERENCE THAT MOST SESSIONS OF THE SENATE COMMITTEE HAVE BEEN BEHIND CLOSED DOORS, PARTICULARLY WHEN TESTIMONY HAS BEEN FRIENDLY TO VAUGHAN. HE ADDED THAT REPORTERS CAN BE SURE THAT VAUGHAN WILL MAKE A FULL STATEMENT IN OPEN SESSION. HE PREDICTED THAT WILL BE A FIELD DAY FOR THEM.

WHEN THE INTERVIEW FINALLY TURNED TO OTHER MATTERS, THE PRESIDENT SAID HE WOULD NOT OBJECT TO A TAX CUT NEXT YEAR IF CONGRESS FOUND A SOURCE OF REVENUE TO KEEP THE GOVERNMENT RUNNING. HE SAID 80 PER CENT OF THE BUDGET IS FOR FIXED CHARGES AND THE GOVERNMENT MUST HAVE FUNDS TO MEET THESE. THIS CAME IN RESPONSE TO AN INQUIRY WHETHER HE WOULD GIVE HIS BLESSING TO A REDUCTION OF INCOME TAXES AND REMOVAL OF EXCISES AS A REPORTER SAID SENATOR GEORGE (D-GA) HAS SUGGESTED.

ON THE SUBJECT OF POLITICS, THE PRESIDENT SAID THE DEMOCRATIC NATIONAL COMMITTEE HAS CONTROL OVER ITS OWN MEMBERS AND IT IS MADE UP OF DEMOCRATS. A REPORTER HAD ASKED HIM TO COMMENT ON AN ANNOUNCEMENT BY THE COMMITTEE THAT CERTAIN STATES' RIGHTS SOUTHERN MEMBERS WOULD BE BARRED FROM NEXT WEEK'S MEETING CALLED TO NAME A NEW NATIONAL CHAIRMAN.

OTHER REMARKS BY THE PRESIDENT:

1. SECRETARY OF AGRICULTURE BRANNAN IS TOURING THE COUNTRY IN BEHALF OF HIS FARM PLAN AT HIS (THE PRESIDENT'S) SUGGESTION, BUT WILL BE AVAILABLE HERE WHEN NEEDED. A NEWSMAN HAD ASKED WHY BRANNAN SHOULD BE STUMPING THE COUNTRY AND NOT KEPT ON THE JOB HERE.

2. BECAUSE CONGRESS DID NOT APPROPRIATE SUFFICIENT ENFORCEMENT MONEY, THE GOVERNMENT IS LIFTING RENT CONTROLS IN ONE-THIRD OF THE AREAS STILL UNDER CEILINGS. TIGHE WOODS, HOUSING EXPEDITER, SAID IN CLEVELAND LAST NIGHT THIS WOULD BE DONE BY OCT. 1.

A208WX

3. HE HAS NO INTENTION OF REPLACING REAR ADMIRAL R.H.HILLENKOETTER AS CHAIRMAN OF THE CENTRAL INTELLIGENCE AGENCY.

4. THE GOVERNMENT'S DECISION TO PERMIT YUGOSLAVIA TO BUY MATERIALS HERE FOR A STEEL MILL HAD HIS APPROVAL. HE SAID THE STEP WAS RECOMMENDED BY THE NATIONAL SECURITY COUNCIL.

5. THERE WAS NO BAD NEWS IN A REPORT HE RECEIVED FROM AMERICAN AMBASSADOR KIRK ON THE LATTER'S CALL ON MARSHAL STALIN IN MOSCOW. THE PRESIDENT SAID THIS WAS THE USUAL CALL ON A HEAD OF STATE BY A NEW AMBASSADOR AND WOULD NOT COMMENT FURTHER. HE MADE THE NO BAD NEWS REMARK WHEN ASKED IF KIRK REPORTED ANY GOOD NEWS.

GG/ES323PED

RUSSIAN(110)

WASHINGTON,AUG.18-(AP)-THERE WAS NO BAD NEWS IN AMBASSADOR ALAN G. KIRK'S REPORT ON HIS CONFERENCE AT MOSCOW MONDAY WITH PREMIER STALIN, PRESIDENT TRUMAN SAID TODAY.

THE PRESIDENT SAID IT WAS THE USUAL COURTESY CALL THAT AN AMBASSADOR ALWAYS PAYS ON THE HEAD OF A STATE.

HE WOULD NOT COMMENT ON WHAT TOOK PLACE AT THE CONFERENCE, BUT SAID KIRK REPORTED FULLY TO HIM.

A REPORTER ASKED IF THERE WAS "KNY BAD NEWS" IN THE REPORT, AND MR.TRUMAN REPLIED IN THE NEGATIVE. HE DID NOT ELABORATE.

SECRETARY OF STATE ACHESON SAID YESTERDAY THAT AMBASSADOR KIRK MENTIONED RUSSIAN JAMMING OF "VOICE OF AMERICA" BROADCASTS, AND LEND-LEASE SETTLEMENT, IN HIS TALK WITH STALIN.

FR1124AED

(350) NIGHT LEAD YUGOSLAV-STEEL

WASHINGTON,AUG 18-(AP)-PRESIDENT TRUMAN DISCLOSED TODAY THAT HE PERSONALLY GAVE THE ORDERS THAT MATERIALS FOR A STEEL MILL BE MADE AVAILABLE TO YUGOSLAVIA.

THE MOVE, PART OF THE COLD WAR, IS DESIGNED TO STRENGTHEN THE HAND OF MARSHAL TITO, COMMUNIST LEADER OF YUGOSLAVIA, WHO HAS BEEN THE TARGET OF INCREASING RUSSIAN PRESSURE SINCE HE BROKE WITH MOSCOW.

THE PRESIDENT TOLD A NEWS CONFERENCE HE GAVE THE FINAL OK FOR THE STEEL MILL DEAL AFTER THE NATIONAL SECURITY COUNCIL HAD REVIEWED IT.

THE NATIONAL SECURITY COUNCIL IS MADE UP OF THE SECRETARIES OF STATE, NATIONAL DEFENSE, ARMY, NAVY, AND AIR FORCE, AND THE HEAD OF THE NATIONAL SECURITY RESOURCES BOARD.

THE MILL, A $3,000,000 BLOOMING AND SLABBING PLANT, WAS REQUESTED ABOUT SIX MONTHS AGO BY THE YUGOSLAVS TO HELP MANUFACTURE CRITICALLY-NEEDED RAILS AND STRUCTURAL STEEL.

IN REVEALING HIS ROLE IN THE YUGOSLAV DECISION, THE PRESIDENT MADE NO MENTION OF A LONG ARGUMENT BETWEEN SECRETARY OF STATE ACHESON AND SECRETARY OF DEFENSE JOHNSON THAT PRECEDED THE DECISION TO GRANT AN EXPORT LICENSE.

TOP GOVERNMENT OFFICIALS FAMILIAR WITH THE BACKGROUND TOLD A REPORTER, HOWEVER, THAT JOHNSON AT FIRST STRONGLY OPPOSED THE SALE ON THE GROUND THAT A STEEL MILL WOULD ADD TO YUGOSLAVIA'S WAR MAKING POWER AND THUS IMPERIL UNITED STATES SECURITY.

ACHESON COUNTERED THIS BY ARGUING THAT IT WAS A "CALCULATED RISK" THE ADMINISTRATION HAD TO TAKE TO KEEP THE REBELLIOUS TITO IN POWER AND ENCOURAGE OTHER EASTERN EUROPEANS TO FOLLOW HIS EXAMPLE.

JOHNSON FINALLY YIELDED BUT ONLY AFTER GETTING AN UNDERSTANDING THAT THE DECISION WOULD BE REVIEWED JUST BEFORE SHIPMENT IN THE LIGHT OF THE SITUATION IN YUGOSLAVIA THEN.

THE CONTINENTAL FOUNDRY AND MACHINERY CO., OF PITTSBURGH ALREADY HAS STARTED WORK TO MANUFACTURE THE PLANT AND EXPECTS TO HAVE IT READY FOR EXPORT WITHIN 12 MONTHS.

IN THE HOUSE TODAY, REP.LAWRENCE H.SMITH (R-WIS) PROTESTED THE ADMINISTRATION'S DECISION, CALLING IT THE PRELUDE TO "THE RECOGNITION OF COMMUNISM IN RED CHINA."

"THIS IS THE SAME TITO," HE SAID, "WHO A FEW YEARS AGO WAS TAKING POT SHOTS AT OUR PLANES. AND WHO'S BEEN CAUSING THE TROUBLE IN GREECE UNTIL QUITE RECENTLY? IT'S MR.TITO.

"THIS IS MERELY A PRELUDE, A TRIAL BALLOON ON THE PART OF THE STATE DEPARTMENT, TO RECOGNITION OF COMMUNISM IN RED CHINA."

HE RAISED THE QUESTION WHETHER TITO IS PLAYING A "COME-ON GAME."

"HE (TITO) CAN CHANGE HIS MIND TOMORROW JUST AS WELL AS HE DID YESTERDAY," SMITH SAID.

GG657PED

WASHINGTON,AUG 18-(AP)-THE STATE DEPARTMENT SAID TODAY THAT GEN. DOUGLAS MACARTHUR IS GOING AHEAD WITH PLANS TO ALLOW THE JAPANESE LIMITED CONTACT WITH OTHER COUNTRIES.

PRESS OFFICER LINCOLN WHITE SAID THE UNITED STATES HAD PROPOSED SUCH A MOVE THREE MONTHS AGO TO THE FAR EASTERN COMMISSION, 11-NATION GROUP WHICH MAKES ALLIED POLICY FOR JAPAN. NOTHING HAS BEEN DONE BY THE COMMISSION.

MACARTHUR, AS SUPREME COMMANDER IS PUTTING THE POLICY INTO EFFECT ANYHOW, WHITE SAID, SINCE THERE IS NOTHING TO BAR HIM FROM DOING IT UNDER PREVIOUS FEC DECISIONS.

WHITE SAID MACARTHUR HAS THE AUTHORITY TO AUTHORIZE THE ESTABLISHMENT OF JAPANESE CONSULAR FACILITIES AND TO PERMIT THE JAPANESE TO ATTEND INTERNATIONAL CONFERENCES AND TO CONCLUDE BI-LATERAL AGREEMENTS.

"ALMOST FOUR YEARS AFTER THE WAR IT IS OBVIOUS THAT INCREASED PARTICIPATION BY JAPAN IN INTERNATIONAL RELATIONSHIPS WOULD BE A MEASURABLE STEP TOWARD FOSTERING THE GROWTH OF A DEMOCRATIC AND PEACEFUL JAPAN," WHITE SAID.

HE EMPHASIZED, HOWEVER, THAT EACH GOVERNMENT HAS THE RIGHT TO DETERMINE WHETHER TO ACCEPT JAPANESE RELATIONS OR TO PERMIT JAPANESE TO ENTER ITS COUNTRY.

AN OFFICIAL OF THE FAR EASTERN COMMISSION SAID THE U.S. PROPOSALS WERE RECEIVED IN JUNE BUT THAT NO ACTION HAD BEEN TAKEN ON THEM.

THIS OFFICIAL SAID THE PROPOSALS "VIRTUALLY AMOUNT TO AUTHORIZATION OF RELATIONS WITH JAPAN WHICH NORMALLY EXIST ONLY WHEN A TREATY OF PEACE AND FRIENDSHIP EXISTS BETWEEN NATIONS."

"THE FACT THAT THE COMMISSION HAS NOT YET DISCUSSED THE PROPOSALS MAY BE INDICATIVE OF THE COMMISSION'S ATTITUDE TOWARD THEM," HE ADDED.

MD1033PEDNM

WASHINGTON,AUG 18-(AP)-SENATOR KNOWLAND (R-CALIF) PROPOSED IN THE SENATE TODAY THAT GEN.DOUGLAS MACATHUR OR SOME OTHER MEMBER OF THE MILITARY HIGH COMMAND BE SENT TO CHINA TO REPORT TO CONGRESS ON CONDITIONS THERE.

KNOWLAND TOLD HIS COLLEAGUES HE ISN'T SATISFIED WITH WHAT HE CALLED THE STATE DEPARTMENT'S "WHITE-WASHING WHITE PAPER" ON CHINA.

HE NOTED THAT SECRETARY OF STATE ACHESON HAD TAKEN THE POSITION THAT THERE IS NO POINT IN ATTEMPTING TO EXTEND FURTHER AID TO NATIONALIST CHINA AT THIS TIME.

KNOWLAND URGED THAT GENERAL MACARTHUR, GEN.OMAR BRADLEY, CHAIRMAN OF THE JOINT CHIEFS OF STAFF, GEN.LAWTON COLLINS, ARMY CHIEF OF STAFF, OR LT.GEN.ALBERT C.WEDEMEYER BE DISPATCHED FOR A SURVEY.

"IF ALL OF CHINA FALLS TO THE COMMUNISTS," KNOWLAND DECLARED, "I SAY THAT ALL OF ASIA WITH A BILLION PEOPLE WILL BE JEOPARDIZED. IT WILL UPSET THE STRATEGIC BALANCE OF POWER, UNSETTLE THE PEACE OF THE WORLD AND UNDERMINE OUR NATIONAL DEFENSE."

HY/V900PED

DISPLACED PERSONS (300)

WASHINGTON,AUG 18-(AP)-SENATOR MCCARRAN (D-NEV) DENIED ANEW TODAY THAT THE EXISTING LAW FOR ADMISSION OF 205,000 DISPLACED PERSONS FROM EUROPE DISCRIMINATES AGAINST JEWS OR ROMAN CATHOLICS.

MCCARRAN, CHAIRMAN OF THE SENATE JUDICIARY COMMITTEE, DISPUTED FOR A SECOND CONSECUTIVE DAY CONTENTIONS BY REP.CELLER (D-NY), CHAIRMAN OF THE HOUSE JUDICIARY COMMITTEE, THAT MAJOR REVISIONS ARE NEEDED IN THE ACT FOR ADMISSION OF THE EUROPEAN WAR REFUGEES.

BUT THE DISPUTE TODAY WAS GOOD-NATURED IN CONTRAST TO A BRISTLING EXCHANGE YESTERDAY BETWEEN THE TWO VETERAN LAWMAKERS.

CELLER, WITH THE BACKING OF PRESIDENT TRUMAN, HAS WON HOUSE PASSAGE OF A BILL THAT WOULD INCREASE THE QUOTA OF DISPLACED PERSONS TO 339,000 AND REMOVE A NUMBER OF RESTRICTIONS THAT CELLER AND OTHERS CONTEND KEEP OUT MANY ELIGIBLE JEWS AND CATHOLICS.

CELLER SAID PRESIDENT TRUMAN HAD TOLD HIM THE UNITED STATES HAD AGREED TO TAKE 400,000 DISPLACED PERSONS. HE SAID THE 205,000 NOW ELIGIBLE WERE "A PIDDLING AMOUNT."

THE HOUSE CHAIRMAN QUOTED DATA ON THE NUMBERS OF CATHOLIC, JEWS AND OTHER CERTIFIED FOR ADMISSION AND SAID LARGE NUMBERS OF JEWS AND CATHOLICS ARE BEING EXCLUDED.

"I CAN'T SEE HOW YOU CAN SAY WE ARE DISCRIMINATING," MCCARRAN, WHO IS A ROMAN CATHOLIC, SAID. "WOULD YOU HAVE THE JEWS AND CATHOLICS RUN 100 PERCENT?"

CELLER DID NOT REPLY TO THIS DIRECTLY BUT CRITICIZED THE PRESENT DEADLINE, WHICH SAYS REFUGEES MUST HAVE BEEN IN DISPLACED PERSONS CAMPS BEFORE DEC. 22,1945 IN ORDER TO QUALIFY TO COME TO THIS COUNTRY.

HE SAID THOUSANDS OF JEWS AND CATHOLICS WERE UNABLE TO GET INTO THE CAMPS BY THAT DATE AND URGED INSTEAD A CUT-OFF DATE OF JANUARY 1,1949 AS PROPOSED BY PRESIDENT TRUMAN.

"NOW, I WENT DOWN TO THE WHITE HOUSE THE OTHER DAY AND HE (THE PRESIDENT) DID NOT TELL ME ANYTHING LIKE THAT," MCCARRAN TOLD CELLER.

HY849PED

"THE DAMNED FOOL! THE STUFF COULD HAVE COME IN DUTY FREE ANYWAY."

HOEY, IN A STATEMENT ACCOMPANYING THE RELEASE, INSISTED THAT HIS GROUP "HAS ATTEMPTED AT ALL TIMES TO BE FAIR TO ALL CONCERNED."

INDEED, SAID HOEY, IT WAS AN EFFORT TO BE FAIR THAT CAUSED THE TESTIMONY TO BE KEPT SECRET IN THE FIRST PLACE.

A MILITARY TRANSPORT PLANE WAS USED TO TRANSPORT JOHN MARAGON AND TWO ASSOCIATES TO EUROPE IN 1945 ON BUSINESS FOR THE VERLEY PERFUME COMPANY, HOFFMAN RELATED IN ANOTHER SECTION OF THE SECRET SESSION TESTIMONY.

HOFFMAN, ONE OF THOSE WHO MADE THE TRIP, SAID HIS AGENCY HANDLES THE ADVERTISING ACCOUNT OF THE VERLEY FIRM.

HOFFMAN TOLD THE COMMITTEE THAT HE, MARAGON AND EMMETT KING, NEW YORK ATTORNEY, MADE THE TRIP ABOUT JULY 17 OR 18, 1945.

ROGERS: WHO MADE THE ARRANGEMENTS WITH THE ATC?

HOFFMAN: MR. MARAGON.

ROGERS: DID YOU NOT HAVE ANY DIFFICULTY GETTING ON ATC AT THAT TIME?

HOFFMAN: I WAS NOT AWARE OF ANY."

HOFFMAN, IN ANSWER TO OTHER QUESTIONS, SAID THAT THE MEN PAID THEIR FARES ON ATC IN CASH.

HOFFMAN WAS ASKED IF HE REMEMBERED IF MARAGON HAD HAD "SOME TROUBLE WITH THE CUSTOMS PEOPLE" WHEN THE THREE LANDED AT LA GUARDIA FIELD, NEW YORK, ON THE RETURN TRIP.

HE REPLIED HE DID NOT KNOW "THAT JOHN HAD TROUBLE WITH THE CUSTOMS PEOPLE UNTIL AFTER WE LEFT THE CUSTOMS DEPARTMENT."

HOFFMAN TOLD THE INVESTIGATORS HE SPENT ABOUT AN HOUR WITH GENERAL VAUGHAN AT THE WHITE HOUSE LAST SUNDAY, THE DAY BEFORE HE TESTIFIED IN SECRET BEFORE THE COMMITTEE.

SENATOR MCCARTHY (R-WIS) HAD ASKED HOFFMAN IF HE VISITED VAUGHAN THEN AND THE WITNESS REPLIED:

"I DROPPED IN AT THE WHITE HOUSE YESTERDAY AFTERNOON. I WAS WITH GENERAL VAUGHAN FOR ABOUT AN HOUR; YES, SIR."

"WAS HE AT ALL INTERESTED IN WHAT YOU WERE GOING TO TESTIFY TO TODAY?"

"OBVIOUSLY.

MARAGON IS A ONE-TIME KANSAS CITY BOOTBLACK WHO CLAIMS FRIENDSHIP WITH MANY WASHINGTON NOTABLES, INCLUDING VAUGHAN.

HOFFMAN RELATED WITH REGARD TO THE CUSTOMS INCIDENT:

"MR. MARAGON WAS CARRYING A BOX OF SOME ESSENTIAL OIL, AND WHEN HE CAME OUT OF THE INSPECTORS' OFFICE, HE DID NOT HAVE IT, AND I MERELY QUESTIONED HIM ABOUT, (SIC) AND HE SAID, 'WELL THEY ARE KEEPING IT HERE BECAUSE THEY DID NOT KNOW THE VALUE OF THIS PARTICULAR OIL.'"

A27WX

LATER HOFFMAN ACKNOWLEDGED THAT HE KNEW MARAGON HAD BOUGHT ONE CONTAINER--"A CANISTER OF OIL"--FOR USE IN PERFUME MANUFACTURE.

THE TRANSCRIPT CONTINUED:

ROGERS: HE DID NOT TELL YOU THAT ON THE DECLARATION HE DECLARED THIS ESSENTIAL OIL AS FOUR BOTTLES OF CHAMPAGNE, DID HE?

HOFFMAN: NO.

ROGERS: THEN HE DID NOT TELL YOU LATER ON THAT WHEN THEY ASKED HIM ABOUT THIS, HE SAID THAT THESE FOUR BOTTLES OF CHAMPAGNE WERE FOR MR. GEORGE DRESCHER OF THE WHITE HOUSE, DID HE?

COMMITTEE SOURCES IDENTIFIED DRESCHER AS A SECRET SERVICE MAN THEN ON THE WHITE HOUSE DETAIL.

HOFFMAN: NO SIR, HE DID NOT.

ROGERS, DID YOU HAVE ANY TALK WITH MR. BENNETT ABOUT A FINE OR PENALTY THAT WAS IMPOSED ON MARAGON FOR ATTEMPTING TO BRING THIS ESSENTIAL OIL AS CHAMPAGNE?

HOFFMAN REPLIED THAT HE "DID NOT KNOW ABOUT ANY FINE UNTIL, PERHAPS, A YEAR LATER WHEN MR. BENNETT MENTIONED TO TO ME RATHER CASUALLY."

PF553PED

INDIANAPOLIS,AUG.18-(AP)-AN INDIANAPOLIS WAR VETERAN WAS BLAMED TODAY BY HIS BRITISH WIFE FOR THE DEATH OF THEIR SECOND DAUGHTER.

SHERIFF JAMES CUNNINGHAM ANNOUNCED THAT MRS. BRENDA EDWARDS, 27, HAD SIGNED A STATEMENT BLAMING BILLY BURKE EDWARDS, 26, FOR THE DEATH OF SEVEN-MONTH-OLD BERYL JUNE EDWARDS. THE SHERIFF QUOTED HER AS SAYING HER HUSBAND SLAPPED THE BABY GIRL.

BOTH EDWARDS AND HIS WIFE WERE INDICTED FOR FIRST DEGREE MURDER IN THE DEATH OF THE GIRL. TWO PHYSICIANS APPOINTED BY JUDGE SAUL I. RABB IN CRIMINAL COURT HELD THAT EDWARDS IS INSANE BUT THAT MRS.EDWARDS IS SANE.

THE SHERIFF SAID MRS.EDWARDS ASKED TO TALK TO AUTHORITIES BECAUSE SHE SAID SHE HAD BEEN TORMENTED BY MEMORIES OF THE BABY'S DEATH.

KDEPUTY PROSECUTOR EDWIN RYAN SAID EDWARDS WAS PRESENT WHEN HIS WIFE SIGNED THE STATEMENT BUT DID NOT ANSWER WHEN ASKED WHETHER HE WANTED TO QUESTION HER. THE SHERIFF SAID DETAILS OF THE STATEMENT WOULD NOT BE RELEASED UNTIL MRS. EDWARDS' ATTORNEY HAD STUDIED IT.

EARLIER TODAY, PROSECUTOR GEORGE S. DAILEY SAID HE WOULD OPPOSE AN EFFORT TO HAVE EDWARDS PLACED IN THE VETERANS HOSPITAL AT MARION, IND., RATHER THAN THE STATE HOSPITAL FOR CRIMINAL INSANE.

EDWARDS' ATTORNEY, JOHN H. DAILY (CQ), SAID HE BELIEVES EDWARDS IS ENTITLED TO TREATMENT IN A VETERANS HOSPITAL RATHER THAN IN THE STATE HOSPITAL.

GQVHIS COND

HOSPITAL.

"HIS CONDITION IS THE DIRECT RESULT OF HIS WAR SERVICE," DAILY SAID.

EDWARDS AND HIS WIFE WERE MARRIED IN ENGLAND BEFORE HE RETURNED FROM OVERSEAS SERVICE.

A CHILD BORN TO THEM IN ENGLAND WAS FOUND DEAD AND EDWARDS WAS HELD FOR MURDER BUT WAS RELEASED WHEN AUTHORITIES REPORTED THEY WERE UNABLE TO ESTABLISH THE CAUSE OF DEATH.

EB851PCD

PORTLAND, ORE., AUG. 18-(AP)-JUSTICE WILLIAM O.DOUGLAS OF THE U.S. SUPREME COURT URGED THE UNITED STATES TONIGHT TO "THROW ITS WEIGHT BEHIND THE HONEST AND LIBERAL FORCES" IN THE MIDDLE EAST TO STOP RUSSIAN EXPANSION.

DOUGLAS, WHO RECENTLY MADE A SIX-WEEK TOUR OF THE MIDDLE EAST, ASSERTED AMERICAN INFLUENCE COULD TURN THE TIDE AGAINST COMMUNISM THERE.

IN THE FIRST SPEECH SINCE HIS RETURN THE JURIST WARNED THE BIENNIAL CONFERENCE OF THE AMERICAN UNITARIAN ASSOCIATION THAT THE MIDDLE EAST WOULD BE A BREEDING SPOT FOR WAR UNLESS FREEDOM AND DEMOCRACY ARE INSTALLED.

"PEOPLE WHO STARVE, PEOPLE WHO ARE HELD IN POLITICAL BONDAGE, PEOPLE WHO ARE SERFS, ARE TODAY SOURCES OF ACUTE SOCIAL INFECTIONS. THEY CREATE THE TROUBLED SPOTS OF THE WORLD. IT IS IN SUCH PLACES THAT THE POLICE STATE OF THE RIGHT OR THE POLICE STATE OF THE LEFT WILL FLOURISH," DOUGLAS TOLD THE CHURCH DELEGATES.

"A POLICE STATE, WHETHER IT IS FASCIST OR COMMUNIST IN ORIGIN, IS A THREAT TO FREE PEOPLE EVERYWHERE. THERE IS NO SECURITY FOR A POLICE STATE SO LONG AS MEN ARE FREE, SINCE THE IDEA OF FREEDOM IS CONTAGIOUS. HENCE THE POLICE STATE TENDS TO HAVE AN APPETITE THAT IS NEVER SATISFIED."

(MORE)

PB1015PPD NM

PORTLAND-, ORE.--1ST ADD KNIGHTS OF COLUMBUS. XXX SACRED SHRINES."

THE RESOLUTION SAID THAT "THE CLEARLY EXPRESSED INTENTIONS AND DIRECTIONS OF THE UNITED NATIONS WITH RESPECT TO JERUSALEM AND THE HOLY PLACES HAVE NOT BEEN CARRIED OUT BY THE ISRAELI GOVERNMENT."

DELEGATES SAID THAT ONLY ESTABLISHMENT OF AN INTERNATIONAL ZONE CAN GUARANTEE ACCESS TO THE HOLY LAND SHRINES AND FREEDOM TO RELIGIOUS ORGANIZATIONS.

AS EXPECTED, THE CONVENTION PASSED A RESOLUTION, ANNOUNCED EARLIER IN THE WEEK, CRITICIZING THOSE WHO WOULD WITHHOLD FEDERAL AID FROM PAROCHIAL SCHOOL STUDENTS.

THE RESOLUTION CALLED FOR "A SPIRITED CRITICISM OF THE MISUSE AND THE MISINTERPRETATION OF THE SO-CALLED AMERICAN PRINCIPLE OF SEPARATION OF CHURCH AND STATE AS A CONSEQUENCE OF FEDERAL AID TO EDUCATION."

THE RESOLUTION ASSERTED THERE WAS NO CHANCE OF "THE POSSIBILITYOF UNION OF CHURCH AND STATE, IF THAT MIGHT BE CONCEIVED AS ADANGER, OCCURRING FROM AID TO OTHER THAN PUBLIC SCHOOLS."

FJ-EW945PCS

SAN FRANCISCO, AUG. 18-(AP)-A CATHOLIC PRIEST TODAY TOLD THE CLOSING SESSION OF THE LOYAL ORDER OF MOOSE NATIONAL CONVENTION THAT RUSSIA IS "THE ARCH TYPE OF STATISM."

FATHER E.M.CATICH, PROFESSOR OF ARTS AND ENGINEERING AT ST. AMBROSE COLLEGE, DAVENPORT, IA., SAID RUSSIA IS "AN UNFORTUNATE EXAMPLE OF THE NEGLECT OF FRATERNITY, WHERE HATE AND SUSPICION SUPPLANT CHARITY AND BROTHERLY LOVE."

THE PRIEST IS A GRADUATE OF MOOSEHEART, THE ORDER'S HOME FOR ORPHANED CHILDREN OF MEMBERS.

IN THE CLOSING SESSION, WILLIS E. DONLEY, 48, MENOMONIE, WISC., ATTORNEY, WAS INSTALLED AS SUPREME GOVERNOR. OTHER OFFICERS WERE: OLIVER S. TWIST, PHILADELPHIA BANKER, JUNIOR SUPREME GOVERNOR; JAMES M. BALLAD, SEATTLE ATTORNEY, SUPREME PRELATE; AND FRED W. ZABEL, AURORA, ILL., BANKER, SUPREME TREASURER.

FJ857PCS NM

SECOND NITE LEAD TOKYO ROSE (210)

SAN FRANCISCO, AUG.18-(AP)-MEN "THAT I LIVED WITH, WORKED WITH, FOUGHT WITH, DIED HORRIBLY" AT THE HANDS OF THEIR JAPANESE CAPTORS, AN AMERICAN ARMY OFFICER TESTIFIED TODAY AT THE TOKYO ROSE TREASON TRIAL.

THE BERIBBONED OFFICER,MAJ.WALLACE G.INCE, WAS CAPTURED AT CORREGIDOR AND SUBSEQUENTLY WORKED ON WARTIME RADIO TOKYO WHILE A PRISONER. THE ACCUSED TOKYO ROSE, MRS.IVA TOGURI D'AQUINO, BROADCAST MANY OF THEPRORRAM ON WHICH HE H

MANY OF THE PROGRAMS ON WHICH HE HAD WORKED.

INCE TESTIFIED THAT HE HAD NEVER TRUSTED "HER OR ANY OTHER JAPANESE," BUT HE DCLARED SHE HAD NEVER BROADCAST ANY OF THE TREASONABLE STATEMENTS CHARGED AGAINST HER.

"IN WHAT RESPECT WERE YOU NOT WELL TREATED?" THE DEFENSE ASKED.

INCE, HIS FACE SHOWING STRAIN, SAID SLOWLY, "WE WERE BEATN. WE WERE STARVED. WE WERE SUBJECTED TO INDIGNITIES---" THEN HE CHOKED, AND DROPPEDHIS HEAD IN HIS HANDS.

DEFENSE ATTORNEY WAYNE COLLINS ASKED IF INCE'S LIFE HAD BEEN THREATENED BY THE JAPANESE WHILE HE WORKED ON RADIO TOKYO.

"YES, FREQUENTLY," INCE REPLIED.

"BY WHOM?"

HERE INCE GAVE LAST NAMES OF SEVERAL WARTIME OFFICIALS AT BUNKA PRISON CAMP, WHERE HE WAS QUARTERED.

ON CROSS EXAMINATION, INCE CONFIRMED AN EARLIER STATEMENT HE HAD MADE TO FBI AGENTS AT THE TIME MRS. D'AQUINO WAS INDICTED HERE. HE SAID THEN THAT HE BELIEVED MRS. D'AQUINO TOOK HER JOB VOLUNTARILY, AND ADDED THAT "SHE NEVER MENTIONED ANY DURESS OR COERCION...."

INCE TOLD THE FEDERAL COURT JURY HOW HE,COUSENS AND LT.NORMAN REYES, ANOTHER PRISONER, PLANNED TO SABOTAGE THE JAPANESE PROGRAM AIMED AT UNDERMINING ALLIED MORALE IN THE PACIFIC.

UNDER CROSS EXAMINATION HE SAID HE HAD NEVER CONFIDED THE CONSPIRACY TO IVA, ADDING "I THOUGHT IT BETTER THE WAY IT WAS." HE SAID, HOWEVER, THAT HE BELIEVED SHE WAS TOLD ABOUT IT LATER.

ASKED BY ASSISTANT PROSECUTOR JAMES KNAPP IF HE TRUSTED HER AFTER SHE WAS ON THE ZERO HOUR PROGRAM, HE REPLIED:

"I NEVER REPOSED COMPLETE CONFIDENCE IN HER OR ANY OTHER JAPANESE."

THE BITTERNESS IN INCE'S VOICE WAS SHARP WHEN LATER HE SAID:

"I WASN'T FRIENDLY WITH ANY JAPANESE--EVER."

INCE, 37, IS NOW STATIONED AT THE PRESIDIO SAN FRANCISCO.

KNAPP ASKED INCE IF HE HAD EVER SEEN ANY EVIDENCE OF DURESS OR COERCION ON THE PART OF THE JAPANESE TO MAKE MRS.D'JAQUINO BROADCAST.

"I CANNOT HONESTLY SAY THAT I DID," HE REPLIED.

UNDER QUESTIONING OF DEFENSE ATTORNEY COLLINS, INCE ADMITTED IVA CAME TO HIM AND COUSENS AND WHISPERED NEWS OF ALLIED SUCCESSES. HE SAID SHE WAS "VERY ALOOF WITH THE JAPANESE AND CONSTANTLY ALLUDED TO THEM AS JAPS -- A GROSS INSULT."

HE ALSO DECLARED SHE CONDUCTED HERSELF "MORE FREELY IN THE PRESENCE OF PRISONERS OF WAR THAN IN THE PRESENCE OF OTHER JAPANESE."

INCE SAID ONCE:

"SHE WHISPERED TO ME THAT THE NEWS WAS GOOD AND ASKED, WHO DID THESE PEOPLE (JAPS) THINK THEY WERE FOOLING? THEN SHE WARNED ME TO LOOK OUT BECAUSE KEN OKI WAS IN THE ROOM."

HE SAID ON THIS OCCASION HE BELIEVES THE VICTORY RELATED TO THE FALL OF SAIPAN TO THE UNITED STATES BUT AT THE TIME HE DID NOT KNOW THE ISLAND BY NAME.

EW/ET813PCS

30.24- 5133

End August 18, 1949

LAKE SUCCESS, AUG.18-(AP)-DR.HUGH L.KEENLEYSIDE, CANADA'S DEPUTY MINISTER OF MINES AND RESOURCES, APPEALED FOR PEACE TODAY TO PREVENT THE END OF CIVILIZATION THROUGH THE ATOMIC BOMB AND DEPLETION OF WORLD RESOURCES.

"THE WORLD HAS ENTERED A NEW ERA. HUMANITY HAS AT LAST ACHIEVED THE POWER OF SELF DESTRUCTION," DR.KEENLEYSIDE SAID, IN A PAPER READ TO THE UNITED NATIONS SCIENTIFIC CONFERENCE.

AUG 19 1949

HE SAID PEACE IS ESSENTIAL FOR THE INTERNATIONAL COOPERATION NECESSARY TO PREVENT EVENTUAL VITAL SHORTAGES OF WORLD MINERAL RESOURCES--IN LEAD, COPPER, COBLAT AND PROBABLY IRON AND OIL.

THERE IS NOT NOW "ANY SERIOUS AND IMMEDIATE OVERALL AND IRREPLACEABLE SHORTAGE OF ANY ESSENTIAL MINERAL," THE CANADIAN SAID. BUT HE WARNED THAT RISING POPULATION AND LIVING STANDARDS EVENTUALLY WILL PLACE AN UNBEARABLE STRAIN ON RESOURCES, EVEN WITHOUT WAR, UNLESS THE WORLD SHARES NEW SOURCES AND SUBSTITUTES.

DR.KEENLEYSIDE'S PAPER WAS ONE OF 470 REVIEWING WORLD SUPPLIES OF FOOD, FORESTS, FUELS AND ENERGY PREPARED FOR THE CONFERENCE, WHICH OPENED YESTERDAY.

AUG 19 1949

SOME 700 SCIENTISTS FROM 50 COUNTRIES, REPRESENTING MOST OF THE UNITED NATIONS EXCEPT RUSSIA, ARE TAKING PART.

PS506PED

30.24- 5135

Communist Leaders Placed Under Arrest In Finn Strike

Helsinki, Finland, Aug. 19 (AP)—Communist leaders were arrested today in a speedy Government crack-down on a nation-wide strike offensive which flared into violence yesterday. Usko Kauppala

A Government spokesman has declared the wave of strikes is a planned Communist maneuver to seize power and establish a Red government in Helsinki.

The Government, its army alerted, took fast action after the first blood was spilled yesterday in Kemi, where one man was killed and nine were injured.

The country's Central Trade Union Federation also swung into action issuing an ultimatum to the Communist-led unions ordering them to cancel their strike call. It threatened to split the federation wide open.

NIGHT

Directed Against 4 Unions

By a vote of eight to five, the federation's executive committee decided to order four striking unions to call off their walkouts before August 23 or suffer expulsion from the federation.

This move was directed against the following unions: Dockers, Food Workers, Building Construction Workers and the Forestry Workers and Loggers Union. The federation made it plain that the textile, leather, shoe and rubber workers' unions, who have scheduled strikes, also would be expelled if current strikes are not called off.

Finnish troops were rushed to Kemi, in northern Finland, yesterday after police and an estimated 1,500 lumberjacks fought a brief pitched battle at a lumber-sorting dam. An exchange of pistol shots echod through the seaport town. When strikers continued hurling stones the police used tear-gas bombs and blackjacks to disperse them. The fight broke out when lumberjacks smashed through police lines trying to attack workers who were reporting for duty.

Council Member Arrested

The Government, which has promised to "inflict a crushing defeat on the Communists," took quick measures to break up a situation in which an estimated 45,000 workers are on strike. A Government spokesman believed only 35,000 were on strike.

Lahja Heikkilae, chairman of the Kemi City Council, was among the Communist leaders placed under arrest. A second council member also was reported arrested. Reliable reports said Communists from southern Finland were arrested in Kemi, indicating that Communist agitators from Helsinki were operating in the town.

Most of Finland's trade-union members are non-Communists and some 200,000 to 300,000 may defy the strike call. A walkout of 100,000 unionists, however — estimated membership of the Communist unions—could seriously disrupt the nation's economic life.

Can Declare Strike Illegal

The strike offensive was decided upon by Communist-dominated unions following the devaluation early in June of the Finnish mark. Union spokesmen urged the federation to take strong action for higher wages, but the federation said such actions were forbidden by law.

Finland's Government has the right, under an emergency law of May, 1941, to declare any strike illegal. It is known officially as the law of regulation of economy during emergencies, and was revised in December, 1948. One clause gives the Government the power to forbid any scheduled strike. It also states that a strike that has started shall cease. The law does not stipulate what action the Government can take in case an order banning a strike is disobeyed.

Despite the emergency law and the Government's threat to crush the Communists, Communist union leaders said the strikes will continue.

Varjonen Accused

Of the clash at Kemi, the Communist press carried stories of police terror under headlines which read: "Workers' Blood Flows At Kemi."

The Finnish Communist party asked President Juho Paasikivi to denounce yesterday's police action against Communists there. A letter to the President claimed the clash was the first in the history of the Finnish labor movement in which police on Government orders had used firearms against unarmed strikers.

The party accused Unto Varjonen, minister without portfolio, and Aarre Simonen, Interior Minister, of provoking incidents in the strike area and later using the incidents as a pretext for attacking the workers. The Communists claimed the arrests of strike leaders constituted a violation of the constitution and of the peace treaty with Russia.

The Popular Democrats, who differ from Communists only in name, also sent a letter to the President.

heavy fines for any violations.

A strike meeting also was called in Helsinki today.

Communist leaders have warned that the strike actions will continue.

"Blood Flows"

In *Tyoekansan Sanomat*, leading Helsinki Communist newspaper, Aimo Aaltonen, Communist member of Parliament said:

"The working class should more firmly than before continue their fight for better wages."

The Communist press headlined their report of the Kemi clashes: "Workers' Blood Flows at Kemi." The stories spoke about police terror.

It has been estimated that 45,000 are on strike. In some locals strike

Strike-Battle City's Council Chairman Under Arrest

DAY

Helsinki, Aug. 19 (AP)—The Finnish Government moved swiftly today to smash a growing Communist offensive as police nabbed Red leaders in Kemi, scene of yesterday's strike violence which left one dead and nine injured.

Among those arrested was the chairman of the Kemi City Council, Lahja Heikkilae, who was described as one of the leaders of yesterday's strike call. Another City Council member also was reported arrested.

Reliable reports said Communists from southern Finland also were arrested at Kemi. This would indicate that Red agitators from Helsinki had been operating in the town, where 1,500 striking lumberjacks exchanged fire yesterday with police.

Ban Is Defied

A Government spokesman has declared the strike offensive is designed to make Finland into a Communist state.

Meanwhile, the strikers announced a new strike meeting tonight, in defiance of a ban by the governor of the northern province on all public gatherings, with

adherence is 100 per cent, but at most places anti-Communist workers are refusing to walk out.

Visits Paasikivi

Prime Minister Karl August Fagerholm visited President Juho Paasikivi today at the latter's summer residence at Kultaranta.

Unto Varjonen, Minister Without Portfolio, and head of a Cabinet board chosen to deal with strike threats, declared the Government intends to "inflict a crushing defeat on the Communists."

The plumbers union, meanwhile, began their strike today. Employers said the walkout was 100 per cent effective.

The strike announced by the forestry workers and loggers union also began today. It was not expected to be complete, as workers in several locals voted against the walkout.

Violent Agitation

Interior Minister Aarre Simonen said the clashes at Kemi were caused by a planned attempt to drive volunteer workers away from their jobs. He claimed violent Communist agitation had been going on for weeks in Kemi.

He declared the Communists throughout Finland had started a fight against the Central Trade Union Federation, and the Government and now had resorted to violent measures.

Simonen asserted the Government feels sure the majority of the people stand behind it and the Administration intends to preserve order.

Back From Moscow

Aaltonen is considered the leader of the strike offensive. He returned recently from Moscow, where he was reportedly rebuked for the failure of last spring's strike action.

In Kemi, on the Gulf of Bothnia, police and striking lumberjacks exchanged fire after 1,500 strikers smashed through police lines in an effort to attack workers who were reporting for duty at a timber-sorting dam.

Police used blackjacks and tear-gas bombs in an attempt to disperse the milling lumberjacks. Finally, they said, they fired warnings into the air. The strikers replied with pistol fire.

Maj. Gen. Arne Blick, commanding officer of the 1st Finnish Infantry Regiment Station at Oulu, 60 miles south of Kemi, said one striker was killed and nine other persons, including three policemen, were injured.

To "Create Chaos"

The Government declared that the Kemi outbreak was designed to "create chaos in order to usurp power and establish a people's democracy (Communist government) in Finland."

Most of Finland's trade-union members are non-Communists, and some 200,000 of the 300,000 unionists may defy the strike call. However, a walkout of 100,000 members could throw the nation's economic life seriously out of gear.

The strikes were decided upon by Red-led unions after the devaluation of the Finnish mark early in June.

Declared Illegal

Union leaders called on the Trade Union Federation to act toward boosting wages. The federation declared such action was illegal. The federation has threatened to expel from its membership those unions which abided by the Communist strike calls.

Finland's Social Democratic Government has been under Soviet fire for some time, although Russia has a friendship and mutual defense treaty with Finland. The Soviets also keep a base in Finnish territory.

Pravda Hails Finn Strike

Moscow, Aug. 19 (AP)—The Communist party newspaper *Pravda* gave prominent play today to Finland's growing strike wave.

Under a headline "Strikes Grip All Finland," the Soviet paper ran Tass dispatches claiming that the workers were getting 100 per cent support "despite all attempts of the Right Social Democrats to break up the united front of strikers."

Unity Group Seeks High Europe Court

NIGHT

Strasbourg, France, Aug. 19 (AP). European unity promoters formally began a campaign today to set up a high court that would look after the freedoms of the people in the twelve nations on the Council of Europe. J. Dynan

Britain's Sir David Maxwell-Fyfe, chief British prosecutor at the Nuernberg trials, and France's Pierre-Henri Teitgen, a former justice minister, joined in urging the council's assembly to propose a convention on human rights backed by a European tribunal.

Maxwell-Fyfe made his appeal in an assembly session marked by another flare-up between Irish and British over the partition of Ireland. In this clash, Paul-Henri Spaak, assembly president, had to rap three deputies to order.

"We must not have issues between Ireland and Britain injected into every debate," Spaak said.

Outside the assembly hall, France's Georges Bidault, former foreign minister, demanded precedence for Austria over Germany in becoming a member of the European council. He told a news conference called by French representatives that the Saar must also be admitted before or simultaneously with the west German state.

The assembly will be in recess tomorrow.

'My Country' Cry Assailed in Europe Council

French Prisoner of Nazis Tells Assembly Slogan Was Used at Buchenwald

STRASBOURG, France, Aug. 18 (AP).—Delegates to the European Consultative Assembly applauded today a proposal that the slogan, "My country, right or wrong," be outlawed.

The proposal was made by Pierre-Henri Teitgen, former French Minister of Justice, who was a Nazi prisoner during the war.

With Britain's Nuernberg prosecutor, Sir David Maxwell-Fyfe, Mr. Teitgen helped write a bill of rights which Winston Churchill's European Movement has presented to this twelve-nation Assembly.

Mr. Teitgen said the slogan "Just or unjust, my country right or wrong," was emblazoned over the portals of the Nazis' Buchenwald concentration camp. Such slogans should be outlawed, he declared. He said his father was imprisoned at Buchenwald and his brother-in-law died there. He and his brothers had been imprisoned by the Nazis elsewhere.

Mr. Teitgen said that in the anti-Communist nations of Europe, the methods of dealing with Communists were encroaching on fundamental human rights. He said injustice must not be used to fight injustice.

Mr. Teitgen asked the Assembly to define human rights and freedoms. He presented a resolution, saying the matter was so urgent that the member nations should be asked to sign an agreement guaranteeing to all the fundamental freedoms outlined in the nations' respective constitutions. He also asked the Assembly to set up a commission on human rights and a European human rights court.

Council To Debate Needs Under ECA

Paris, Aug. 19 (AP)—The Council of the Organization for European Economic Co-operation will take up consideration today of a rock-bottom estimate of $3,621,600,000 for Europe's Marshall plan needs for 1949-50.

The meeting of the Council, O.E.E.C.'s ruling body, is expected to be a session devoted to speeches of protest from discontented delegates who had hoped for a greater amount of aid.

Both American and European financial experts say the scaled-down figure is not an adjustment in view of congressional bills.

Split The Difference

The United States Senate and House have appointed a committee to split the difference in the total amount of Marshall-aid money voted. The Senate has approved $3,778,000,000 and the House $3,568,000,000.

The experts here say their figure was reached not as the result of any congressional action, but was arrived at by "squeezing the water" out of earlier bids and by drastic "technical screening."

Britain has been allotted $842,700,000, a reduction of $675,300,000 from its latest estimated dollar shortage. Other leading claimants to the funds are: France, $692,000,000; Germany (three western zones), $400,000,000; Italy, $382,700,000; Netherlands, $257,000,000, and Belgium, $200,000,000.

Pacific Fleet Anchors At Naples

Naples, Italy, Aug. 19 (AP)—The United States Mediterranean Fleet arrived here today under the command of Vice Admiral Forrest P. Sherman.

Units which anchored in the harbor include the carrier Coral Sea and the cruisers Fargo and Juneau.

MARSHAL GRAZIANI IS SERIOUSLY ILL

ROME, Aug. 19—(AP) Marshal Rodolfo Graziani, 67, was reported gravely ill in a prison hospital here today. He has been confined to the hospital since last April when a sudden illness [illegible] his trial for fascist war crimes.

Hoffman Congratulates Greeks On Recovery

Athens, Aug. 19 (AP)—Paul G. Hoffman, European Recovery Program administrator, congratulated the people of Greece today on weathering ten hard years of strife, and said peace appears to be within their grasp.

The chief flew here from Rome yesterday on his European tour. He told reporters that, in view of the problems in Greece brought by the Nazi occupation and later by the civil war, the progress here has been "truly remarkable."

Hoffman said Greece has stopped inflation, boosted her production to 115 per cent of prewar, made progress toward a stable democratic government, preserved free insitutions and built up public confidence.

YUGOSLAV SHIP DAMAGED

Fire Ravages Top Merchant Craft In Spalato Harbor

BELGRADE, Yugoslavia, Aug 19 (AP)—The steamship Partizanka, pride of Yugoslavia's merchant marine, was considerably damaged by fire a week ago while undergoing repairs in Spalato harbor, the newspaper Rad said today.

The Partizanka, a 6,267-ton vessel, is the nation's largest ocean-going passenger liner. She was formerly named the City of Lisbon.

Rad did not detail the extent of the damage. It said that an inquiry was under way. (Premier Marshal Tito, feuding with the Communist Information Bureau nations, and denounced by Russia as an enemy of the Soviet Union, had urged Yugoslavs recently to be on the alert against sabotage.)

Papal Rule Called An Error

L. Kirschen

Bucharest, Romania, Aug. 19 (AP). The newspaper *Universul* quoted the Romanian Orthodox Church patriarch today as saying the mass excommunication of Communists was "the greatest mistake of all centuries ever made by a (Roman Catholic) Pope."

The newspaper, controlled like others in Romania by the Communist-led Government, carried an account of a speech by Patriarch Justinian at the opening of the Orthodox missionary school of Romania. *Universul* said the speech represented "the position taken by the Romanian Orthodox Church to the papal excommunication decree."

Property Confiscated

About 70 per cent of Romania's population is Romanian orthodox, which is the national religion. The Vatican estimates there are 2,800,000 Roman Catholics among the population of 16,400,000.

[Romania has moved openly against the Roman Catholic Church and its affiliate Uniate (Romanian rite) church, confiscating its properties, jailing its priests and closing its institutions.]

Universul gave this account of the Patriarch's speech:

He said: "Among all the mad mistakes ever committed by the Popes, by issuing similar mass curses, the one decreed by Pope Pius XII is the greatest.

"Nowhere In Scripture"

"Whatever made Pope Pius XII apply this measure of constraint in order to persuade individuals and peoples to bow to his will? This measure is nowhere contained in the Scriptures, but is also totally contrary to the Christian spirit."

He then said:

"In all popular (Communist) democracies, as in Romania, freedom of worship is assured."

He added:

"By this deed (the excommunication) the Pope has admitted that among Communists there also are believers and their parties do not exclude them because of their belief.

"What an aberration! How far apart is the 'master' of the Vatican from Jesus, who sacrificed himself for the multitude of the downtrodden, calling to them, 'come unto Me all ye that labor and are heavy laden and I will give you rest.'"

Embassy Aides Of Slavs Held In Bucharest

Bucharest, Aug. 19 (AP)—Two employés of the Yugoslav Embassy were arrested Wednesday after a sharp fight with police, the newspaper *Scanteia* reported today.

Scanteia, the official Workers party (Communist) paper, said the two had been throwing anti-Romanian leaflets into people's gardens.

The newspaper identified the two as Bosco Latich and Nicola Medich, employés of the press office of the Yugoslav Embassy in Bucharest.

"Dirty Propaganda"

Scanteia said they were caught throwing "leaflets containing dirty Fascist propaganda instigating against the regime of popular democracy in the Romanian popular republic."

When the two were caught, the newspaper continued, Latich whipped out a pistol and started shooting.

Belgrade Clique

Scanteia charged the Yugoslav mission at Bucharest with violating diplomatic customs by using its diplomatic pouch for carrying anti-Soviet and anti-Romanian propaganda into Romania for distribution here.

Scanteia said the investigation "concerning the subversive and anti-democratic activities of these two agents of the Belgrade clique which is in the service of the Anglo-American imperialists" is continuing.

Navy To Avoid China Combat, Badger Says

Hong Kong, Aug. 19 (AP)—Vice Admiral Oscar C. Badger, commander of United States Naval Forces in the western Pacific, said today the Navy would not send planes to evacuate Americans from Canton once the city becomes a battleground.

"We have no intention of risking an international incident and getting invloved in the (Chinese) civil war," he said.

Meanwhile, the Navy will establish an air shuttle to move those of the 707 Americans in the Canton area who want to leave.

Most Are Missionaries

United States Consul General George D. Hopper said more than half are missionaries who have indicated little interest in leaving China, but 60 to 70 American business men probably would take advantage of the Navy service.

Six seaplanes will fly the evacuees on from Hong Kong to Manila, where they will be housed in naval barracks at Sangley Point until they arrange transportation to the United States.

Hopper said more than 70 United States Embassy and consulate officers and employés being moved from Canton will be accommodated on the destroyer-tender Dixie in Hong Kong harbor.

CANTON CONSULATE IS CLOSED BY U.S.

China Admits Red Capture Of Tayu, 170 Miles Northeast

Spencer Moosa

Canton, China, Aug. 19 (AP)—The United States consulate-general closed this afternoon and the embassy planned to go on a commuter basis from the near-by British colony of Hong Kong tomorrow due to the Communist advance on this Chinese Nationalist capital.

Acknowledging Communist capture of Tayu 170 miles northeast of Canton, the Nationalist Defense Ministry said the situation on that front was "unchanged" today. However, Tayu's fall virtually leaves open an easy valley road to Kukong, 70 miles west.

Would Cut Off Pai's Army

Kukong is on the railway only 120 miles north of Canton, and military observers said the struggle for Canton itself could be considered begun when the Communists reached that point. Its loss would isolate from Canton the 200,000-man army of Gen. Pai Chung-hsi, now opposing the Communists near Hengyang, 265 miles north of the capital.

The Defense Ministry said Pai had thrown a Communist army back about 50 miles northwest of Hengyang, but acknowledged the Communists were mustering fresh forces to try to turn his western flank.

Insert

In Canton, George Yeh, Acting Foreign Minister, disclosed that foreign diplomats were pressing

30.24- 5137

him for information on when the Government intended to move. He told the Executive Yuan (Cabinet) the diplomats were entitled to ample notice, but a Cabinet session closed without giving him any instructions. It appeared that movement of packing crates out of the Foreign Office was accelerated, however.

Consul To Fly Back

Meanwhile, the Americans were leaving. Ten flights to Hong Kong by United States Navy planes reduced the official American family to a handful. All those remaining were busy winding up their affairs.

Lewis Clark, Embassy *chargé d'affaires*, planned to leave Saturday but to make daily flights back from Hong Kong to keep up the American diplomatic relations with the Nationalist regime.

The consulate closed officially at 5 P.M. Karl Rankin, consul general, planned to leave Monday with the last American officials, but he also plans to fly back frequently.

The United States Information Service, which only last week moved into the renovated Yokohama specie bank building, was boarded up. The upstairs flats, where junior officials had set up housekeeping only a week ago, were empty today.

American and British business communities also were reduced almost to those who intend to remain for the expected Communist occupation.

The America nConsulate General was the only one to close. All four of the others — British, French, Dutch and Portuguese — intend to stay for the occupation, while foreign embassies plan to follow the Nationalist government, probably to Chungking.

All the more important archies of the Foreign Ministry seem to be going to Formosa, Generalissimo Chiang Kai-shek's island retreat 100 miles off the Chinese coast.

CONSULATE CLOSED BY U. S. AT CANTON

Canton, Aug. 19 (A. P.).—The American Consulate General was closed officially here late today. Ten plane flights to Hongkong removed all but a few of the personnel, who remained to wind up the Consulate General's business.

U. S. Charge d'Affaires Lewis Clark will fly to Hongkong tomorrow. He will commute daily to Canton until the Nationalist Government moves. Consul General Karl Rankin will go to Hongkong on Monday with the last of the American officials. He, too, will pay almost daily visits to Canton.

All day long packing cases, borne in many instances by wiry, sweat-drenched women coolies, were carried to trucks waiting outside the consulate.

Despite repeated official warnings to leave, it appeared, however, that well over half the non-official Americans in the Canton consular district would stay. As an example, all members of the faculty of Lingnan University are staying. Only seventeen, most of them dependents, are preparing to leave. The American consulate in Canton is the only one to close.

Reds Take Key City 170 Miles From Canton

Canton, Aug. 19 (AP)—The battle for Canton neared today with the Communist capture of the key city of Tayu, 170 miles to the northeast.

Tayu is in the Kan River Valley which leads to Canton. Its fall was announced by the Defense Ministry.

With Tayu gone, the road is more or less clear to Kukong, 70 miles to the west. When the Reds reach Kukong, the battle for Canton itself will be on, military observers believe.

Kukong is 120 miles to the north on the railway from Canton to the Yangtze Valley and central China.

Would Isolate Army

The loss of Kukong would isolate Canton from the 200,000-man army of Gen. Pai Chung-hsi, commander on the front to the north.

Press reports said civilians in increasing numbers were fleeing from Kukong.

The Defense Ministry asserted that Pai's forces had wiped out a Communist division and an artillery battalion in a battle 50 miles northwest of Hengyang.

Hengyang is Pai's base 265 miles almost due north of Canton. The Ministry said most of the Red forces were killed and the rest captured. (This might mean 10,000 men.)

Moving To Hong Kong

Underscoring the gravity of Canton's situation, the United States Embassy announced it was moving to Hong Kong, the British crown colony to the south.

Embassy officials will commute daily with Canton as long as conditions permit. The consulate staff was flying out by United States Navy plane.

An embassy statement said the decision to move was taken in view of "the present Communist threat in this region."

There also was bad news for the Nationalists from the far northwest of China.

Close To Lanchow

A foreigner who flew out of Lanchow, stronghold of the Nationalists in that area, said the Communist troops were last reported only 20 miles away on the southeast.

[The Nationalists had previously conceded that the Reds were 60 miles away from Lanchow on the front to the southeast.]

Meanwhile, a spokesman for the Foreign Office said oral approval had been given to a United States request for safe conduct for the American liner General Gordon to proceed to Shanghai.

One Of Blockaded Ports

Shanghai is one of the ports which the Nationalists say they have closed by an air and sea blockade.

Communist authorities previously gave clearance for the liner to enter Shanghai. The ship will be used to bring out Americans and other foreigners wishing to leave Shanghai.

Chinese Reds Permit Firings In Shanghai

Shanghai, Aug. 19 (AP)—Communist authorities today published regulations permitting private enterprises to discharge workers "according to the needs of production" and forbidding workers to use force to try to gain re-employment.

Those discharged must be given a minimum of one month and a maximum of three months severance pay. Business must have official permission to shut down, however.

[Since the Communists captured Shanghai, many employers have been besieged and locked in by former workers who have made exorbitant demands for severance pay or reinstatement. In one of the most notable cases the United States Consulate was taken over for several days last month by former employés of the United States Navy. Communist authorities took their time about moving in, and the affair still is not settled.

[However, at that time Fred Hampson, Associated Press correspondent, was able to predict through the Communist censorship that they soon would take a tougher attitude toward labor because Government enterprises also were having labor troubles.]

Jap Patent Rights Being Restored

Tokyo, Aug. 19 (AP) — Investors and other holders of patents which were canceled in Japan during the war may have them restored, the Japanese Government reported today.

The Cabinet issued an order in response to a directive in behalf of Allied nationals issued by General MacArthur. The order also provides that patents which expired in Japan during the war may be extended for a period equivalent to the time the patentholders were deprived of their rights because of hostilities.

Presses Atomic Research

Australia Sets Up Committee on Industrial Power Generators

CANBERRA, Australia, Aug. 19 (AP).—Prime Minister J. B. Chifley said today the Cabinet has approved establishment of a committee to advise on the development of industrial power generators using atomic energy. The chairman is Professor Marcus Oliphant.

"The government is convinced of the need for Australia to do what it can to develop this important alternative source of industrial power," Mr. Chifley said in a statement, "because hydro-electric resources are limited to certain regions and coal resources, although considerable, are not inexhaustible."

TRUMAN'S AIDES REPORTED GIVING DATA ON VAUGHAN

Feeding Information to Probers, Committee Member Says

'NOT SOLICITED'

Hoey Declares Freezer Story 'Magnified Out of All Proportions'

Arthur Edson

WASHINGTON, Aug. 19 — (AP) "Sources close to the President," Senator McCarthy (R-Wis) said today, are feeding information on Maj. Gen. Harry Vaughan to Senate investigators.

McCarthy wouldn't say who is doing the alleged tattling on President Truman's military aide.

His statement, made to reporters:

"We are getting leads and information on Vaughan's activities from sources very close to the President and to Vaughan in the White House."

Data "Unsolicited"

He said the information was unsolicited and was adverse to Vaughan.

The Senate Investigations subcommittee, of which McCarthy is a member, has been prying into the activities of "five percenters"—people who try to land government contracts for businessmen in return for a percentage fee.

In another development, subcommittee Chairman Hoey (D-NC) said today that the story of the home freezers, which went to Vaughan and other Washington notables, "has been magnified out of all proportion."

He expressed his view in a telegram to a Kansas City appliance dealer, John A. Passler. Passler had told the committee that he wants to give Mr. Truman a television set.

In light of the stir over home freezers, he asked Hoey whether this was okay.

Hoey said public officials frequently receive gifts "without the desire or expectation of receiving any favors or rewards in return."

His advice to the appliance dealer: Go ahead and make the gift.

Senator Mundt (R-SD), a member of the subcommittee, told a reporter he agreed with Hoey that there would be nothing improper in Passler's announcing that he was giving Mr. Truman a television set.

"However," said Mundt, "such a public gift falls into an entirely different category from that of a perfume company giving away home freezers in deep secrecy.

"Since the evidence is still coming in with regard to the possible motives for these unusual gifts (the freezers), and concerning preceding and subsequent favors received by the donors, I do not want to comment on Senator Hoey's statement as to what he believes is the significance of the incident."

Hearing to Resume Tuesday

The subcommittee has recessed until Tuesday, but its investigators are seeking information from two government departments.

William P. Rogers, the subcommittee's chief counsel, said he wants to get additional facts:

From the Army—

Rogers said he wants to know why John Maragon and two associates were allowed to fly to Paris in 1945 in a military transport plane. Maragon, an old friend of Vaughan's, was working for the Albert Verley Perfume Company of Chicago at the time.

It was the president of the Verley Company, David Bennett, who gave the now celebrated deep freezers to Vaughan. The date of the gifts: 1945.

Vaughan has pointed out that Bennett, too, is an old friend of his. There was nothing improper in his taking the freezers, Vaughan said.

Seeks More Data

From the Justice Department—

Rogers said he would like to learn more about an alleged attempt by Maragon to bring perfume essence into this country described as champagne. He said so far he has been unable to get from

the department the data he wants.

Rogers did not elaborate, but committee members said they want to know why Maragon was never prosecuted.

Neither Maragon nor Vaughan has made a public appearance before the subcommittee. And though Chairman Hoey (DD-NC) has said both will be asked to testify, no date has been set.

Mr. Truman said yesterday that the public should suspend judgment on Vaughan until he has had a chance to tell his side of the story.

It had no direct connection with the five percenter hearing, but a check with the District of Columbia traffic bureau today showed that Maragon has been charged with 56 traffic violations over the past 15 years.

Inspector Arthur E. Miller, head of the police traffic division, said 50 of them were for illegal parking, one was issued when Maragon got in the wrong lane, and four were given out after he had been in minor accidents.

The other one was for jaywalking.

SENATE LAUNCHES ARMS AID FIGHT

Administration Leaders Seek to Restore Cuts Voted by House

WASHINGTON, Aug. 19 (AP)—Senator Connally (D-Tex), today launched the administration's struggle to restore the $1,450,000,000 foreign arms aid bill which the house voted to chop down more than one-third.

Connally, chairman of the Senate Foreign Relations Committee, issued a statement calling for the full authorization shortly after hearings ended and senators prepared to shape up their own versions of the measure. **Insert**

House Cut Called Mistake

Chairman Tydings, (D-MD), of the Senate Armed Services Committee which is considering the bill jointly with Connally's group, termed the house cut a mistake. However, Tydings indicated he might support a slight cut in the $1,160,990,000 fund sought for arming European members of the North Atlantic Pact.

Tydings said any such fund ought to be "in the neighborhood of a billion." He noted that General Omar Bradley, chairman of the joint chiefs of staff, had testified that the original request represented the minimum necessary for rearming countries opposing communism.

Connally's statement said "to make any substantial cut in the funds requested would seriously impair the program."

He called it carefully planned "to provide the necessary equipment to make effective the existing forces in Western Europe."

The joint chiefs of staff, he said, testified right after touring Europe that the full amount asked is the minimum figure.

Connally said the two committees "do not favor emasculating the bill. We believe in the North Atlantic Pact. We want peace."

Administration backers hoped the senate version would be more to their liking than the battered house bill. But they had new fights on their hands as senatorial critics of the Truman measure got set to offer restrictive amendments.

Will Go To Conference

The bill as it emerges from the senate probably will be considerably different from the house measure, and the final version will be drafted by a Senate-House committee.

The main change made by the house in approving the bill was in whacking out $580,495,000 and cutting the life of the program in half to make it end next June 30 unless renewed. The house also called for sending half the goods in American ships.

Influential senators seek to hand Western European arms distribution over to the defense committee under the North Atlantic Treaty when it is operative. Strenuous efforts also will be made in the senate to reduce the amout asked by Mr. Truman for re-arming European members of the North Atlantic alliance. The bill, which is designed to stave off Russian power moves, also provides for military aid to Greece, Turkey, Iran, Korea, and the Philippines.

The administration took a terrific beating in the house where the $1,160,990,000 asked for Western Europe was cut in half. Supporters of the slash argued that it meant this: Congress can take a second look at the situation next spring. If it finds the European countries cooperating for mutual defense against Russian attack, then more funds can be voted.

Diplomatic and military leaders have urged emphatically the dispatch of arms as quickly as possible contending the amout asked by Mr. Truman is the minimum needed. They sought to allay house fears that European nations would not cooperate in use of the arms.

Wallace Attacks Program

The senate hearings, held before the combined foreign relations and armed services committees, ended with a round of attacks on the program. Henry A. Wallace, Progressive Party candidate for president in 1948, said we are following Mr. Truman on a path "leading us to ruin and war."

"The arms program proposes to repeat in Europe our tragic mistake in China," Wallace said. He contended it would undermine the economy and military security of both this country and Europe.

Wallace again proposed converting the European recovery program into a world program under a United Nations agency as a step toward peace. Again he advanced the belief that Russia does not want war.

Instead of the arms program, Dr. Robert Yarnall, Philadelphia manufacturer and member of the American Friends Services Committee, proposed "a really determined attack on the program of adequate world organization and of limiting and reducing armaments." He contended the arms would not be practical in preventing war.

The Rev. Amos C. Barstow Murphy, chairman of the Lawrence, Mass., Progressive Party, said that workers in his city are against the arms proposal and want the money used for jobs for the unemployed.

Most of those arguing for a cut say their amendments won't prevent starting the arms flow by one minute. These include Senators Vandenberg (R-Mich), and Dulles (R-NY), who have teamed up to try to reduce the Western European fund to $1,000,000,000. Half in cash and half in authority to make contracts which would be paid later.

AUG 20 1949

Wallace Hits Arms Aid Bill

Tells Senators It Will Undermine Economy of Both U. S. and West Europe.

Washington, Aug. 19 (A. P.).—Henry A. Wallace told the Senate Foreign Relations and Armed Services Committees today that passage of an arms-aid program would "undermine the economy and military security of both the United States and Europe."

What's more, he said, the statements in support of the program by President Truman, Secretary of State Acheson and the nation's military leaders "are the statements of men who are either intent on provoking war or are so afraid their case is weak they must incite passion to support it."

He reiterated, in his prepared statement, his belief that Russia does not want war, and declared that the administration program to arm this country's allies is part of a policy which has failed wherever it has been tried—in Greece, in Turkey and in China.

"The policy of the arms program was given a full run in China," he said. "At long last the administration has admitted the complete failure of that policy in China. It was forced to by events.

Sees 'Tragic Mistake' Repeated.

"The arms program proposes to repeat in Europe our tragic mistake in China. It is aimed at the same kind of 'internal' and 'external aggression.' It places the same emphasis on arms to the exclusion of the needs of the people for economic recovery and social reform.

"It supports any government, no matter how reactionary or corrupt as in Greece, or how undemocratic as in Portugal or Turkey, that will join the new holy war."

As a substitute for the rearmament of western Europe, Wallace revived his proposal for the creation of a United Nations agency which would mean "converting the ECA program into a world program."

In response to questions by Senator Smith (R.-N. J.), Wallace said he didn't think aid to Greece and Turkey has changed the situation much in those countries. He conceded, however, that the Communists might now control Greece if no aid had been given.

If Russia Moved on Turkey.

Urging internationalization of the Dardanelles, Wallace said this country "would be justified in taking military action" if Russia moved on Turkey. He added, however, he didn't think the Soviets would make any such move.

He is against the Economic Recovery Program in Europe because it is not channeled through the United Nations, Wallace said. He agreed with Senator Dulles (R.-N. Y.), that Russia is increasing its armed strength and that the Russians have no moral scruples against war.

Wallace had quoted Dulles as saying the New York Senator did not believe the Russians have any military aggression in mind. Dulles said that holds true only as long as the Russians continue to win "great victories" through the Communist technic of subversive warfare "in which they are superior to us."

SNYDER HEADS U.S. DELEGATES

British Dollar Crisis To Feature Conference September 6

Washington, Aug. 19 (AP)—President Truman today named John W. Snyder, Treasury Secretary, to head the United States delegation at the American-British-Canadian financial conference here September 6.

Snyder's appointment coincided with reports the United States has decided to press for devaluation of the pound sterling as the first step toward solving the British dollar crisis.

Top Administration leaders are reported convinced that the pound, at its present rate of $4.03 to the dollar, is overvalued and that this is one of the main reasons the sale of British goods abroad has fallen off so sharply in recent months.

Bevin And Cripps To Attend

Snyder is known to have held this view for several months. However, he has encountered resistance on this point from the State Department and the Economic Cooperation Administration.

The importance of the forthcoming discussions was underlined by the high rank of the delegates selected by each government.

Foreign Minister Bevin, of Britain, will attend along with Sir Stafford Cripps, Chancellor of the Exchequer. Lester B. Pearson, Canada's Foreign Minister, will sit in along with Douglas Abbott, the Canadian Minister of Finance.

The United States will have some 80 financial, trade and foreign-policy experts on hand; Britain about 40 and Canada 15.

British Crisis Complicated

These experts will lay the groundwork for the September session by getting together here August 27 for technical and fact-finding discussions. James E. Webb, Under Secretary of State, will lead the American delegation at the preliminary conference.

As preparations for the talks got into full swing, some top American officials made it plain they are not optimistic about the chances of solving Britain's long-range economic problems at this meeting.

The British crisis is complicated by the business recession in the United States, the return of competitive markets and the high cost of producing British goods.

Whatever measures are agreed upon by the three governments are expected to deal primarily with short-range aspects of the situation.

Ready To Listen

While Snyder is reported to have quite definite ideas on how to meet the British crisis, he is represented to be ready to listen sympathetically to any proposal that Cripps may make. Snyder talked over the British trade and pound-dollar difficulties last month in London during a tour of twelve European nations for an on-the-spot survey of economic conditions in western

AUG 20 1949

30.24- 5139

Europe.

Officials drawing an agenda said the British probably would like to discuss these steps: An increase in the dollar price for gold; lowering of American tariffs on wool, whisky and other British products; guarantees that the United States will purchase substantial quantities of such British Commonwealth raw materials as rubber, tin and cocoa; simplification of United States custom regulations; elimination of American subsidies on United States shipping, and assistance in developing a British campaign to advertise and distribute British goods better in the United States.

ARNOLD SUPPORTS SELECTION OF B-36

Politics Or Favoritism In Choice Impossible, He Says

P.D. Eldred

San Francisco, Aug. 19 (AP)—Assurance that no one man, by political design, can influence the selection of a combat plane such as the intercontinental B-36 bomber came today from Gen. H. H. Arnold.

The retired Air Force commander probably had more to do than any other individual in developing the planes the United States used in World War II. He declared "there is no chance at all for politics or favoritism to enter into it."

Arnold testified before a House subcommittee investigating rumors there might have been conniving in choice of the mighty, six-engine B-36. He placed great emphasis on the Air Force.

A Friendly Atmosphere

"They all were my lieutenants and I personally selected them for their outstanding ability and integrity," Arnold said. "They have measured up under fire. I have unqualified confidence in them."

The inquiry was conducted in a friendly atmosphere, with Joseph Keenan, the subcommittee counsel, doing most of the questioning.

In addition to reiterating his approval of Gen. Hoyt Vandenberg and other high-ranking officers, Arnold placed great stress on what goes into the development of a combat plane.

He said that in the B-36, the United States has the best intercontinental bomber of any nation.

Arnold then diverged a bit into world strategic considerations, saying that today the atom bomb and the ability to deliver it are all that insures peace.

Selfish Men Criticized

"The first necessity is to insure the defense of the country and this raises the question whether the American people want security or whether they want dollars," Arnold observed.

"I believe that if it costs a billion

Vulnerable Site Sends Airplane Work Inland

Ruth Cowen

Washington, Aug. 19 (AP)—An informed Air Force official said today that "strategic vulnerability" of areas in the United States to air attack by Russia is considered in placing contracts for high priority combat planes.

His remark was in connection with the proposed trip of Secretary of the Air Force Symington, Air Force officers and Senator Magnuson (D., Wash.) to Seattle.

The group plans to fly to Seattle in September to discuss the proposed move to the Boeing-operated plant in Wichita, Kan., of the subassembly work on the B-47 bomber now being done at the Boeing-owned plant in Seattle.

More Frank Attitude

Since Gen. Hoyt S. Vandenberg, Air Force chief of staff, this week told the B-36 Senate Investigating Committee that Russia is the "one major military threat to the United States"—a remark he said had been cleared with the State Department—the Air Force has been more frank in discussing production matters.

"We have no desire to fold up existing plants but we do not propose to expand activities in areas which in time of war would be considered vulnerable," the Air Force representative said. This especially holds true in regard to high priority combat planes.

The Air Force regards the B-47 bomber as second to the giant B-36 bomber.

Calls Seattle Vulnerable

Asked whether the Seattle area was considered "vulnerable" in event of war, the answer was a blunt: "Yes."

"Take a map and look for yourself at the location of Seattle on the great circle air route from Eastern Russian bases," he said. "We know that Russia has B-29 type long-range bombers."

The Air Force representative said that Lieut. Gen. H. A. Craig, deputy Air Force chief of staff for material, on August 10 advised representatives of the Seattle Chamber of Commerce who came to see him that the Air Force never intended that the B-47 was to be produced in Seattle.

Knew It At Time Of Contract

The Boeing officials knew this when the contract was signed in August, 1948, the Air Force spokesman said. He confirmed this by a phone call to Craig.

He said Craig had also advised the Chamber of Commerce representatives that airport facilities at the Boeing plant in Seattle were inadequate for high speed large planes and that it would require several million dollars for expansion and improvement.

Concentrating B-47 At Wichita

The Air Force spokesman emphasized that it is not proposed to move the Seattle Boeing plant to Wichita, but rather to concentrate in the latter city all work on the B-47.

In addition to the subassembly work on the B-47, the Seattle plant has Air Force contracts for C-97 stratofreighter and B-50 medium bombers. Also it produces civilian aircraft.

"It has long been understood that the high peak of employment at the Seattle Boeing plant could not be sustained," the Air Force representative said. "It is high in comparison with other air craft factories."

Los Angeles Not As Vulnerable

Asked about the Los Angeles aera in which are located several aircraft plants, the Air Force representative replied that "map-wise in relation to the great circle route, the Los Angeles area is not vulnerable as it Seattle."

Last September the National Security Resources Board put out a booklet "to alert industrial leaders to the strategic significance of industrial-plant location in the event of another war."

Booklet Guide On Defense

Although close-mouthed on the subject, the plant-relocation committee of the Munitions Board suggested this booklet as a guide to strategic defense thinking.

This booklet, looking ahead, assumes an enemy has and can deliver atomic bombs. These are too expensive to be used on cities of less than 50,000 people.

2 Aircraft Found in Barn May End 'Saucers' Mystery

Good Chance That Wreckage of Two Strange Machines 'Are Prototypes' of Flying Discs, Air Force Says; Maryland Inventor Disappeared in 1941

WASHINGTON, Aug. 19 —(AP) The Air Force said tonight that "there is a good chance" that the wreckage of two battered aircraft found in a Maryland barn "are prototypes" of the flying saucers.

Maryland state police located the two old machines in a barn near Glen Burnie, Md., about 11 miles south of Baltimore.

Jonathan E. Caldwell, inventor of the craft, disappeared about 1941.

The Air Force said Bolling field here was advised that "some flying discs had been located in Maryland," and that Army special agents made an investigation.

The first plane, the Air Force said, looked like a helicopter and had a device on top which resembled two saucers, 16 feet in diameter, covered with airplane cloth.

The fuselage, less than 16 feet in length, had no wings and was powered by a nine-cylinder radial engine.

The other craft, the Air Force said, resembled a large wooden tub 15 feet in diameter, made of plywood, and had an engine and cock pit inside.

It had four blades extending around the top and also four blades around the bottom, with the blades rotating in opposite directions.

The Baltimore Sun meanwhile quoted an unidentified Air Force officer as expressing belief that greatly improved models of the two planes are flying now and are the source of the flying saucer reports.

The officer explained that the air forces uses the term "prototype," to denote the first model from which an airplane develops. The Sun then went on to quote him as saying.

"I, personally, think the inventor went to some other part of the country and that he—or someone else—developed new planes along these lines and is sending them up."

An aircraft mechanic who worked with Caldwell on the strange craft back in 1936 and 1937 declared Caldwell was 10 years ahead of his times in developing the planes.

One of the planes had a small fuselage something like a conventional plane, with a rotating disc and propeller blades above it.

The other looked like a big, round cheesebox. It had propellers above and below the seated four.

Caldwell made a splurge with them back in 1939 and 1940. The one with the disc made a demonstration hop in Washington, but crash landed.

Caldwell got into legal difficulties in Maryland, New Jersey and New York about the same time for selling stock in two corporations he set up to develop his inventions.

Two officers from the air force inspector general's special investigating staff brought about discovery of the old planes, now falling apart.

They had a tip Caldwell worked on the gadgets in the Glen Burnie area.

State police couldn't find Caldwell. They had a rough description of the farm and by process of elimination finally located the abandoned tobacco barn.

Caldwell was enjoined from selling stock in his two companies, "Gray Goose Airways, Inc." and "Rotor Planes, Inc.," after a hearing before Maryland Assistant Attorney General Robert E. Clapp in 1940.

HELP TO MID-EAST URGED

Supreme Court Justice Douglas Advocates U. S. Backing

PORTLAND, Ore., Aug. 19 (AP)—The United States cannot afford to let the Middle East go the way China went, according to Justice William O. Douglas of the United States Supreme Court, home from a six-weeks tour of Asia Minor.

The whole area can be saved, however, if this country will "throw its weight behind the honest and liberal forces" there, Mr. Douglas said. "It is America's great mission to help such nations. No other bulwark against Soviet political expansion can be built," he told the biennial conference of the American Unitarian Association here last night.

Mr. Douglas said he found Americans carried surprising influence in the Mid-East—and not dollar influence alone. "America stands for something strong and good and idealistic not only in the capitals but in the villages," he added.

Clayton Resigns World Bank Post

Truman Praises Alternate U. S. Governor's Work

WASHINGTON, Aug. 19 (AP).—William L. Clayton, former Under Secretary of State, resigned today as alternate United States governor of the World Bank and the International Monetary Fund.

President Truman accepted the resignation "with reluctance and regret" and said he hoped the government again would have the benefit of Mr. Clayton's ability and varied experience.

Mr. Clayton, Texas cotton man, wrote simply:

"My Dear Mr. President:

"Please accept my resignation as alternate governor for the United States of the International Bank for Reconstruction and Development of the International Monetary Fund.

"With renewed thanks for your many evidences of your confidence in me, and with kindest regards and every good wish, I remain

"Sincerely yours, Will Clayton."

The President said in reply that Mr. Clayton's letter left him no recourse but to accept the resignation, effective Aug. 27. He said he realized this action was consistent "because of the termination of your duties some time since as Under Secretary of State for Economic Affairs."

"Although this letter ends for the time being your activities as part of the Administration, I shall cherish the hope that your government will again, and at not too

distant a time, have the benefit of your ability and your varied experience."

He expressed his "heartiest appreciation" of the "superb contribution" which he said Mr. Clayton had made in every public post to which he had been called.

Maritime Commission Chief Going To Europe

Washington, Aug. 19 (AP)—Maj. Gen. Philip B. Fleming, chairman of the Maritime Commission, will spend five weeks in Europe this summer.

His office announced today that General Fleming will leave this country August 27. He will attend the first postwar meeting of the Permanent International Association of Navigation Congresses. The sessions are set for Lisbon from September 10 to 19.

In addition to Portugal, he will visit several other European countries.

The international navigation group is concerned with maritime and shipping problems of all types—from inland waterways to trans-ocean operations.

General Fleming will be accompanied by a group of army officials and maritime experts.

AIRLIFT VETERANS ACCLAIMED IN N.Y.

NEW YORK, Aug. 19—(AP) Two Navy air squadrons claiming Berlin airlift records got a roaring service welcome as they arrived by ship today.

Twelve Navy fighters buzzed the Army transports Maurice Rose as it steamed up the harbor, and two brass bands—Army and Navy—were waiting at the dock.

The air force, friendly competitors in the airlift, was not represented by welcoming officials.

One of the squadrons, VR-8, led all air force and Navy groups in last February's air lift operations—setting an eficiency record of 120 per cent. All its pilots are enlisted men.

The other squadron, VR-6, with officer pilots, was right behind with a mark of 117 per cent. The figures are comparisons to the work load expected.

There were 18 oficers and 350 enlisted men in the two squadrons. Both outfits flew half-way around the world from the Pacific to Germany when Gen. Lucius D. Clay made his emergency call for more four-engine planes in the fall of 1948. The squadrons flew Navy versions of the DC-4.

Killing Off Bad Storms Seen By Scientist

AUG 21 1949

Alton L. Blakeslee

Lake Success, Aug. 19 (AP)—Man may some day kill off thunder storms before they lash out with atomic-bomb punch in damaging winds, rain, hail and lightning, Dr. Vincent J. Schaefer said today.

Even a small thunder storm releases energy equal to several atomic bombs, the General Electric research scientist said.

Man may also be able to create sky reservoirs of snow, and get rain or snow at times where he wants it. Flying ice patrols may keep air lanes free of icing conditions. Or planes may shoot holes into dangerous clouds ahead.

New Weather Control Studies

All these are possible benefits from new studies of weather control, he told the United Nations conference on conservation and utilization of resources.

Dr. Schaefer nearly three years ago found ways of producing snow or rain from certain clouds, by seeding them with dry ice, silver iodide or water.

Snow or rain can't be brought down from any kind of cloud, anytime. And there's no apparent way to break a drought when there are cloudless skies, or clouds with only little water in them, he said.

Holds Great Promise

But really scientific study of how nature produces weather, and how man might alter natural processes hold great promise, he said.

Towering cumulus clouds loom "as the cloud structure of great importance," he said. They can produce beneficial rain. But they can also develop into thunder storms, with torrential rains, lightning, furious winds, even hail and tornadoes wrecking crops and lands.

Storms from such clouds might be prevented by overseeding them with pellets of dry ice or silver iodide, Dr. Schaefer explained. A little seeding of supercooled clouds can start rain or snow. Heavy seeding might dry up entire regions of the clouds, turning their moisture into snow crystals unable to grow big enough to fall.

On Stunting A Cloud

The cloud then would either be dissipated or stunted and kept from growing into a thunder storm, he said.

Certain clouds near mountains might be made to drop more snow, and stabilize the streams that flow from mountain snow. Such clouds, formed from moist air and forced to rise because of the mountain barrier, seldom drop their moisture of their own accord. Efficient seeding might cause them to release snow over wide areas.

Reservoirs Of Snow

Reservoirs of snow crystals in the sky might be produced by overseeding huge areas of flat, supercooled stratus clouds, he continued. They would produce snow crystals in huge numbers, but none big enough to fall.

These reservoirs might then be carried naturally into any lower clouds, and the snow crystals from the reservoir would seed the lower clouds, making them snow. This happens accidentally sometimes in nature, Dr. Schaefer said.

AUG 20 1949

UNDATED FINNISH (500) By William L. Ryan

BY THE ASSOCIATED PRESS

FINLAND, ON RUSSIA'S DOORSTEP, IS A CONSTANT SOURCE OF ANNOYANCE TO THE SOVIET UNION.

THIS NATURALLY RAISES THE QUESTION WHETHER THE CURRENT COMMUNIST-INSPIRED WAVE OF STRIKES IN FINLAND IS AIMED AT SOFTENING THE PLUCKY LITTLE COUNTRY FOR A SUNDAY PUNCH WHICH COULD SEND HER REELING INTO THE CAMP OF "PEOPLE'S DEMOCRACIES."

FINLAND'S SOCIAL DEMOCRATIC GOVERNMENT CHARGES THAT THIS IS THE CASE -- THAT A COUP D'ETAT IS BEING PLANNED. IT HAS CAUSE FOR SUCH REASONING:

WITH UNVARYING MONOTONY, THE SOVIET PRESS HAS BEEN SNIPING AT THE FINNISH GOVERNMENT. IT HAS ACCUSED FINLAND OF FOSTERING "DARK FORCES OF REACTION." IT HAS ASSAILED THE FINNS AS TOOLS OF "ANGLO-AMERICAN WARMONGERS." IT HAS CHARGED THAT "PRO-FASCIST AND MILITARIZED ORGANIZATIONS" ARE PLOTTING INSIDE FINLAND FOR A WAR ON THE SOVIET UNION. FINLAND, IT SAYS, IS OVERRUN WITH AMERICAN SPIES.

IT EVEN WENT TO FAR AS TO SAY THAT A FINNISH WOLF-HUNT ACTUALLY WAS A HUNT FOR A SUITABLE MILITARY BASE IN LAPLAND, AND THAT MORMON CHURCH MISSIONARIES IN FINLAND REALLY WERE AMERICAN AGENTS.

MOSCOW, WITH A SHOW OF EXTENDING A HELPING HAND TO HER NEIGHBORS IN THE MUSCOVITE VERSION OF A MARSHALL PLAN, SIGNIFICANTLY LEFT NEIGHBOR FINLAND OUT WHEN SHE SET UP ECMA -- HER ECONOMIC COUNCIL OF MUTUAL AID. FINLAND HAS NOT THE SORT OF GOVERNMENT RUSSIA WANTS TO HELP, ECONOMICALLY OR OTHERWISE.

FINLAND HAD LOOKED FORWARD WITH A SHOW OF HOPE TO RECONSTRUCTING HER BASIC INDUSTRIES WITH THE AID OF A WORLD BANK LOAN. ONLY THREE WEEKS AGO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT GRANTED A $12,500,000 LOAN TO THE FINNS TO BUILD UP THEIR WOOD PRODUCTS INDUSTRY, DEVELOP THEIR ELECTRIC POWER AND EXPAND THEIR PRODUCTION OF LIME FOR AGRICULTURE.

NOTING THIS, IT COULD BE THAT MOSCOW CONSIDERS THE TIME RIPE TO STRIKE, BEFORE FINLAND BECOMES STRONG ENOUGH TO RESIST.

THE "DEMOCRATIC UNION OF THE FINNISH PEOPLE" HELD ITS SECOND CONGRESS LATE IN JUNE. THE "DEMOCRATIC UNION" IS JUST ANOTHER NAME FOR THE COMMUNIST PARTY. AT THE CONGRESS, THE PARTY SET THE PATTERN FOR THE ATTACK WHICH NOW APPEARS TO BE TAKING FORM IN THE COMMUNIST STRIKE OFFENSIVE.

FINLAND'S SOCIAL DEMOCRATIC GOVERNMENT WAS HEAVILY ASSAULTED IN THE CONGRESS. IT HEARD THIS PROPHETIC CHARGE (AS REPORTED IN MOSCOW'S PRAVDA):

"BOURGEOIS CIRCLES (IN FINLAND) ARE INCREASINGLY INSISTENT IN THEIR DEMANDS THAT THE LIVING STANDARDS OF THE WORKERS BE LOWERED. THE BOURGEOISIE (RULING CLASS) IS WELL AWARE THAT SUCH MEASURES ARE IMPOSSIBLE UNDER DEMOCRATIC GOVERNMENT AND REQUIRE A MORE TRACTABLE GOVERNMENT."

FOR THE RUSSIANS, THIS CHARGE IS TANTAMOUNT TO SAYING FINLAND IS HEADED FOR A FASCIST GOVERNMENT. A CLAIM FINLAND WAS IN CONTROL OF FASCISTS WOULD AFFORD THE COMMUNISTS AN EXCUSE FOR ATTACKING.

THE CONGRESS' SPEAKERS CALLED THE SOCIAL DEMOCRATIC GOVERNMENT OF PREMIER KARL A.FAGERHOLM "TRAITOROUS." THIS, TOO, IS A FAMILIAR DESIGN IN THE OVERALL PATTER..

FINLAND, EARLY IN 1948, SIGNED A TREATY OF FRIENDSHIP WITH THE SOVIET UNION IN WHICH THE RUSSIANS MADE A PROMISE TO ALLOW THE FINNS TO LEAD THEIR OWN LIVES IN AN INDEPENDENT STATE.

BUT MOSCOW OBVIOUSLY HAS BEEN WORRIED ABOUT FINLAND'S LEANINGS TOWARD THE WEST. TO USE THE RUSSIAN PHRASEOLOGY, "IT WAS NOT BY ACCIDENT" THAT THE RUSSIANS HAVE MAINTAINED SINCE THE WAR THEIR MILITARY BASE AT PORKKALA, ON FINNISH SOIL.

FINLAND WOULD MAKE A NEAT FINISHING TOUCH TO THE CHAIN OF COMMUNIST STATES IN EASTERN EUROPE. SHE STANDS OUT, IN MOSCOW'S EYES, LIKE A SORE THUMB.

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A118 (110)
LONDON, AUG. 19-(AP)-RUSSIA AND THE WEST AGREED TODAY IN PRINCIPLE ON THE RIGHTS OF CROAT AND SLOVENE MINORITIES IN AUSTRIA.
THE FOUR-POWER CONFERENCE DRAFTING AN AUSTRIAN INDEPENDENCE TREATY HERE ACCEPTED GENERAL TERMS OF AN ARTICLE WHICH WOULD GIVE THOSE YUGOSLAV MINORITIES IN THE PROVINCES OF CARINTHIA, BURGENLAND AND STYRIA RIGHTS OF LANGUAGE STUDY, EDUCATION, AND PARTICIPATION WITH OTHER AUSTRIANS IN CULTURAL, JUDICIAL, AND OTHER OFFICIAL BODIES.
THERE WAS DISAGREEMENT, HOWEVER, ON THE TERMS OF SOME SECTIONS OF THE ARTICLE AND DEPUTY FOREIGN MINISTERS OF THE UNITED STATES, BRITAIN, FRANCE, AND RUSSIA AGREED TO RECONSIDER IT LATER.
GH1102AED

A119

A123 (140)
LONDON, AUG. 19-(AP)-BRITAIN'S BIG THREE GOT TOGETHER TODAY AFTER THE RETURN OF ECONOMIC CZAR SIR STAFFORD CRIPPS FROM A HEALTH TRIP TO SWITZERLAND.
LOOKING FIT AND SMILING, CRIPPS ARRANGED A MEETING AT CHEQUERS WITH PRIME MINISTER CLEMENT ATTLEE AND TOOK FOREIGN SECRETARY ERNEST BEVIN ALONG TO ATTLEE'S COUNTRY PLACE.
TREASURY OFFICIALS GAVE HIM A BIG BATCH OF DOCUMENTS TO STUDY OVER THE WEEKEND.
THESE BEAR ON THE CASE BRITAIN IS GOING TO PUT BEFORE THE UNITED STATES AND CANADA AT THE SEPT. 6 WASHINGTON CONFERENCE ON THE WORLD POUND-DOLLAR CRISIS.
JT1214AED

AUG 20 1949

with washington

london, saturday, aug. 20--(ap)--two british newspapers suggested today that this nation's delegates to the forthcoming washington financial talks go into the meeting with open minds and not decided beforehand what the outcome should be.

[redacted]

foreign minister ernest bevin and sir stafford cripps, chancellor of the exchequer, will represent britain.

the london times said: "it would be wasted time for the british government at this moment to strike an heroic attitude and declare that their socialist state will not be betrayed. they are not going to [redacted] be asked to betray it."

AUG 20 1949

"the british ministers," the times added, "have no right either to give away against their responsible judgments to any american suggestion which they may honestly regard as inadvisable or to postpone for a moment, merely on grounds of doctrine, necessary decisions however distasteful about future economic policy."

the conservative daily telegraph, striking a similar note, said "it can only be hoped that he (sir stafford) will not be forced by circumstances and not by the americans to swallow" the idea of devaluation of the pound.

AUG 20 1949

the newspaper said that cripps and bevin will be handicapped "not by american dislike of socialism but american bewilderment".

[redacted]

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Barcelona, Spain, Aug. 19--(AP)--A window of the Barcelona Provincial Parliament Building was damaged by a bomb tonight. No casualties were reported.

One man was killed and nine other persons, including two women, were injured when a big bomb exploded in Barcelona's main square July 17. Several blasts occurred during a visit by Generalissimo Francisco Franco early in June.

AUG 20 1949

A121 (150)
PARIS, AUG. 19-(AP)-THE FRENCH GOVERNMENT DECIDED TONIGHT TO AUTHORIZE IMPORTATION OF CERTAIN FOODS AND TOOLS IN AN EFFORT TO DRIVE DOWN PRICES.

THE CABINET SAID BUTTER, CHEESE, WINE AND VEGETABLES WILL BE IMPORTED AS WELL AS TEXTILES, HARDWARE AND AGRICULTURAL MACHINERY. THESE IMPORTS WILL BE WITHOUT LICENSES, FORMALITIES OR CUSTOMS DUTIES.

FOREIGN CURRENCIES HAVE BEEN ROLLING INTO THE FRENCH TREASURY AT A NEAR RECORD RATE BECAUSE OF THE INFLUX OF TOURISTS. THESE FUNDS GIVE THE GOVERNMENT THE NECESSARY EXCHANGE FOR IMPORTS.

UNIONS, LED BY THE COMMUNIST-CONTROLLED GENERAL FEDERATION OF LABOR (CGT), HAVE BEEN INCREASINGLY INSISTENT ON HIGHER WAGES. TONIGHT'S CABINET MOVE IS SEEN AS AN EFFORT TO FORESTALL STRIKES SUPPORTING SUCH DEMANDS BY BRINGING DOWN PRICES.

TU/JT1211AED

AUG 20 1949

ASSEMBLY PRESIDENT PAUL-HENRI SPAAK OF BELGIUM SAID HE THOUGHT GENERAL DEBATE ON HUMAN RIGHTS MIGHT BE WOUND UP TODAY. A COMMITTEE THEN WILL REPORT OUT A RESOLUTION, PROBABLY NEXT WEEK, AND THE MATTER WILL COME UP AGAIN IN THE ASSEMBLY.

SJ1217PED DAY

Add Strasbourg (Day.) x x x rights court.

NIGHT LEAD OEEC (250)
PARIS, AUG. 19-(AP)-BRITAIN AND ITALY TOLD THEIR ASSOCIATES IN THE EUROPEAN RECOVERY PROGRAM (ERP) TODAY THEY ARE DISSATISFIED WITH THE SUMS ALLOTTED THEM FOR THE YEAR 1949-50.

THE STATEMENTS WERE MADE AT A SO-CALLED SECRET MEETING OF THE COUNCIL OF THE ORGANIZATION FOR EUROPEAN ECONOMIC COOPERATION (OEEC). THE 19 AREAS REPRESENTED IN THE OEEC ALL HAVE SEATS ON THE RULING COUNCIL. ITS JOB IS TO APPORTION MARSHALL AID.

IN THE LATEST ESTIMATES, WHICH ARE NOT FINAL, BRITAIN WAS ALLOTTED $842,700,000 AND ITALY $382,700,000 OUT OF $3,621,600,000. BRITAIN HAD ASKED FOR $1,518,000,000 AND ITALY FOR $559,200,000.

ITALY HAS BEEN ONE OF THE COUNTRIES THAT HAS WORKED HARDEST TO REDUCE THE BRITISH ALLOTMENT.

THE BRITISH POSITION WAS OUTLINED BY SIR EDMUND HALL PATCH. LATER ALAN DUDLEY, PRESS OFFICER OF THE BRITISH OEEC DELEGATION, GAVE REPORTERS AN ACCOUNT OF WHAT SIR EDMUND HAD SAID.

THIS, ACCORDING TO DUDLEY, IS THE BRITISH POSITION:

ALTHOUGH BRITAIN DOES NOT EXPECT TO GET THE WHOLE OF ITS $1,518,000,000 DOLLAR DEFICIT COVERED BY MARSHALL MONEY, IT CONSIDERS ITS FIGURE A FAIR ONE. "VERY GREAT SLASHES," SOME OF THEM "WITHOUT ANY REASON GIVEN" HAVE BEEN MADE TO BRING IT DOWN TO $842,700,000. DUDLEY REFUSED, INCIDENTALLY, TO MENTION THIS LAST FIGURE, ALTHOUGH IT IS COMMON KNOWLEDGE HERE.

THE SLASHES WERE MADE BY AN OEEC WORKING PARTY OF SIX COUNTRIES. ALTHOUGH BRITAIN WAS A MEMBER, THE BRITISH DELEGATE TOOK NO PART IN THE DISCUSSION OF THE BRITISH PROGRAM.

TOMORROW THE MEETING WILL CONTINUE UNTIL EACH MEMBER COUNTRY HAS ITS SAY ON THE LATEST FIGURES. THEN THE COUNCIL IS EXPECTED TO ADJOURN FOR SOME DAYS IN AN ATTEMPT TO GET AGREEMENT.

TU1139PED

AUG 20 1949

NIGHT LEAD GIFT SHIPMENTS (500) NIGHT
BY BRACK CURRY
FRANKFURT, GERMANY, AUG. 19-(AP)-NEW REGULATIONS GOVERNING THE SHIPMENT OF GIFT PARCELS TO GERMANY PROBABLY WILL BE ANNOUNCED NEXT WEEK IN AN EFFORT TO HALT THE FLOW OF BLACK MARKET GOODS, AMERICAN MILITARY GOVERNMENT OFFICIALS SAID TODAY.

THEY SAID THE NEW REGULATIONS WILL BE PART OF A DRIVE TO KILL AN ILLEGAL RACKET IN GIFT SHIPMENTS FROM THE UNITED STATES TO GERMANY, INVOLVING:

1. INVESTIGATIONS BY CUSTOMS OFFICIALS OF WHAT THEY CALL DIVERSION OF GIFT PARCELS TO THE BLACK MARKET.
2. PROVISIONS FOR CLOSING LEGISLATIVE LOOPHOLES WHICH HAVE PERMITTED SOME OF THE GROUPS PARTICIPATING IN THE ILLEGAL TRAFFIC TO OPERATE.

MILITARY GOVERNMENT OFFICIALS SAID THE DRIVE WILL BE DIRECTED AGAINST HUNDREDS OF PHONY CHARITABLE GROUPS WHICH HAVE SPRUNG UP IN GERMANY SINCE THE WAR.

THE OFFICIALS EMPHASIZED SUCH WELL-KNOWN AGENCIES AS THE AMERICAN RED CROSS, THE BRITISH RED CROSS, AND THE COUNCIL OF RELIEF AGENCIES ARE LICENSED TO OPERATE IN GERMANY AND ARE NOT INVOLVED IN ILLEGAL RACKETS.

FIVE GERMANS HAVE BEEN ARRESTED IN THE CLEANUP DRIVE, THE OFFICIALS SAID. THEY WILL BE CHARGED SOON WITH VIOLATING GERMAN CUSTOMS LAWS BY SELLING DUTY-FREE GOODS IMPORTED AS GIFT PARCELS ON THE BLACK MARKET.

ON AUG. 12 THE ANGLO-AMERICAN EXPORT-IMPORT AGENCY (JEIA) ANNOUNCED IT HAD CANCELLED "ALL OUTSTANDING LICENSES AND CONTRACTS IN THE NAME OF THE OVERSEAS MAIL ORDER SERVICE (OMOS)."

THE ANNOUNCEMENT SAID:

"ACTING ON INFORMATION RECEIVED FROM A UNITED STATES CUSTOMS GROUP

CONCERNING VIOLATIONS OF REGULATIONS GOVERNING DUTY-FREE GIFT SHIPMENTS UNDER JEIA INSTRUCTION NO. 15, THE JEIA MAIN OFFICE IN FRANKFURT HAS NOW ORDERED THE IMMEDIATE CANCELLATION OF ALL OUTSTANDING LICENSES AND CONTRACTS IN THE NAME OF OVERSEAS MAIL ORDER SERVICE (OMOS).

"AT THE SAME TIME, ALL JEIA BRANCH OFFICES HAVE BEEN REQUESTED TO ISSUE NO FURTHER LICENSE OR CONTRACT TO OMOS OR ITS SUCCESSOR CORPORATIONS WITHOUT REFERENCE TO THE JEIA HEAD OFFICE."

TONIGHT PAUL HIRSCH, EXECUTIVE VICE-PRESIDENT OF OVERSEAS MAIL ORDER SERVICE, INC., OF (2019 BROADWAY), NEW YORK, SAID IN A STATEMENT:

"NO SPECIFIC ALLEGATIONS OR CHARGES OF VIOLATIONS HAVE BEEN PRESENTED TO OMOS OFFICIALS HERE OR ATTRIBUTED TO THEM. IMMEDIATELY UPON HEARING OF THE CANCELLATION OF THE ONLY JEIA LICENSE IN FORCE FOR OMOS, WE IMMEDIATELY WENT TO THE JEIA OFFICE IN STUTTGART, WHERE THE LICENSE WAS ISSUED, TO ASCERTAIN THE REASON THEREFOR, AND THE ISSUING OFFICE COULD GIVE NO REASONS BECAUSE THEIR ORDERS TO CANCEL THE LICENSE WERE ACCOMPANIED BY NO REASONS, SO THEY SAID.

"AFTER THAT WE CAME TO THE CUSTOMS GROUP IN FRANKFURT AND HAVE DISCUSSED THIS MATTER AND ALL PHASES OF OUR OPERATIONS AND LIQUIDATION ACTIVITIES WITH OFFICIALS OF THE CUSTOMS GROUP. UP TO THIS MINUTE NO DIRECT ALLEGATIONS OR CHARGES HAVE BEEN MADE AGAINST OMOS AND NO REASONS FOR THE CANCELLATION OF THE LICENSE INVOLVING VIOLATIONS BY OMOS HAVE BEEN RELATED TO US.

"ANY CHARGES OR INSINUATIONS THAT OVERSEAS MAIL ORDER SERVICE HAS BEEN SHIPPING CONTRABAND MERCHANDISE SUCH AS DRUGS, MONEY, FABRICS, NYLON STOCKINGS ETC. IN GIFT PACKAGES TO GERMANY ARE UNTRUE.

"THE TRUTH OF THE MATTER IS THAT OVERSEAS MAIL ORDER SERVICE HAS NOT SHIPPED GIFT PACKAGES TO GERMANY FOR ABOUT TWO YEARS. THIS COMPANY HAS HAD A STOCK OF MERCHANDISE IN GERMANY SINCE THE MIDDLE OF 1947 FROM WHICH GIFT PARCELS HAVE BEEN PACKED, ACCORDING TO THE SELECTION OF BENEFICIARIES.

"THIS STOCK OF MERCHANDISE HAS COME INTO GERMANY LEGALLY, IN BULK SHIPMENTS, AND HAS AT ALL TIMES BEEN UNDER THE CONTROL AND SUPERVISION OF THE PROPER AUTHORITIES."

HIRSCH SAID OMOS DOES NOT SELL ANY GOODS INSIDE GERMANY. THE GOODS ARE DISTRIBUTED IN GIFT PARCELS, HE SAID, SENT TO GERMANS FROM STOCKS IN GERMANY THROUGH ITS DISTRIBUTION REPRESENTATIVE, A LARGE CHARITABLE ORGANIZATION IN THIS COUNTRY.

TU1134PED

AUG 20 1949

BY BRACK CURRY

FRANKFURT, GERMANY, AUG. 19-(AP)-AMERICAN MILITARY GOVERNMENT OFFICIALS DISCLOSED TODAY THAT A DRIVE TO STAMP OUT AN ILLEGAL RACKET IN GIFT SHIPMENTS FROM THE UNITED STATES TO GERMANY ALREADY HAS LANDED FIVE GERMANS IN JAIL. FURTHER ARRESTS ARE EXPECTED.

THE FIVE GERMANS HAVE BEEN CHARGED WITH VIOLATING CUSTOMS LAWS BY PEDDLING ON THE BLACK MARKET DUTY-FREE GOODS IMPORTED AS GIFT PARCELS, THESE OFFICIALS SAID.

"WE ARE CLOSING IN ON THE ILLEGAL GIFT SHIPMENT RACKET," AN AMERICAN OFFICIAL SAID. "LITERALLY HUNDREDS OF GROUPS CALLING THEMSELVES WELFARE ORGANIZATIONS HAVE SPRUNG UP IN GERMANY TO IMPORT GIFT PARCELS AND RESELL THEM ON THE BLACK MARKET. IT'S A BIG RACKET.

"WE ARE MAKING WIDESPREAD INVESTIGATION OF THESE PHONY GROUPS. IN ADDITION, THE MILITARY GOVERNMENT PROBABLY WILL ANNOUNCE NEXT WEEK NEW REGULATIONS TO KILL THIS RACKET. THESE REGULATIONS WILL CLOSE THE LEGISLATIVE LOOPHOLES WHICH HAVE MADE IT POSSIBLE FOR SOME OF THESE GROUPS TO OPERATE."

U.S. CUSTOMS OFFICIALS SAID HERE RECENTLY THAT CUSTOMS EVASIONS FOR THE U.S. OCCUPATION ZONE ALONE MAY TOTAL UP TO $600,000,000 DOLLARS A YEAR. AND A BIG PART OF THIS, THEY SAID, INVOLVES GOODS BROUGHT IN AS GIFT SHIPMENTS AND THEN RESOLD.

AMG OFFICIALS SAID THE GERMAN AFFILIATES OF THE OVERSEAS MAIL ORDER SERVICE (OMOS) OF NEW YORK HAVE BEEN FORBIDDEN TO HANDLE GIFT PACKAGE SHIPMENTS.

LAST WEEK MILITARY GOVERNMENT CANCELLED THE LISCENSES OF OMOS TO SHIP GIFT PARCELS TO GERMANY ON GROUNDS OF "VIOLATIONS OF REGULATIONS GOVERNING DUTY-FREE GIFT SHIPMENTS."

THESE OFFICIALS SAID CURRENCY, CIGARETTES, COFFEE, DRUGS, CLOTH AND NYLONS HAVE BEEN SHIPPED TO GERMANY AS GIFT PARCELS -- AND THEN RESOLD AT FABULOUS PRICES.

OFFICIALS REFUSED TO NAME THE GROUPS UNDER INVESTIGATION.

LICENSED AGENCIES WHICH ARE NOT INVOLVED INCLUDE THE RED CROSS, COOPERATIVE FOR AMERICAN REMITTANCES TO EUROPE, INC. (CARE), COUNCIL OF RELIEF AGENCIES LICENSED FOR OPERATION IN GERMANY (CRALOG), JEWISH RESTITUTION SUCCESSOR ORGANIZATION AND VATICAN GROUPS FOR SPIRITUAL ASSISTANCE.

-DASH-

IN NEW YORK, E.EISNER, SECRETARY-TREASURER OF OMOS, SAID "THE WHOLE LICENSE TROUBLE CAME ABOUT BY MISUSE OF OUR NAME." HE SAID THE FIRM'S EXECUTIVE VICE PRESIDENT WAS IN FRANKFURT ENDEAVORING TO STRAIGHTEN THE WHOLE THING OUT WITH THE JOINT EXPORT-IMPORT AGENCY. EISNER SAID HIS FIRM DEALT ONLY IN FOOD AND "NEVER DEALT IN DRUGS, CLOTHES OR NYLONS."

MJ227PED

AUG 20 1949

KX (Q)

FRANKFURT, GERMANY, AUG.19-(AP)-PASTOR MARTIN NIEMOELLER IS SCHEDULED TO LEAVE FRANKFURT BY AIR SATURDAY FOR SYDNEY, AUSTRALIA.

THE 57-YEAR-OLD PRESIDENT OF THE EVANGELICAL CHURCHES OF WESTERN GERMANY WILL LECTURE IN AUSTRALIA, NEW ZEALAND AND TASMANIA AT THE INVITATION OF RELIGIOUS AUTHORITIES.

HE SAID HE ALSO INTENDS TO BROACH THE TOPIC OF GERMAN EMIGRATION TO AUSTRALIA.

NIEMOELLER WILL BE ACCOMPANIED BY HIS WIFE.

AMERICAN OVERSEAS AIRLINES SAID THEY SHOULD REACH SYDNEY IN FOUR DAYS VIA NEW YORK, SAN FRANCISCO, HONOLULU AND THE FIJI ISLANDS.

SF836AED

AUG 20 1949

FRANKFURT,GERMANY,AUG.19-(AP)-AN AMERICAN ARMY COURTMARTIAL TODAY DISMISSED ONE OF THE CHARGES AGAINST RUSSELL G.BIRD OF MISHAWAKA, IND., FORMER ARMY "PX" MANAGER ACCUSED OF ILLEGAL CIGARETTE DEALS.

AS THE PROSECUTION COMPLETED ITS CASE, THE COURT GRANTED A DEFENSE MOTION TO DROP A CHARGE BF EMBEZZLING CIGARETTES.

BIRD IS STILL CHARGED WITH MISAPPROPRIATION AND ILLEGAL SALE OF 4,200 CARTONS OF CIGARETTES AND BREAKING RESTRAINT--GOING TO THE UNITED STATES WHILE AWAITING TRIAL.

THE ARMY PROSECUTION HAS CHARGED THAT HE MADE $2,930 FROM ILLEGAL CIGARETTE SALES.

THE TRIAL IS SCHEDULED TO RESUME TUESDAY.

ML116PED

B52 (Q IN)

BERLIN, AUG. 19-(AP)-REX ANDREWS, CHIEF OF POLICE OF WINNETKA, ILL., BEGAN A TOUR OF GERMAN POLICE DEPARTMENTS IN THE U.S. ZONE OF GERMANY TODAY.

ANDREWS WILL SPEND A MONTH INSPECTING GERMAN POLICE TRAINING SCHOOLS AND OTHER LAW ENFORCING AGENCIES.

JS100SAED

AUG 20 1949

BERLIN, AUG.19-(AP)-RUSSIA MAY SOON DISBAND CONCENTRATION CAMPS IN ITS ZONE OF GERMANY, THE AMERICAN-LICENSED PAPER DER ABEND SAID TODAY.

"IN VIEW OF THE STEADILY RISING NUMBER OF GERMAN INTERNEES FROM THESE CAMPS WHO ARE BEING DEPORTED TO LABOR CAMPS IN RUSSIA AND THE SOVIET REPUBLIC OF LITHUANIA, THIS CONSIDERATION SEEMS TO BECOME A REALITY," THE NEWSPAPER SAID.

THERE ARE THREE CONCENTRATION CAMPS NOW OPERATED UNDER RUSSIAN SUPERVISION. THEY ARE BUCHENWALD, SACHSENHAUSEN AND BAUTZEN, TWO OF THEM WERE NAZI DEATH MILLS.

AUG 20 1949

B216PED

wiesbaden, germany, aug. 19--(ap)--an american air lift flier killed in an automobile accident wednesdaywas identified by the u. s. air force today as lt. george c. fitzpatrick.

the accident occurred near celle. he is survived by a sister, kaye osborne of (1309 prington ave) birmingham, ala.

AUG 20 1949

BERLIN, AUG.19-(AP)-LT.BERNARD RIBERDY OF (418 CLINTON AVE.) ALBANY, N.Y., WILL RECEIVE A BELGIAN ARMY DECORATION TOMORROW FOR "EXCEPTIONAL SERVICES RENDERED DURING THE LIBERATION OF BELGIUM."

LT.RIBERDY, NOW ASSISTANT ADJUTANT AND PERSONNEL OFFICER OF THE 16TH INFANTRY IN BERLIN, WAS AN ENLISTED MAN IN THE 172ND COMBAT ENGINEERS BATTALION WHEN THE U.S. ARMY ROUTED THE GERMANS FROM BELGIUM.

A BELGIAN GENERAL WILL PRESENT A SHOULDER CORD TO L.RIBERDY AT A PARADE AND REVIEW IN THE ROOSEVELT BARRACKS.

PS81GPED

MOSCOW, AUG.19-(AP)-THE COMMUNIST PARTY NEWSPAPER PRAVDA TODAY PRESENTED TO ITS READERS A VERSION OF LIFE IN THE UNITED STATES.

THE NEWSPAPER SAID THE FBI, HAVING INVESTIGATED EVERYTHING ELSE, WAS GOING TO UNDERTAKE LOYALTY CHECKS ON GRADE SCHOOL CHILDREN. IT SUGGESTED THAT NURSERY SCHOOLS AND MATERNITY HOSPITALS WOULD ALSO BE LIKELY FIELDS FOR UNCOVERING COMMUNIST PROPAGANDA.

PRAVDA ALSO REPORTED AN EATING CONTEST BETWEEN A FOUR-MONTH-OLD PIGLET AND A MICHIGAN UNIVERSITY STUDENT. IT COMMENTED:

"THE FACT THAT SUCH A CONTEST ISHELD CHARACTERIZES WITH SUFFICIENT CLEARNESS THE MORALS OF THE STANDARD-BEARERS OF DOLLAR CIVILIZATION."

(THE CONTEST, ARRANGED AS A JOKE, WAS CALLED OF.)

SF722AED

AUG 20 1949 30.24- 5145

(110)

PRAGUE, CZECHOSLOVAKIA, AUG.19-(AP)-THE INDEPENDENT SLOVAKIAN NEWSPAPER CIEL REPORTED TODAY THAT COMMUNIST AND CATHOLIC LEADERS HAD COOPERATED HARMONIOUSLY IN THE FUNERAL OF A PRIEST REPUTED TO HAVE BEEN A MEMBER OF THE PARTY.

THE NEWSPAPER QUOTED A COMMUNIST OFFICIAL WHO DELIVER THE FUNERAL ORATION AS DECLARING THAT THE LIFE OF THE PRIEST "PROVED THE POSSIBILITY OF AGREEMENT BETWEEN CHURCH AND STATE, BECAUSE HE WAS A GOOD PRIEST AS WELL AS A GOOD MEMBER OF THE COMMUNIST PARTY."

THE PRIEST WAS IDENTIFIED AS THE REV. JURAJ KEMPNY, 62, WHO SERVED 38 YEARS IN THE PARISH OF VISOLAJE. HIS FUNERAL WAS HELD AT ZILINA, IN NORTHWESTERN SLOVAKIA.

"CLERGY AS WELL AS LAYMEN CAME TO SAY FAREWELL TO THIS BELOVED PRIEST," CIEL'S ACCOUNT SAID.

THE SLOVAK COMMUNIST PARTY TOOK WREATHS.

ANOTHER SHARP ATTACK ON POPE PIUS XII AND THE CZECH CATHOLIC HIERARCHY WAS MADE BY PRACE, TRADE UNION DAILY AND THE MOUTHPIECE OF CZECH PREMIER ANTONIN ZAPOTOCKY.

IT SAID ARCHBISHOP JOSEF BERAN AND HIS BISHOPS WERE WAGING AN "ANTI-STATE POLICY WHICH IS INCREASINGLY TURNING THE FAITHFUL AND THE PRIESTS AWAY FROM THEIR TREACHEROUS HIERARCHY."

ACCUSING THE POPE OF WAGING A POLITICAL CRUSADE WITH HIS EX-COMMUNICATION DECREE AGAINST MILITANT COMMUNISTS, PRACE ASSERTED: "THE VATICAN OF TODAY IS NOT EVEN A SHADOW OF THE HOLY SEE AS IT WAS FOUNDED BY ST. PETER. THE APOSTLE NEVER DREAMED THAT ANY OF HIS SUCCESSORS WOULD BECOME ONE OF THE RICHEST MEN IN THE WORLD, THE ASSOCIATE AND SUPPORTER OF ARMS MANUFACTURERS AND IMPERIALISTS WHO DRIVE MANKIND FROM ONE BLOODY CATASTROPHE TO ANOTHER."

FH921AED

(250)

KX FOR FRISCO (APW)

RANGOON, BURMA, AUG 19-(AP)-KAREN REBELS FIGHTING THE GOVERNMENT FOR AN AUTONOMOUS STATE FACED ATTACK FROM TWO NEW DIRECTIONS TODAY.

OVER THE SIGNATURE OF PRESIDENT SAO HKUN HKIO OF THE SHAN STATE, NEWSPAPERS CARRIED A STATEMENT SAYING THE SHAN PEOPLES WOULD FIGHT THE KARENS IN AN "ALL-OUT RELENTLESS WAR."

THE STATEMENT CHARGED THAT THE KARENS COMMITTED AN "INSULT TO THE SHAN STATE PEOPLES AND THE SHAN GOVERNMENT" BY OCCUPYING THE SOUTHERN STATE CAITA AT TAUNGGYI. THIS, THE STATEMENT SAID, WAS AN ENCORACHMENT ON THE SHAN STATE.

THE GOVERNMENT ANNOUNCED, MEANWHILE, THAT THE KARENS WERE ENGAGED IN WARFARE AT MAUBIN, A DELTA DISTRICT 35 MILES WEST OF RANGOON, WITH RED FLAG (TROTZKYIST) COMMUNISTS. THE RED FLAG COMMUNISTS AND THE WHITE FLAG (STALINIST) COMMUNISTS ARE FACETS OF THE MANY SIDED CIVIL WAR IN HEAVILY BURDENED BURMA.

GOVERNMENT TROOPS MOVED AGAINST ANOTHER REBELLIOUS GROUUP, RENEGADE FROM THE WHITE BAND PROPLE'S VOLUNTEER ORGANIZATION. THE REGULAR PVO HAS BEEN LOYAL TO THE GOVERNMENT, BUT RENEGADE GROUPS HAVE BEEN FIGHTING THE BURMA ARMY.

THE GOVERNMENT FORCES RETOOK KINU, AN IMPORTANT STATION ON THE MANDALAY-MYITKYINA RAILWAY 78 MILES NORTH OF MANDALAY, AN ARMY ANNOUNCEMENT SAID, AND MET NO OPPOSITION FROM THE PVO.

DY731PED

AUG 20 1949

BY WAYNE RICHARDSON

HONG KONG, AUG.19-(AP)-ON THE WORD OF A CHINESE SHIP CAPTAIN, IT WAS COMMUNIST SHORE GUNS--NOT THE BRITISH SLOOP AMETHYST--THAT FATALLY SHOT UP HIS SHIP DURING THE AMETHYST'S ESCAPE DOWN THE YANGTZE RIVER JULY 30 AND 31.

WHEN THE AMETHYST ESCAPED AFTER BEING TRAPPED MORE THAN THREE MONTHS IN THE RIVER, THE COMMUNISTS CHARGED THAT SHE HAD SUNK THE STEAMER KIANGLING LIBERATION, CAUSING SEVERAL HUNDRED DEATHS.

THE CREW OF THE AMETHYST SAID THE COMMUNIST ARTILLERY HAD SET A CHINESE SHIP AFIRE IN VAINLY TRYING TO STOP THE AMETHYST'S 140-MILE DASH. THE BRITISH ADMIRALTY CATEGORICALLY DENIED THE COMMUNIST ACCUSATION.

NOW INFORMATION SEEPING FROM BEHIND THE RED CURTAIN VIA RELIABLE TRAVELERS QUOTES THE CHINESE CAPTAIN AS AGREEING WITH THE BRITISH VERSION.

HERE IS THE STORY AS RELAYED FROM CAPT. CHEN LO-SEN, VETERAN YANGTZE SHIPMASTER:

THE KIANGLING LIBERATION, 600-TON VESSEL OWNED BY THE CHINA MERCHANTS' STEAM NAVIGATION COMPANY, DOCKED AT CHINKIANG, 30 MILES DOWNSTREAM FROM NANKING, ON THE AFTERNOON OF JULY 29. MOST OF THE PASSENGERS GOT OFF AND CONTINUED THEIR JOURNEY BY LAND BECAUSE THEY HAD BEEN FRIGHTENED BY A NATIONALIST AIR ATTACK EARLIER IN THE DAY. FOUR BOMBS HAD MISSED KIANGLING LIBERATION. ONLY 70 PERSONS REMAINED ABOARD, INCLUDING THE CREW.

AUG 20 1949

ON THE NIGHT OF JULY 30, THE SHIP PROCEEDED ON DOWNRIVER TOWARDS SHANGHAI WITH ALL LIGHTS LIT. SHORTLY AFTER MIDNIGHT, THE MORNING OF JULY 31, IT SUDDENLY CAME UNDER FIRE FROM THREE DIRECTIONS FROM SHORE. THE FIRING WAS INTENSE, BOTH ARTILLERY AND MACHINE GUNS BEING USED.

HIT SEVERAL TIMES, THE CHINESE SHIP QUICKLY CAUGHT FIRE AND WENT OUT OF CONTROL.

AT THIS MOMENT, CHEN CAUGHT A GLIMPSE OF WHAT HE DESCRIBED AS A BIG SHIP, RUNNING WITHOUT LIGHTS ASTERN OF THE KIANGLING LIBERATION. HE DID NOT KNOW AT THE TIME BUT LATER PRESUMED THIS WAS THE AMETHYST, ALTHOUGH THE SLOOP ACTUALLY IS A SMALL VESSEL.

BY THIS TIME, PANIC RULED ABOARD THE KIANGLING LIBERATION. EVERYONE WHO WAS ABLE, INCLUDING THE CAPTAIN, JUMPED OVERBOARD.

AS HE SWAM FOR SHORE, THE CAPTAIN SAW THE DARK MYSTERY SHIP SPEED SILENTLY PAST DOWNRIVER. IT HAD DONE NO FIRING. (HOWEVER, THE AMTHYST DID FIRE BACK AT RED SHORE BATTERING A COUPLE OF TIMES DURING ITS ESCAPE.)

AFTER THE KIANGLING LIBERATION WAS ABANDONED, A COMMUNIST NAVAL CRAFT OF SOME SORT PUT A BOARDING PARTY ON DECK AND MANAGED TO ANCHOR HER. SHE BURNED THERE FOR AT LEAST TWO DAYS.

THIRTY PASSENGERS AND 10 CREW MEMBERS WERE MISSING AND PRESUMED DEAD. TEN PERSONS WERE INJURED, ONLY ONE OF THEM SERIOUSLY.

JW159PCS

Saturday,
Calcutta, India, Aug. 20--(AP)--[redacted] police announced today five persons including a woman were killed yesterday when the police fired on a group of Communist aborigines attacking with bows and arrows.

AUG 20 1949

The incident occurred at a village 100 miles from Calcutta. The police said that when they entered the village to [redacted] make some arrests, the aborigines started using their bows and arrows, wounding several officers.

After tear gas had failed to disperse the crowd, the police opened fire.

AUG 20 1949

Near this same village aborigines staged demonstrations on Indian Independence Day Monday, tearing down and burning several national flags.

Police here reported several casualties.

THE UNITED STATES INFORMATION SERVICE, WHICH MOVED ONLY LAST WEEK TO THE YOKOHAMA SPECIE BANK BUILDING ON SHEMEEN ISLAND, WAS BOARDED UP. THE FLATS ABOVE INTO WHICH JUNIOR OFFICIALS SET UP HOUSE WERE VACANT.

EVACUATIONS ALSO REDUCED AMERICAN AND BRITISH BUSINESS COMMUNITIES ALMOST TO THAT GROUP WHICH WILL REMAIN IN CANTON COME WHAT MAY.

UNDER PRESENT PLANS ALL FOUR OF THE OTHERS --BRITISH, FRENCH, THE NETHERLANDS AND PORTUGUESE -- INTEND TO REMAIN FOR THE POSSIBLE OCCUPATION BY THE CHINESE COMMUNISTS.

THE BRITISH AND OTHER EMBASSY REPRESENTATIVES ALL SEEMED READY TO STAY UNTIL THE CHINESE NATIONALIST FOREIGN OFFICE GIVES THEM THE WORD TO MOVE. THAT WORD MAY NOT BE LONG DISTANT. THE MOVEMENT OF PACKING CASES OUT OF THE NATIONALIST FOREIGN OFFICE SEEMS TO HAVE BEEN ACCELERATED TODAY. Add Canton (Consulate closed) x x x one to close.

ALL IMPORTANT ARCHIVES FROM THAT OFFICE SEEM TO BE GOING TO TAIPEH, FORMOSA, WHERE GENERALISSIMO CHIANG KAI-SHEK HAS HEADQUARTERS INSTEAD OF TO CHUNGKING, SUPPOSEDLY THE NEXT PROVISIONAL CAPITAL.

FI738APS NM

TOKYO, SATURDAY, AUG. 20-(AP)-FOUR JAPANESE CIVILIAN GUARDS, CONDEMNED FOR WAR CRIMES AGAINST AUSTRALIAN PRISONERS DURING THE WAR, WERE HANGED TODAY.

THE FOUR, MASAJI SEKIHARA, AKIRA YANAGIZAWA, HIROSHI OBINATA AND YONESUKE AKIYAMA, WERE GUARDS AT NAOETSU PRISONER OF WAR CAMP AT NIIGATA, ON JAPAN'S WEST COAST, WHERE AUSTRALIANS WERE HELD.

FJ1054PCS

AUG 20 1949

A16FX

TOKYO, AUG. 19-(AP)-BRITISH AND U.S. FORCES ARE ENGAGED IN COMBINED AIR AND SURFACE MANEUVERS OFF THE SOUTHERN COAST OF HONSHU, JAPAN'S MAIN ISLAND, GENERAL MACARTHUR'S HEADQUARTERS REPORTED TODAY.

THE MANEUVERS BEGAN WEDNESDAY NIGHT AND WILL CONTINUE THROUGH SATURDAY MORNING.

PLANES FROM THE ROYAL AIR FORCE AND THE AUSTRALIAN AIR FORCE, ONE AUSTRALIAN AND THREE BRITISH DESTROYERS AND UNITS OF THE U.S. NAVAL FORCES OF THE FAR EAST AND THE FAR EAST AIR FORCES ARE TAKING PART.

THE MANEUVERS WILL TEST COMMUNICATIONS AND OTHER EQUIPMENT, THE HEADQUARTERS REPORTED.

ALL SURFACE UNITS ARE UNDER THE COMMAND OF REAR ADM. T.A. BINFORD, U.S. NAVY. AIR UNITS ARE COMMANDED BY LT. GEN. GEORGE E. STRATEMEYER, COMMANDER OF THE FAR EAST AIR FORCES.

JL1125PPS NM

EDITORS:

CANTON--NIGHT LEAD CHINESE (A1KX) INSERT AFTER FOURTH GRAF "THE DEFENSE MINISTRY X X X WESTERN FLANK."

ON THE FAR NORTHWEST FRONT, AN OFFICIAL DISPATCH ADMITTED THE COMMUNISTS HAD REACHED A POINT ONLY 12 MILES SOUTHEAST OF LANCHOW, NATIONALIST STRONGHOLD IN THAT AREA.

THE DISPATCH ASSERTED THE REDS WERE BEATEN BACK WITH HEAVY LOSSES WITH THE HELP OF NATIONALIST WARPLANES. NEVERTHELESS, THE FEELING PREVAILED THAT LANCHOW'S FALL MIGHT BE ONLY A MATTER OF DAYS.

IN CANTON X X X FIFTH GRAF

FJ1006PCS NM

OSAKA, JAPAN, AUG. 19-(AP)-TWO U.S. SOLDIERS TODAY WERE CHARGED IN THE DEATH OF AN 8-YEAR-OLD JAPANESE GIRL WHO WAS STRUCK BY A JEEP NEAR HERE AUG. 10.

THE ARMY PUBLIC INFORMATION OFFICE NAMED THE TWO AS SGT. JAMES B. INMAN, 35, FLORENCE, ALA., DRIVER OF THE JEEP, WHO WAS CHARGED WITH MANSLAUGHTER, AND LT. JAMES BETTS, 30, FLOURTOWN, PA. BETTS, A PASSENGER IN THE JEEP, WAS CHARGED WITH LEAVING THE SCENE OF AN ACCIDENT.

THE DEAD GIRL WAS AKIKO YAMAMOTO. THE PROVOST MARSHAL'S OFFICE SAID THE GIRL WAS STRUCK DOWN WHILE THE JEEP WAS RETURNING FROM A RIFLE RANGE BUT THAT NO REPORT OF THE ACCIDENT WAS MADE.

VR535ACS

30.24- 5147

MONTREAL, AUG. 19-(AP)-DAVID DUBINSKY, PRESIDENT AND SECRETARY-TREASURER OF THE INTERNATIONAL LADIES GARMENT WORKERS UNION (AFL) SAID TODAY HE EXPECTS TO BE ONE OF FIVE AMERICAN FEDERATION OF LABOR DELEGATES TO A LONDON MEETING NOV. 28.

A PROVISIONAL CONSTITUTION WILL BE DRAFTED FOR A NEW ANTI-COMMUNIST ORGANIZATION OF FREE TRADE UNIONS THROUGHOUT THE WORLD AT THE LONDON MEETING.

DUBINSKY, VISITING RELATIVES IN MONTREAL, SAID THE PROPOSED NEW INTERNATIONAL LABOR BODY WILL "AID IN MAINTAINING DEMOCRATIC INSTITUTIONS ABROAD AND PREVENT COMMUNIST INFILTRATION."

THE NEW ORGANIZATION IS BEING FORMED TO SUPPLANT THE RED-DOMINATED WORLD FEDERATION OF TRADE UNIONS AND WILL INCLUDE LABOR GROUPS FROM 50 SEPARATE TOUNTRIES, HE SAID.

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AUG 20 1949

VANDENBERG TOLD A REPORTER HE THINKS SOME PARTS OF THE HOUSE BILL FOLLOW THE LINES OF THE AMENDMENTS HE AND DULLES HAVE PROPOSED.

THEY ARE INSISTENT ON PUTTING THE ARMS AID DIRECTLY UNDER THE ATLANTIC DEFENSE PLAN WHEN IT IS SET UP. OPPONENTS OF THIS SAY THE U.S. SHOULD HAVE FULL SAY ABOUT DISTRIBUTING THIS EQUIPMENT.

DULLES SAID HE DOESN'T SUBSCRIBE TO THE HOUSE FUND CUT. HE SAID HE WILL STAND ON THE AMENDMENTS HE AND VANDENBERG HAVE OFFERED.

SENATOR GEORGE (D-GA), WHO HAS URGED THAT THE ARMS FUND BE CUT IN HALF, SAID THE HOUSE MOVE "SHOULD BE SALUTARY."

"I THINK IT INDICATES THAT THE PEOPLE WHO ARE CLOSE TO THE GRASS ROOTS IN THE COUNTRY THINK WE OUGHT NOT TO CONVERT OUR OWN ECONOMY TOO RAPIDLY INTO A MILITARY ECONOMY," GEORGE SAID.

GG406PED Add Washn (Arms Aid) x x x would be paid later.

AUG 20 1949

A83WX

EDITORS:

WASHINGTON--SECOND NIGHT LEAD ARMS (A64WX) INSERT AFTER SECOND GRAF, BEGINNING: CONNALLY, ETC AND ENDING X X X THE MEASURE.

SENATOR DULLES (R-NY) MEANWHILE COMMENTED THAT THE ADMINISTRATION "WOULDN'T HAVE GOTTEN SUCH ROUGH TREATMENT" ON THE HOUSE FLOOR OVER THE ARMS AID BILL EXCEPT FOR "ITS STUBBORN ATTITUDE" IN THE HOUSE FOREIGN RELATIONS COMMITTEE IN REFUSING TO TAKE SOME TECHNICAL AMENDMENTS.

CHAIRMAN TYDINGS, ETC., THIRD GRAF PRVS.

THE AP

HY956PED

A79WX

WASHINGTON, FIRST ADD NIGHT LEAD FIVE PERCENTERS X X X

JAYWALKING.

MILLER SAID THE RECORD SHOWED THAT MARAGON HAD FORFEITED COLLATERAL IN 29 INSTANCES AND RECEIVED WARNINGS IN FIVE CASES. TWO CASES WERE DROPPED, HE SAID, AND HE DIDN'T KNOW WHAT HAPPENED TO THE OTHERS.

V941PED

AUG 20 1949

NIGHT LEAD TOKYO ROSE (390)

SAN FRANCISCO,AUG.19-(AP)-A DEFENSE WITNESS IN THE TOKYO ROSE TREASON TRIAL TODAY SAID "I WOULD PUT MY LIFE IN HER HANDS."

HE WAS FORMER PHILIPPINE ARMY LT.NORMAN REYES, CAPTURED AT CORREGIDOR. REYES SAID HE WAS ON THE "ZERO HOUR" PROGRAM OVER RADIO TOKYO FROM ITS START IN NOV., 1943, UNTIL THE END OF THE WAR.

THE ACCUSED TOKYO ROSE - MRS. IVA TOGURI D'AQUINO - HAS BEEN CHARGED WITH BROADCASTING TREASONABLE STATEMENTS ON "ZERO HOUR."

YESTERDAY, MAJOR WALLACE INCE - AMERICAN ARMY OFFICER ALSO CAPTURED ON CORREGIDOR AND ALSO A MEMBER OF THE "ZERO HOUR" PROGRAM - SAID HE NEVER FULLY TRUSTED MRS.D'AQUINO.

REYES WAS ASKED BY DEFENSE ATTONRYE WAYNE COLLINS ABOUT INCE'S STATEMENT. HE FIRST ANSWERED HE ALSO DIDN'T TRUST HER ALL THE TIME.

"WHEN DID YOU COME TO TRUST HER?" COLLINS ASKED.

"AFTER COUSENS AND INCE HAD BEEN TAKEN AWAY AND FOUR OR FIVE MONTHS HAD PASSED AND SHE HAD NOT TURNED ANY OF US IN TO THE KEMPEI TAI (JAPANESE MILITARY POLICE), I FELT I COULD TRUST THE DEFENDANT," REYES SAID.

COLLINS ASKED, "AFTER THAT YOU HAD ABSOLUTE CONFIDENCE IN HER?"

REYES REPLIED, "I WOULD PUT MY LIFE IN HER HANDS."

(MAJOR CHARLES COUSENS, FORMER AUSTRALIAN ARMY OFFICER AND A DEFENSE WITNESS AND INCE HAVE BOTH SAID THEY ATTEMPTED TO SABOTAGE "ZERO HOUR" BY INSERTING LUDICROUS MATERIAL IN THE SCRIPT.)

REYES GENERALLY SUPPORTED COUSENS' AND INCE'S PREVIOUS TESTIMONY THAT TOKYO ROSE HAD NOT BROADCAST THE INFLAMMATORY STATEMENTS ATTRIBUTED TO HER.

HE ADDED, HOWEVER, THERE WERE CERTAIN EXCEPTIONS. THESE OCCURRED, HE SAID, WHEN ARMY ORDERS CAME DOWN FROM ABOVE. WHEN THAT HAPPENED, TOKYO ROSE CAME TO HIM (REYES) BECAUSE SHE DIDN'T KNOW "HOW TO PUT IT IN HER SCRIPT." (THAT POINT WAS NOT DEVELOPED FURTHER.)

ASKED ABOUT THE FIRST TIME HE HAD HEARD OF TOKYO ROSE, REYES SAID IT WAS IN THE EARLY SUMMER OF 1944. HE SAID RADIO TOKYO RECEIVED A NEWS ITEM VIA SHORT WAVE SAYING AN AMERICAN MAGAZINE HAD WRITTEN AN ARTICLE SAYING "A TOKYO ROSE WAS DISPENSING SWEET AND HOMESICK PROPAGANDA TO THE ALLIED TROOPS IN THE SOUTH PACIFIC."

REYES SAID THIS MYSTIFIED MOST OF THE ALLIED PERSONNEL ON RADIO TOKYO. HE SAID GEORGE MITSUSHIO, WHO WAS IN CHARGE OF THE "ZERO HOUR," DID NOT BELIEVE IT REFERRED TO MRS. D'AQUINO. HE ALSO SAID HE, INCE AND COUSENS FELT THE SAME.

REYES ADDED THAT MAJOR SHIGETSUGU TSUNEISHI PROPAGANDA CHIEF OF RADIO TOKYO, THOUGHT IT WAS MRS. D'AQUINO.

REYES SAID THEY HEARD MORE MENTION OF TOKYO ROSE VIA SHORTWAVE AND "WE WONDERED WHERE THIS WAS COMING FROM AS THE PROPAGANDA ATTRIBUTED TO TOKYO ROSE BECAME MORE GLARINGLY DIFFERENT FROM THE TYPE OF THING

BROADCAST BY OUR 'ORPHAN ANN' ON THE 'ZERO HOUR.'
"AS A MATTER OF FACT," REYES CONTINUED, "WE TOOK THE TROUBLE ON THE PROGRAM ONE NIGHT TO INSERT "THIS IS ORPHAN ANN, YOUR ORPHAN. DON'T CONFUSE ME WITH ANYONE ELSE. THIS ONE IS THE REAL MCCOY."
JM/FJ949PCS

NIGHT LEAD COMMUNISTS (400)
NEW YORK, AUG.19-(AP)-PICKETS REAPPEARED OUTSIDE THE FEDERAL COURTHOUSE TODAY AS THE DEFENSE CONTINUED IN THE TRIAL OF 11 TOP AMERICAN COMMUNIST LEADERS, CHARGED WITH CONSPIRING TO ADVOCATE THE OVERTHROW OF THE GOVERNMENT.
TODAY'S CHIEF WITNESS WAS JOSEPH STAROBIN, THE UNITED NATIONS CORRESPONDENT FOR THE COMMUNIST PARTY NEWSPAPER DAILY WORKER.
STAROBIN ATTACKED GOVERNMENT TESTIMONY OF THE PAPER'S FORMER EDITOR LOUIS F.BUDENZ, WHO LINKED THE PARTY TO MOSCOW AND THE COMMUNIST INTERNATIONAL. BUDENZ RENOUNCED COMMUNISM IN 1945.
WHILE STAROBIN TESTIFIED BEFORE JUDGE HAROLD R.MEDINA AND A FEDERAL DISTRICT COURT JURY, NEARLY 50 PICKETS PARADED OUTSIDE DEMANDING FREEDOM FOR THREE DEFENDANTS JAILED FOR CONTEMPT OF COURT.
"FREE WINSTON, GREEN AND HALL; JUDGE MEDINA, GET ON THE BALL," READ ONE OF THE PICKETS' SIGNS.
HENRY WINSTON, GILBERT GREEN AND GUS HALL ARE THE TRIO HELD IN JAIL BETWEEN COURT SESSIONS.
JUDGE MEDINA HAS REFUSED TO RELEASE THE THREE AND HAS BEEN UPHELD BY THE APPEALS COURT.
STAROBIN CONTRADICTED A KEY POINT IN THE GOVERNMENT'S EFFORT TO PROVE THE COMMUNISTS REVIVED THE PARTY IN 1945 TO TEACH AND ADVOCATE THE VIOLENT OVERTHROW OF THE UNITED STATES.
BUDENZ SAID STAROBIN, THEN COVERING THE UNITED NATIONS CONFERENCE IN SAN FRANCISCO, HAD WRITTEN A LETTER THAT SAID IN SUBSTANCE:
"COMRADE MANUILSKY WAS INDIGNANT AT THE AMERICAN COMMUNIST PARTY FOR NOT HAVING CRITICIZED THE AMERICAN GOVERNMENT MORE SEVERELY, PARTICULARLY THE SECRETARY OF STATE, AND THAT FRENCH COMRADES HAD BEEN GIVEN THE COMMISSION HOW TO INSTRUCT THE AMERICAN COMRADES IN SUCH MATTERS."
MANUILSKY WAS THE CHIEF RUSSIAN-UKRANIAN DELEGATE TO THE UN AND FORMER-SECRETARY-GENERAL OF THE COMMUNIST INTERNATIONAL.
STAROBIN DENIED HE HAD EVER SENT SUCH A LETTER. HE ALSO DENIED HE SENT ANY LETTER TO THE EDITORIAL BOARD OF THE DAILY WORKER, MARKED TO THE ATTENTION OF BUDENZ, CONTAINING SUCH INFORMATION.

A51
BUDENZ HAD TESTIFIED EARLIER THAT WHILE HE WAS READING THE LETTER, IT WAS SNATCHED FROM HIM BY ONE OF THE DEFENDANTS, JACOB STACHEL, WHO SAID HE HAD TO TAKE IT TO THE "NINTH FLOOR"--THE PARTY'S NATIONAL HEADQUARTERS.
STAROBIN SAID HE MET MANUILSKY ONLY TWICE--ONCE AT A NEWS CONFERENCE AND AGAIN IN A FORMAL RECEIVING LINE DURING A RECEPTION.
HE ALSO DENIED ANOTHER STATEMENT OF BUDENZ THAT IN A DEBATE JAMES S. ALLEN, THE DAILY WORKER'S FOREIGN EDITOR, SAID THE UNITED STATES "IS A HOPELESSLY CAPITALIST COUNTRY AND THAT THE SOVIET POWER" COULD BE ESTABLISHED HERE "ONLY WITH THE AID OF THE RED ARMY."
THE TRIAL RESUMES MONDAY.
LS722PED

AUG 20 1949

A6 WX
(350) NIGHT LEAD DPS
WASHINGTON, AUG 19-(AP)-SENATOR FERGUSON (R-MICH) TRIED--AND FAILED --TODAY TO GET A DISPLACED PERSONS BILL AWAY FROM A SUBCOMMITTEE HEADED BY SNATOR MCCARRAN (D-NEV).
IN A SURPRISE MOVE, FERGUSON ASKED THAT THE BILL BE TRANSFERRED FROM THE SUBCOMMITTEE, WHERE IT HAS BEEN FOR SEVERAL MONTHS, TO THE FULL COMMITTEE. THIS, TOO, IS HEADED BY MCCARRAN.
THE MOVE FAILED, 5 TO 2.
THE BILL WOULD INCREASE THE NUMBER OF EUROPEAN REFUGEES WHO COULD COME TO THE UNITED STATES. PRESENT LAW SAYS 205,000 SHALL BE ADMITTED. THE PENDING BILL WOULD RAISE THAT TO 339,000 AND MAKE OTHER CHANGES IN THE LAW, WHICH CRITICS SAY IS TOO RESTRICTIVE.
THOSE FAVORING THE PROPOSED NEW BILL HAVE CONTENDED THAT MC CARRAN IS TRYING TO KILL IT BY BURYING IT IN HIS SUBCOMMITTEE. MC CARRAN, ON THE OTHER HAND, HAS MAINTAINED THAT FULL HEARINGS ARE NECESSARY.
MCCARRAN TOLD REPORTERS THAT SENATOR KILGORE (D-WVA) JOINED FERGUSON IN VOTING TO DISCHARGE THE SUBCOMMITTEE, AN ACTION WHICH WOULD HAVE BROUGHT THE BILL BEFORE THE FULL COMMITTEE.
VOTING AGAINST THE MOVE, MCCARRAN SAID, WERE SENATORS JENNER (R-IND), DONNELL (R-MO), LANGER (R-ND), EASTLAND (D-MISS) AND HIMSELF.
THE BILL HAS PASSED THE HOUSE, AND PRESIDENT TRUMAN HAS ENDORSED IT.
SENATOR LUCAS OF ILLINOIS, THE DEMOCRATIC LEADER, HAS OFFERED TO HEAD A LIST OF SIX DEMOCRATS TO SIGN A PETITION TO THE SENATE TO TAKE THE BILL AWAY FROM THE COMMITTEE ENTIRELY.
HE LAID DOWN ONE CONDITION: THAT SENATOR TAFT (R-OHIO) HEAD A SIMILAR LIST OF SIX REPUBLICANS.
TAFT HAS INDICATED HE WOULD JOIN IN THE MOVE IF ASSURED THAT LUCAS WOULD CALL THE BILL UP IN THE SENATE BEFORE CONGRESS QUITS.
TODAY THE SUBCOMMITTEE HEARD TESTIMONY FROM GREEK ORGANIZATIONS WHICH WANT TO BRING IN 50,000 DISPLACED PERSONS FROM GREECE.
MCCARRAN POINTED OUT THAT, UNDER THE BILL, GREEK REFUGEES ARE NOT RECOGNIZED AS DISPLACED PERSONS, BUT SAID THEY COULD BE SO CLASSIFIED BY AMENDING THE LEGISLATION.
GEORGE XANTHAKY OF LONG BEACH, N.Y., VICE-PRESIDENT OF THE GREEK WAR RELIEF ASSOCIATION, SAID THAT WORLD WAR II AND THE CIVIL WAR THAT FOLLOWED HAVE FORCED MORE THAN 700,000 GREEKS FROM THEIR HOMES.
HE SAID HOMES COULD BE FOUND FOR THE 50,000 REFUGEES, AND PROPOSED THAT THEIR TRANSPORTATION BE PAID FOR EITHER BY THIS GOVERNMENT OR BY CHARITABLE GROUPS.
PF830PED

AUG 20 1949

WASHINGTON,AUG.19-(AP)-THE STATE DEPARTMENT'S WHITE PAPER ON CHINA WAS DENOUNCED BY REP.JUDD (R-MINN) TODAY AS "A ONE-SIDED AND CENSORED VERSION OF THE FACTS."
JUDD ALSO CONTENDED IN A HOUSE SPEECH THAT ALTHOUGH SECRETARY OF STATE ACHESON "LABELS THE WHITE PAPER THE 'RECORD'" IT IS IN FACT "JUST PART OF THE RECORD--THAT PART WHICH SEEKS TO JUSTIFY THE ERRORS OF THE ADMINISTRATION."
HE DEMANDED PUBLICATION OF 16 REPORTS, DOCUMENTS, TELEGRAMS, MESSAGES AND LETTERS WHICH HE SAID ARE IMPORTANT "MISSING PIECES OF EVIDENCE" IN THE STORY OF CHINA AND ITS DEFEATS BY THE COMMUNISTS.
JUDD, A MEMBER OF THE HOUSE FOREIGN AFFAIRS COMMITTEE, SAID HE

30.24- 5149

WOULD MAKE SOME OF THEM PUBLIC IF THE STATE DEPARTMENT DOESN'T.
ONE OF THESE HE LISTED AS A 1944-45 REPORT ON CHINESE COMMUNIST ACTIVITIES BY THE U.S. ARMY'S INTELLIGENCE SECTION WHICH, HE SAID, WAS "SUPPRESSED BY GENERAL MARSHALL"--GEORGE C.MARSHALL, FORMER SECRETARY OF STATE AND FORMER ARMY CHIEF OF STAFF.
JUDD SAID THAT DURING THE LAST WAR THE ADMINISTRATION "MADE TWO FRIGHTFUL MISTAKES."
ONE, HE SAID, WAS THE ASSUMPTION "THAT THE SOVIET UNION WAS A PEACE LOVING DEMOCRACY EAGER TO COOPERATE WITH THE UNITED STATES IN PEACE AS IT HAD DURING THE WAR."
THE OTHER, HE SAID, IS THE ASSUMPTION "THAT COMMUNISTS WERE JUST ANOTHER POLITICAL PARTY WITH WHOM HONEST MEN COULD SAFELY COOPERATE.
HE CONTINUED:
"THEREFORE, AT YALTA, PRESIDENT ROOSEVELT BOUGHT RUSSIA'S ENTRANCE INTO THE PACIFIC WAR AT THE EXPENSE OF CHINA, EVEN THOUGH STALIN HAD VOLUNTARILY ASSURED SECRETARY HULL RUSSIA WOULD ENTER THE WAR WITHOUT A 'PRICE.'
"PRESIDENT TRUMAN LATER INAUGURATED A POSTWAR POLICY TOWARD CHINA BASED ON FORCING THE CHINESE GOVERNMENT TO FORM A COALITION WITH THE CHINESE COMMUNISTS--OR ELSE LOSE AMERICAN SUPPORT."
THESE TWO "MISTAKES" HE SAID BROUGHT ABOUT CHINA'S DOWNFALL AT THE HANDS OF THE COMMUNISTS, AND ADDED:
"IF THEY GET ALL OF CHINA, I BELIEVE THEY WILL GET ASIA.
"WORLD WAR III, WHOSE FOUNDATION ALREADY HAS BEEN LAID, WILL THEN BE INEVITABLE--UNLESS WE ARE WILLING TO ACCEPT COMMUNIST CONTROL.

B85WX

AUG 20 1949

"ALL MEN MAKE MISTAKES. WHAT IS INADMISSIBLE IS A REFUSAL TO ADMIT MISTAKES EVEN WHEN THEIR DISASTROUS RESULTS ARE HITTING YOU IN THE EYE. WHAT IS EVEN LESS ADMISSIBLE IS FOR A GOVERNMENT TO COVER UP MISTAKES BY GIVING THE PEOPLE A ONE-SIDED AND CENSORED VERSION OF THE FACTS.
"I ACCUSE SECRETARY OF STATE ACHESON AND HIS ASSOCIATES OF DOING JUST THIS IN THEIR WHITE PAPER X X X"
JUDD SAID THE SITUATION IN CHINA IS "ESSENTIALLY SIMILAR" TO THAT WHICH FACES THE UNITED STATES IN GREECE" AND ASSERTED THAT "UNTIL WE MAKE IN CHINA THE SAME SORT OF EFFORT THAT IS SUCCEEDING IN GREECE NO ONE CAN KNOW WHETHER IT IS POSSIBLE TO STOP COMMUNISM IN ASIA."
AMONG OTHER DOCUMENTS JUDD DEMANDED BE MADE PUBLIC WERE:
THE HENRY WALLACE REPORT TO PRESIDENT ROOSEVELT ON CHINA IN 1944.
"AFTER FDR'S DEATH, THE TELEGRAM FROM WASHINGTON TO AMBASSADOR HURLEY IN CHINA INSTRUCTING HIM TO DISREGARD THE ROOSEVELT POLICY OF SUPPORT FOR THE CHINESE GOVERNMENT AND TO ACT TOWARD THE CHINESE COMMUNISTS AS HENRY WALLACE HAD."
"THE ORIGINAL TEXT OF WEDEMEYER'S REPORT OF AUGUST, 1947, TO COMPARE WITH THE VERSION ACTUALLY RELEASED AFTER IT HAD BEEN TRANSMITTED TO GENERAL MARSHALL, THEN AT THE RIO CONFERENCE, AND DOCTORED BY SOMEONE THERE."
AN EXPLANATION OF WHY NOTHING FROM GENERAL MACARTHUR OR HIS COMMAND WAS INCLUDED IN THE WHITE PAPER.
MD1152PEDNM

NIGHT LEAD (130)
CLEVELAND,AUG.19-(AP)-THE DISABLED AMERICAN VETERANS ASKED THE U.S. GOVERNMENT TODAY TO NOT SHARE ITS ATOMIC BOMB KNOWLEDGE WITH OTHER NATIONS.
IN A RESOLUTION ADOPTED AT THE GROUP'S ANNUAL CONVENTION, THE DAV CALLED FOR CONTINUED ATOMIC RESEARCH, BUT SAID THE INFORMATION SHOULD BE KEPT IN THIS COUNTRY.
---DELEGATES ELECTED DAVID M.BROWN, AKRON, O., RETAIL COAL DEALER, AS NATIONAL COMMANDER, SUCCEEDING GEN.JONATHAN M.WAINWRIGHT. BROWN, WHO WAS INJURED OVERSEAS IN WORLD WAR ONE, HAS BEEN SENIOR VICE COMMANDER.
SAN FRANCISCO WAS SELECTED AS THE 1950 CONVENTION CITY.
OTHER APPROVED RESOLUTIONS INCLUDED A REQUEST FOR THE IMMEDIATE ESTABLISHMENT OF AN OVERALL NATIONAL DEFENSE PLAN, A 25 PER CENT INCREASE IN COMPENSATION AND PENSION MONEY TO DISABLED VETERANS, AND SALARY INCREASES FOR DOCTORS EMPLOYED BY THE VETERANS ADMINISTRATION.
BROWN WAS ELECTED UNANIMOUSLY AFTER DR.FRED C.JETHS OF CHICAGO WITHDREW FROM THE RACE.
F943PES NM

AUG 20 1949

A86WX
NIGHT LEAD
WASHINGTON,AUG 19-(AP)-ANOTHER $11,500,000 TO HELP STRENGTHEN THE "VOICE OF AMERICA" BROADCASTS AGAINST SOVIET JAMMING WAS INCLUDED IN A $72,790,521 APPROPRIATION BILL PASSED BY THE HOUSE TODAY.
THE SUM OF $5,000,000 WAS PROVIDED TO START WORK FOR AN AIR FORCE GUIDED MISSILE RANGE IN FLORIDA.
BUT $3,000,000 SOUGHT FOR A CELEBRATION TO MARK THE 150TH ANNIVERSARY OF THE ESTABLISHMENT OF THE FEDERAL GOVERNMENT IN WASHINGTON WAS ELIMINATED.
THE OVER-ALL AMOUNT INCLUDES MONEY FOR FARM HOUSING CONSTRUCTION, THE LABOR DEPARTMENT, THE CENSUS BUREAU, AND OTHER AGENCIES TO SUPPLEMENT PREVIOUS APPROPRIATIONS.
THE TOTAL WAS $17,174,499 LESS THAN PRESIDENT TRUMAN HAD REQUESTED.
THE BILL GOES TO THE SENATE.
HY1005PED

AUG 20 1949

WASHINGTON,AUG 19-(AP)-CHESTER A.MCLAIN, GENERAL COUNSEL OF THE WORLD BANK FOR THE LAST THREE YEARS, WILL RESIGN AUGUST 31 TO BECOME SPECIAL ADVISER TO JOHN J.MCCLOY,U.S. HIGH COMMISSIONER FOR GERMANY.
THIS WAS ANNOUNCED BY THE BANK TODAY.
MCCLAIN NOT ONLY SERVED WITH MCCLOY BEFORE THE LATTER'S RESIGNATION AS PRESIDENT OF THE WORLD BANK JULY 1 BUT ALSO HAD BEEN ASSOCIATED WITH MCCLOY EARLIER IN THE NEW YORK LAW FIRM OF CRAVATH, SWAINE AND MOORE.
A NATIVE OF NEWTON,MASS., MCLAIN, 58, WAS A ONE-TIME TEACHER AT HARVARD LAW SCHOOL, HE WAS GRADUATED FROM THERE IN 1915.
GARNER ALSO ANNOUNCED PROMOTION OF DAVIDSON SOMMERS FROM ASSISTANT TO GENERAL COUNSEL AND OF ANSEL F.LUXFORD FROM AN ASSISTANT TO ASSOCIATE GENERAL COUNSEL OF THE BANK.
SOMMERS, 44, IS A NATIVE OF ST.PAUL,MINN.
SOMMERS HAS BEEN WITH THE WORLD BANK SINCE NOVEMBER 1946.
LUXFORD, 38, A NATIVE OF HARLAN,IOWA, JOINED THE BANK IN JUNE, 1946.
GG937PED

PRECEDE WASHINGTON DAY

SEATTLE, AUG. 19-(AP)-CIVIC LEADERS LAUNCHED A COUNTER-ATTACK TODAY AGAINST ANY SHIFT OF BOEING BOMBER PRODUCTION WORK FROM THE COMPANY'S SEATTLE PLANTS TO ITS WICHITA, KAS., OPERATIONS.

A CHAMBER OF COMMERCE COMMITTEE BROUGHT ITS FIRE INTO THE OPEN AFTER AN AIR FORCE SPOKESMAN DISCUSSED THE POSSIBILITY OPENLY IN WASHINGTON, D. C., FOR THE FIRST TIME.

HE DESCRIBED THE SEATTLE OPERATION AS BEING CONSIDERED "VULNERABLE" BECAUSE OF ITS LOCATION ON THE GREAT CIRCLE AIR ROUTE FROM RUSSIAN TERRITORY. HIS COMMENTS WERE IN CONNECTION WITH A SCHEDULED SEPTEMBER FLIGHT TO SEATTLE BY SECRETARY OF AIR SYMINGTON AND AIR FORCE OFFICERS TO DISCUSS THE PROPOSED SHIFT OF SUB-ASSEMBLY WORK ON THE B-47 JET BOMBER.

ATTORNEY E. L. SKEEL, HEAD OF THE CIVIC COMMITTEE, DECLARED:

"WE DO NOT BELIEVE THE EXPLANATION OF VULNERABILITY ADVANCED BY THE AIR FORCE IS SOUND. "WE BELIEVE IT IS HIGHLY UNSOUND AND WE PROPOSE PROVING OUR POSITION TO THE NATION."

NAT S. RIGERS, PRESIDENT OF THE SEATTLE CHAMBER OF COMMERCE AND A MEMBER OF THE COMMITTEE, ISSUED A STATEMENT FOR THE CHAMBER:

"X X X X IT IS UNTHINKABLE THAT THOSE LEADERS CHARGED WITH THE RESPONSIBILITY OF DEFENDING THE NATION WOULD EVEN INFER THAT THE PACIFIC NORTHWEST CANNOT BE SUCESSFULLY DEFENDED.

"SHOULD THE TIME EVER COME WHEN THIS LIABILITY IS EITHER IMPLIED OR ADMITTED, THEN IT IS TIME FOR A COMPLETE CHANGE OF LEADERSHIP."

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AUG 20 1949

B57WX Q

(200) WASHINGTON,AUG.19-(AP)-TEN RADIO EXECUTIVES AND STATE DEPARTMENT OFFICIALS WILL MEET TUESDAY TO DISCUSS PLANS FOR CELEBRATING THE FOURTH ANNIVERSARY OF THE UNITED NATIONS ORGANIZATION, OCT. 24.

THE GROUP WILL CONSIDER MEANS OF PUBLICIZING THE OCCASION OVERSEAS AND IN AMERICA.

THE NATIONAL ASSOCIATION OF BROADCASTERS SAID TODAY THE RADIO COMMITTEE MEMBERS ARE:

AUG 20 1949

TED COTT, VICE PRESIDENT IN CHARGE OF PROGRAMS, WNEW, NEW YORK; WILLIAM FINESHRIBER, VICE PRESIDENT IN CHARGE OF PROGRAMS, MUTUAL BROADCASTING SYSTEM, NEW YORK; EARL GAMMONS, VICE PRESIDENT IN CHARGE OF THE WASHINGTON OFFICE, COLUMBIA BROADCASTING SYSTEM; ARNOLD HARTLEY, PROGRAM DIRECTOR, WOV, NEW YORK; GEORGE JENNINGS, DIRECTOR OF THE CHICAGO RADIO COUNCIL, WBEZ, CHICAGO; J.R.POPPELE, PRESIDENT OF THE TELEVISION BROADCASTERS ASSOCIATION, WOR, NEW YORK; ROBERT SAUDEK, VICE PRESIDENT IN CHARGE OF PUBLIC AFFAIRS, AMERICAN BROADCASTING CO., NEW YORK; JAMES SECREST, DIRECTOR OF PUBLIC RELATIONS, RADIO MANUFACTURERS ASSOCIATION, WASHINGTON; AND WILLIAM E.WARE, PRESIDENT OF THE FREQUENCY MODULATION ASSOCIATION, COUNCIL BLUFFS, IOWA.

ROBERT K.RICHARDS, PUBLIC RELATIONS AND PUBLICATIONS DIRECTOR OF THE NAB, IS CHAIRMAN OF THE COMMITTEE.

ES1053AED

WASHINGTON,AUG.19-(AP)-A BILL TO CLASSIFY WAR VETERANS' DISABILITIES AS TO THEIR SOURCE WAS INTRODUCED TODAY BY REP.DOYLE (D-CALIF).

IT WOULD AUTHORIZE THE VETERANS ADMINISTRATION TO HAVE ITS RECORDS SHOW WHETHER DISABILITIES ARE "COMBAT CONNECTED," "SERVICE CONNECTED," OR "NONSERVICE CONNECTED."

IT WOULD ALSO CALL FOR COMPENSATION CHECKS TO SHOW SUCH NOTATIONS AS "COMBAT COMPENSATION," "SERVICE COMPENSATION," OR "COMPENSATION."

ANOTHER PROVISION WOULD AUTHORIZE THE RECLASSIFICATION OF ALL CASES NOW IN THE RECORDS IN ADDITION TO THE NEW CASES AND GIVE "COMBAT CONNECTED CASES" AN ADDITIONAL 10 PERCENT DISABILITY RATING OVER PREVIOUS RATINGS.

AUG 20 1949

V629PED

E31 SEG) (150)

NEW YORK, AUG 19-(AP)-A LUTHERAN SPOKESMAN SAYS NO MORE FINANCIAL AID WILL GO TO THE LUTHERAN CHURCH OF HUNGARY UNLESS THE HUNGARIANS ACCOUNT FOR $292,000 DONATED BY AMERICAN LUTHERANS SINCE THE END OF THE WAR.

DR. S.C. MICHELFELDER, EXECUTIVE SECRETARY OF THE LUTHERAN WORLD FEDERATION, SAID YESTERDAY THAT THIS WAS ONE OF THE CONDITIONS ON WHICH THE FEDERATION'S U.S. COMMITTEE WOULD DETERMINE WHETHER TO GRANT A REQUEST FOR $250,000 A YEAR TO THE LUTHERAN CHURCH IN HUNGARY.

DR. MICHELFELDER, WHO IS VISITING HERE, SAID THE HUNGARIAN LUTHERANS HAD SENT A DELEGATION TO THE FEDERATION'S GENEVA HEADQUARTERS TO MAKE THE REQUEST. THEY WERE TOLD, HE SAID, THAT THEY MUST MEET THESE TERMS:

ACCOUNT FOR PAST DONATIONS; GAIN HUNGARIAN GOVERNMENT PERMISSION TO ASK AND RECEIVE MONEY FROM AMERICAN LUTHERANS; DETAIL PURPOSES FOR WHICH THE MONEY WILL BE USED; PERMIT AMERICAN COMMITTEEMAN TO VISIT OFFICIALLY THE HUNGARIAN LUTHERAN LEADERS.

M728AED

NEW YORK, AUG.19-(AP)-JAMES MC DONALD, U.S. AMBASSADOR TO ISRAEL RETURNED TODAY ON THE LINER ILE DE FRANCE AFTER 13 MONTHS IN THE INFANT REPUBLIC.

HE SAID THERE IS WIDESPREAD CONSTRUCTION GOING ON IN ISRAEL, BUT THE HOUSING SITUATION STILL IS "VERY TOUGH."

MC DONALD SAID HE HOPES TO SPEND ABOUT TWO MONTHS HERE BEFORE GOING BACK.

RM729PED

30.24- 5151

RAISIN SUBSIDY

WASHINGTON, AUG 19-(AP)-THE AGRICULTURE DEPARTMENT ANNOUNCED TODAY THAT IT WILL PAY AN EXPORT SUBSIDY ON RAISINS SENT TO MARSHALL PLAN COUNTRIES, AS AN AID TO CALIFORNIA GRAPE AND RAISIN PRODUCERS DURING THE CURRENT MARKETING YEAR.

DETAILS AND THE [redacted] SUBSIDY RATE WILL BE ANNOUNCED SHORTLY.

THE DEPARTMENT ALSO SAID A "DIVERSION PAYMENT" OF UP TO $80 PER TON WILL BE MADE ON RAISINS WHICH ARE SHIFTED FROM NORMAL COMMERCIAL OUTLETS INTO A SURPLUS POOL.

THE AMOUNT OF THE DIVERSION PAYMENTS AND PROCEEDS OF SALES FROM THE SURPLUS POOL, LESS THE COST OF HANDLING AND SELLING THE RAISINS, WILL BE DISTRIBUTED TO THE PRODUCERS WHO DELIVER FRUIT TO THE POOL.

THE DEPARTMENT SAID THE EXPORT SUBSIDY WILL BE AT LEAST AS FAVORABLE AS THAT IN EFFECT FOR A SIMILAJ PROGRAM LAST YEAR. THE DEPARTMENT ADDED THAT LAST YEAR'S RATE WAS 20 TO 25 PER CENT OF THE AMERICAN PRICE WHICH AVERAGED ABOUT $134 PER TON.

REP.WHITE (D-CALIF) SAID IN A STATEMENT THAT THE EXPORT RATE WILL BE "UP TO 50 PER CENT OF THE SALE PRICE AT SHIPSIDE IN AMERICAN PORTS."

IT IS ESTIMATED THAT THERE MAY BE AS MUCH AS A 100,000 TONS SURPLUS THIS YEAR, CAUSING THE PROGRAM TO RUN AS HIGH AS $8,000,000 (M).

THE DEPARTMENT SAID INDUSTRIAL REPRESENTATIVES HAD SUGGESTED THAT THE DEPARTMENT ARRANGE TO ADVANCE A SUBSTANTIAL PART OF THE DIVERSION PAYMENTS, BEFORE THE ACTUAL DIVERSION IS MADE, AND ALSO EXTEND FINANCIAL AID IN CONNECTION WITH THE NANDLING AND DISTRIBUTION OF THE RESERVE POOL.

THE DEPARTMENT SAID THESE SUGGESTIONS ARE UNDER CONSIDERATION BUT IT HAS NOT YET BEEN DETERMINED THAT THEY ARE FEASIBLE.

THE DEPARTMENT ADDED THAT THE PROGRAM IS BEING PUT INTO EFFECT ON THE UNDERSTANDING THAT THE CALIFORNIA RAISIN AND GRAPE INDUSTRY WILL CARRY OUT COMPLEMENTARY PLANS WHICH IT HAS INITIATED. THESE INCLUDE THE CALIFORNIA STATE GRAPE STABILIZATION PROGRAM AND THE RAISIN MARKETING AGREEMENT AND ORDER PROGRAM.

RECOMMENDED BY REPRESENTATIVES OF RAISIN PRODUCERS AND HANDLERS, AND APPROVED BY A LARGE MAJORITY IN A REFERENDUM, THE AGREEMENT AND ORDER PROVIDE FOR ORDERLY MARKING AND FOR CONTROL OF SURPLUS RAISIN SUPPLIES, A DEPARTMENT ANNOUNCEMENT SAID.

UNDER THIS PROGRAM, RAISINS ACQUIRED BY HANDLERS CAN BE DIVIDED INTO FREE TONNAGE, RESERVE TONNAGE, AND SURPLUS TONNAGE.

RESERVE TONNAGE CAN BE RELEASED TO AUGMENT THE FREE TONNAGE IF NEEDED, THE DEPARTMENT SAID. SURPLUS TONNAGE, AND ANY REMAINDER OF THE RESERVE TONNAGE, IS TO BE DIVERTED--DISPOSED OF IN WAYS WHICH WILL NOT INTERFERE WITH DISPOSITION IN COMMERCIAL TRADE CHANNELS.

AUG 20 1949

(1130)

LOS ANGELES,AUG.19-(AP)-DR.RALPH BUNCHE CALLS A SENATE JUDICIARY COMMITTEE "IRRESPONSIBLE" FOR CIRCULATING CHARGES THAT THE UNITED NATIONS SECRETARIAT IS TERRORIZED BY COMMUNIST AGENTS.

THE FORMER UN MEDIATOR FOR PALESTINE LAST NIGHT SPOKE AT A WELCOME HOME RALLY IN HIS HONOR.

HE REFERRED TO TESTIMONY MADE PUBLIC JULY 23 BY THE SUBCOMMITTEE. AN UNIDENTIFIED WITNESS CHARGED THAT THE UN STAFF IS TERRORIZED BY RED AGENTS WHO FORCE EMPLOYES TO BECOME THEIR TOOLS.

"THIS IS A WITCH HUNT IN ITS MOST ABSURD DIMENSION," DR.BUNCHE SAID. "THIS IS WILFULLY ENCOURAGING HYSTERIA AND LACK OF CONFIDENCE IN OUR ONE HOPE FOR PEACE.

"I AM SHOCKED, NOT BECAUSE SOME CRACKPOT OR DISGRUNTLED OR VINDICTIVE MEMBER OF A SECRETARIAT OF 3,000 MEMBERS, FROM WHATEVER MOTIVATION, HAS MADE SOME CHARGES, BUT BECAUSE AN AGENCY OF OUR GOVERNMENT HAS BEEN IRRESPONSIBLE ENOUGH TO GIVE THEM CREDENCE AND TO DIGNIFY THEM BY PUBLIC CIRCULATION."

HE BRANDED THE CHARGES AS "MALICIOUSLY FALSE."

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AUG 20 1949

A86 Add Lake Success (Killing off Storms) x x x Dr. Schaefer said.

PLANES MIGHT SOMEDAY PATROL AIR LANES, SEEDING CLOUDS THAT COULD CAUSE DANGEROUS ICING ON PASSENGER SHIPS, HE SAID. OR THE PLANES MIGHT USE GUNS TO SHOOT SEEDS AND CHANGE THE CLOUD DIRECTLY AHEAD. SEEDING MIGHT ALSO BANISH SOME GROUND FOGS NEAR AIRPORTS.

SEEDING HAS PRODUCED GAPING HOLES IN SOME CLOUDS, DR. SCHAEFER SAID. SOMETIMES THE HOLES WERE CIRCLES, OR STRAIGHT LINES, OR SHAPED LIKE THE LETTER "L", A RACETRACK, OR THE FIGURE "4".

SCHAEFER WARNED AGAINST NON-SCIENTIFIC ATTEMPTS TO PRODUCE SNOW AND RAIN. THE BASIC PROCESSES OF NATURE MUST BE UNDERSTOOD FIRST.

"IT IS NAIVE TO EXPECT THAT PROMISCUOUS AND RANDOM SEEDING OF CLOUDS WILL RELIEVE DROUGHT AND IN OTHER WAYS LEAD TO PROFOUND CHANGES IN THE WEATHER CYCLE," HE SAID.

(END ADVANCE FOR USE AT 10 A.M., EST, TODAY, FRIDAY, AUG.19)

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NIGHT LEAD U.N.--SCIENCE (207)

BY WILLIAM L. PHILLIPS

LAKE SUCCESS, AUG 19-(AP)-H.H. BENNETT, CHIEF OF THE U.S. DEPARTMENT OF AGRICULTURE'S SOIL CONSERVATION SERVICE, URGED SCIENTISTS TODAY TO LEARN HOW TO TALK TO THE LAWYERS, SOLDIERS, POLITICIANS AND BUSINESSMEN WHO HE SAID RUN THE WORLD'S GOVERMENTS.

"OUR LEADERS FREQUENTLY DO NOT UNDERSTAND OUR SCIENTIFIC LANGUAGE," BENNETT TOLD DELEGATES FROM 50 COUNTRIES AT THE UNITED NATIONS SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES.

HE SPOKE AT AN AFTERNOON SESSION PRESIDED OVER BY CHARLES F. BRANNAN, UNITED STATES SECRETARY OF AGRICULTURE.

IN HIS OWN FIELD, BENNETT SAID, BEST RECENT ESTIMATES SHOW THE WORLD HAS LEFT ONLY ABOUT FOUR BILLION ACRES OF ARABLE LAND TO FEED AND CLOTHE ITS TWO AND ONE QUARTER BILLION PEOPLE. MUCH OF THE LAND IS MEDIOCRE AND GROWING WORSE, WHILE POPULATION IS INCREASING BY 20,000,000 A YEAR, "FASTER THAN EVER," HE CONTINUED.

"THIS WILL REQURE DECISIONS--DECISIONS BY THE LEADERS OF NATIONS," BENNETT SAID. "FOR RIGHT DECISIONS THEY MUST BE

PROPERLY INFORMED. SOMEHOW, OUR LEADERS MUST BE HELPED TO UNDERSTAND THAT SOIL AND WATER CONSERVATION INVARIABLY IS ECONOMICALLY, SOCIALLY AND POLITICAL ADVANTAGEOUS."

THE CONFERENCE IS SURVEYING WORLD SHORTAGES IN FOOD, FORESTS, FUELS AND ENERGY. RUSSIA ALONE OF MAJOR U.N. MEMBERS DECLINED THE U.N.'S INVITATION TO SEND SCIENTISTS OR HAVE THEM PREPARE PAPERS FOR PRESENTATION.

BRANNAN SAID THE MEETING MARKS A START TOWARD ESTABLISHING THE "RESPECTIVE RESOURCE POTENTIAL" OF EVERY COUNTRY, TOWARD LEARNING HOW TO "FEED MAN BETTER, MAKE MAN MORE COMFORTABLE," AND THEREBY WAS A MOVE TOWARD PRESERVING PEACE."

BENNETT, DEPARTING FROM HIS PREPARED ADDRESS, DISCLOSED THAT HIS OFFICE IN WASHINGTON HAS A BACKLOG OF 200,000 APPLICATIONS BY AMERICAN FARMERS FOR AID IN COMBATTING SOIL EROSION. HE SAID 21,000,000 ACRES OF THIS COUNTRY'S SOIL ARE UNDER SCIENTIFIC TREATMENT NOW.

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LAKE SUCCESS, AUG. 19-(AP)-TRYGVE LIE, UNITED NATIONS SECRETARY GENERAL, WARMLY SUPPORTED HIS STAFF WORKERS TODAY FOR CONDEMNING WHAT THEY CALLED "OUTRAGEOUS TACTICS" OF CONGRESSIONAL PROBERS WHILE HE WAS AWAY ON VACATION.

LIE SAID HE WAS GRATIFIED THAT THE SECRETARIAT HAD DENIED AND PROTESTED CIRCULATION BY A SENATE COMMITTEE OF TESTIMONY BY A MYSTERY "WITNESS" THAT THE U.N. WAS RIDDEN BY COMMUNISTS. HE SPOKE AT HIS FIRST NEWS CONFERENCE SINCE RETURNING FROM A TRIP TO HIS NATIVE NORWAY.

THE SENATE JUDICIARY COMMITTEE MADE PUBLIC LAST JULY 23 STATEMENTS BY AN UNIDENTIFIED WITNESS THAT THE U.N. STAFF UNDER LIE, DRAWN FROM THE WORLD ORGANIZATION'S 59 MEMBER NATIONS, WAS TERRORIZED BY COMMUNIST AGENTS WHO FORCED EMPLOYES TO BECOME THEIR TOOLS.

ACTING SECRETARY GENERAL BYRON PRICE AT THE TIME CALLED THE CHARGE "FANTASTICALLY UNTRUE XXX THE NUTTIEST STORY I EVER HEARD." THE SECRETARIAT STAFF COMMITTEE UNANIMOUSLY PROTESTED THE COMMITTEE'S TACTICS AND PLEDGED THEIR FULL LOYALTY TO LIE.

PRICE, WHO ATTENDED THE NEWS CONFERENCE, DISCLOSED THAT THE U.N.'S TOTAL 1949 BUDGET OF $42,700,000 HAS NOW BEEN MORE THAN 70 PER CENT PAID UP BY MEMBER COUNTRIES.

THE U.S. CONTRIBUTION OF ABOUT $17,000,000, BIGGEST OF ALL THE ASSESSMENTS, WAS PAID SEVERAL DAYS AGO, HE SAID.

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AUG 19 1949

End August 19, 1949

30.24- 5153

FINNISH STRIKERS GOING BACK ON JOB

Labor Federation Is Split; Troops, Police On Alert

Helsinki, Finland, Aug. 20 (AP)—The nation-wide Communist strike offensive showed signs of weakening today.

Workers in many areas returned to their jobs. A major split developed in the powerful Central Trade Union Federation.

The Social Democratic Government of Premier Karl August Fagerholm, however, remained on guard. It kept its army and police forces on an alert. The government called the wave of strikes a Communist maneuver to seize power.

Soon after trouble began Thursday the government struck back by arresting Communist leaders in several regions.

In neighboring Sweden, informed sources described the strike action as the most carefully planned Communist bid for power in Finland since the war.

Called "Bloody Suppression"

The Soviet-controlled press in Moscow continued to call the Helsinki Government's action against the strikers a "bloody suppression of Finnish workers." Finland, under fire from Moscow for some time, is the only nation on Russia's western doorstep with a non-Communist government.

In the third day of the labor crisis, the Ministry of Finance, in newspaper advertisements, warned workers not to heed strike calls. Posters attacking the Communists were tacked up in the streets.

Apparently determined to fight on, the Communists rushed a letter to President Juho Paasikivi charging the strikers' constitutional rights were violated when police dispersed a crowd of workers in Kemi two days ago. They also claimed the incident violated Finland's treaty with Russia. The Finnish Government has a ten-year friendship and mutual assistance treaty with the Soviet Union.

Some Stay On Jobs

When police started to disperse 1,500 strikers in Kemi, a northern lumbering town on the Gulf of Bothnia, some of the striking lumberjacks exchanged pistol shots with police Thursday. One man was killed and nine were wounded.

A typical sign of a break in the strike front came from Tampere, 95 miles north of Helsinki, where only construction workers walked out. Other workers stayed at their jobs.

The longshoremen's strike, however, still was effective, and employers admitted the construction workers' walkout was widely effective. The transport workers' walkout is scheduled for Monday.

Dockers still were out. Volunteer stevedores were arriving in Hango, which the Government has said will be kept open to foreign shipping, but no work had started.

At the height of the strike wave, 35,000 to 45,000 workers were estimated to have walked out.

The split in the Central Trade Union Federation developed when the council voted 8 to 5 to order the Communist-led unions to end their strikes before August 23 or be expelled from the federation.

Federated Union Orders Finns To Work

Helsinki, Finland, Aug. 20 (AP)—Finland's Central Trade Union Federation has acted against the Communist-led unions' growing offensive. It ordered them to cancel their strike call or face expulsion.

The move, which threatened to split the federation wide open, came on the heels of a Government crackdown on the nation-wide strike offensive, which has already caused bloodshed.

By a vote of eight to five, the federation's executive committee decided to order four striking unions to call off their walkouts before August 23 or get out of the federation.

Targets Of Order

The move was directed against the dockers, food workers, building-construction workers and the forestry workers' and loggers' union.

The federation made it clear that the textile, leather, shoe and rubber workers' union, who also have scheduled strikes, would be kicked out if the strike calls are not canceled.

Meanwhile, the Finnish Communist party called on President Juho Paasikivi to denounce Thursday's police action against striking lumberjacks at the northern village of Kemi.

Firearm Use

A letter to Paasikivi claimed the clash was the first in the history of the Finnish labor movement in which police on Government orders had used firearms against unarmed strikers.

The party accused Unto Varjonen, minister without portfolio, and Interior Minister Aare Simonen of provoking incidents in the strike area and later using the incidents as a pretext for attacking the workers.

The Communists claimed the arrests of strike leaders constituted a violation of the constitution and of the peace treaty with Russia.

Another Protest

The Popular Democrats, who differ from the Communists in name only, also sent a letter to the President.

The Government, which has promised to "inflict a crushing defeat on the Communists," already has arrested a number of Red leaders, including two members of the Kemi City Council.

Technically, Finland has the right under an emergency law of May, 1941, to declare any strike illegal. The law empowers the Government to forbid a scheduled strike and states that any strike that has started shall cease.

Action Not Stipulated

The law does not stipulate what action the Government can take in case a strike ban order is disobeyed.

The current strike offensive was decided upon by the Communist-led unions after the devaluation of the Finnish mark last June. Union spokesmen urged the federation to take strong action for higher wages, but the federation said such actions were illegal.

SOVIET SAYS CITIZENS ARE MISTREATED

'Effective Measures' To Defend Rights Of Emigres Threatened

Moscow, Aug. 20 (AP)—Russia warned Premier Marshal Tito today it is prepared to take "effective measures" to protect the rights of Russian citizens now living in Yugoslavia.

In a stern note to the Belgrade Government, Russia also threatened to "bring to account" any persons found to be persecuting Soviet citizens in the big Balkan country. Just what these measures would be was not specified.

The Soviet note, broadcast over the Moscow radio, charged Tito's Government has tried to evade previous charges of "gross arbitrary rule and brutal repressions against Soviet citizens." Last week Russia called Yugoslavia an enemy of the U.S.S.R.

Series Of Bitter Exchanges

Referring to White Russians now living in Yugoslavia, the Soviet note said many of these people had "atoned for their sins with new pro-Soviet deeds" during World War II. They were forgiven by both Yugoslavia and Russia, the note said, and more than half the 12,000 still in Yugoslavia have applied for Soviet citizenship.

["White Russian" is a term applied to Russians who fled their country at the time of the Bolshevik revolution.]

"Why then, four years afterward, has Yugoslavia suddenly remembered the past sins of these people and begun to persecute them?" the Russian note asked. "And why are only those emigres prosecuted for their past sins who subsequently became Soviet citizens?"

The new charges were sent to Belgrade on August 18. It was another in a series of recent bitter diplomatic exchanges between Russia and her former Yugoslav ally. Russia originally protested arrests of the citizens in a note on July 25.

At Odds Since 1948

The Soviet Union and Yugoslavia have been at odds, politically, since June, 1948, when Russia and her Cominform bloc of satellite states in eastern Europe accused Tito and his top Communist deputies of nationalistic deviations from the Marxist-Leninist line as laid down by the Kremlin.

The new Russian complaint to Belgrade said:

"The Yugoslav Government maintains utter silence about the facts of the unlawful arrests of Soviet citizens, the facts of the unbearable and inhuman prison regime as a result of which many prisoners have been brought by tortures, beatings and deprivation of food to an extremely ill state, endangering their lives.

Compared With Greece, Spain

"Instead of replying to these accusations, the Yugoslav Government seeks to substitute for this question another one—namely, the question of motives for the arrests of Soviet citizens—seeking to justify in this way the brutal treatment and other crimes of Yugoslav organs against Soviet citizens."

The latest Soviet note compared Tito's Government with those of Greece and Spain. It said that Spain, Yugoslavia and Greece were the only countries in the world where distribution of the Cominform resolution attacking Tito is a criminal offense.

The note said that the Tito Government's assertions to the effect that Socialist construction is progressing in Yugoslavia were similar to statements by Hitler and Mussolini in their day.

Moscow Assails Tito's Arrests Of Russians

London, Aug. 20 (AP)—Soviet Russia has warned Yugoslavia it is prepared to take "effective measures" to defend the rights of its citizens there, the Moscow radio said tonight.

It added that Russia also has threatened to "bring to account" those responsible for alleged mistreatment of Soviet citizens in Yugoslavia.

The broadcast was heard here by the Soviet monitor.

Premier Marshal Tito's Government has sought to evade charges of "gross arbitary rule and brutal repressions against Soviet citizens," the radio said.

Bitter Exchanges

It said the Russian charges were contained in a note sent Yugoslavia August 18. This was another in a series of bitter exchanges between Soviet Russia and her former Yugoslav ally.

Russia originally protested the arrests in a note July 25.

"The Yugoslav Government maintains utter silence about the facts of the unlawful arrests of Soviet citizens," the new note said. "The facts of the unbearabl and inhuman prison regime as a result of which many prisoners have been brought by tortures, beatings and deprivation of food to an extremely ill state, endangering their lives.

Brutality Alleged

Instead of replying to these accusations, the Yugoslav Government seeks to substitute for this question another one—namely, the question of motives for the arrests of Soviet citizens—seeking to justify in this way the brutal treatment and other crimes of Yugoslav organs against Soviet citizens."

The broadcast said Yugoslavia replied to the original charges July 30.

"In its note, the Yugoslav Government refers to the fact that many of the arrested persons had come out against the Soviet Union, the Soviet Army, and leaders of the Soviet Union," the broadcast quoted the new Kremlin protest as saying.

"Atoned For Sins"

The exchange between the two countries began a year ago, after Yugoslavia was kicked out of the Cominform for Tito's "nationalistic tendencies."

The Kremlin's latest statement said many of the White Russians who remained in Yugoslavia "atoned for their sins with new proSoviet deeds" in World War II.

Forgiven By Both

They were forgiven by both Yugoslavia and Russia, the note said, and more than half the 12,000 still in Yugoslavia applied for Soviet citizenship.

"Why then, four years afterward, has Yugoslav suddenly remembered the past sins of these people and begun to prosecute them?" the note asked. "And why are only those emigres prosecuted for their past sins who subsequently became Soviet citizens?"

Text of the Soviet Note to Yugoslavia

LONDON, Aug. 20 (AP)—The text of a Soviet note to the Yugoslav Government, as distributed by the Soviet monitor in London:

In connection with the note of the Yugoslav Government of July 30, which has to be recognized as internally false and politically groundless, the Soviet Government deems it necessary to make the following remarks:

In its note of July 30 the Yugoslav Government seeks to evade charges of gross arbitrary rule and brutal repressions against Soviet citizens residing in Yugoslavia.

The Yugoslav Government maintains utter silence about the facts of the unlawful arrest of Soviet citizens, facts of an unbearable and inhuman prison regime for Soviet citizens, as a result of which many prisoners have been brought by tortures, beatings, and deprivation of food to an extremely ill state endangering their life.

Instead of replying to these accusations presented by the Soviet Government in the note of July 25, the Yugoslav Government seeks to substitute for this question another one: namely, the question of motives for the unlawful arrests of Soviet citizens, seeking to justify in this way the brutal treatment and other crimes of the Yugoslav organs against Soviet citizens.

The Yugoslav Government puts forth as the main motive for the unlawful arrests of Soviet citizens and the brutal treatment of them by Yugoslav organs the fact that in the past arrested Soviet citizens were White Guard émigrès and that in the past they were hostile to the Soviet Union and the Soviet Government.

Refers to Soviet Reply

In its note the Yugoslav Government refers to the fact that in the past many of the arrested persons had come out against the Soviet Union, Soviet Army and leaders of the Soviet Government. But all this was known long ago and does not represent anything new.

It is known that all 12,000 Russian émigrès now residing in Yugoslavia—those who after the second World War accepted Soviet citizenship, and those who did not—were driven by the Soviet Government beyond the bounds of the U.S.S.R. twenty-eight years ago after the victory over White Guard Generals Dénikin, Wrangel, and Krasnov were driven out as enemies of the people.

Naturally these White Guard elements waged a struggle against the Soviet system, vilified the Soviet Government and Soviet leaders, and harmed the Soviet Union in any way they could.

It is also known these White Guards driven out of the U.S.S.R. found their main asylum and refuge in Yugoslavia and Yugoslavia was a European country whence these White Guards conducted their subversive activity against the Soviet Union for more than two decades.

This was the situation in the past.

It is known, however, that subsequently during the second World War when defeat of Fascist Germany became definite, sentiments of the White Guards began to change and Russian White Guard émigrès in Yugoslavia began to disintegrate into groups of which the most incorrigible enemies of the Soviet Union left Yugoslavia together with German troops which were driven from Yugoslavia by the Soviet Army, while the other part of the émigrès changed their orientation and began to turn toward the Soviet Union. Many of them began to help Yugoslav guerrillas in the struggle against the German-Italian occupation and began to atone for their sins with pro-Soviet deeds, with more than 6,000 peoples out of 12,000 former White Guards remaining in Yugoslavia presenting applications stating their wish to assume Soviet citizenship.

Says They Atoned for Sins

It is also known that in connection with these circumstances both the Governments of the Soviet Union and Yugoslavia arrived at the conclusion that in so far as the emigres remaining in Yugoslavia had broken with fascism, and atoned for their past sins by their work at the front against fascism, it would be unjust to take revenge on them for their past White Guard sins and that they should be permitted to adopt Soviet or Yugoslav citizenship at their discretion.

This was in 1945 and since then the Russian emigres remained in Yugoslavia, having rights of equal citizens and there was no instance of the Yugoslav Government's initiating any case against them connected with their past White Guard sins.

The question is then asked why then now in 1949—four years after the Russian emigres in Yugoslavia were amnestied—why then now has the Yugoslav Government suddenly remembered about the past sins of these people and begun to persecute them for these sins?

Why has the question of persecuting emigres for their past not arisen earlier before the Yugoslav Government and why has it only now remembered about their emigre past, despite the fact they atoned for the sins of the past by their subsequent honest work, despite the fact they were forgiven for these sins four years ago?

Further, if the past White Guard sins are sufficient grounds for the persecution of emigres amnestied as far back as four years ago why then are prosecutions initiated against not all or most of the emigres in Yugoslavia who were White Guards in the past and harmed in any way they could both the Soviet Union and Yugoslav revolutionaries but only those emigres are persecuted for past sins who subsequently became Soviet citizens?

Why are such innocent people from among the Soviet citizens in Yugoslavia as Dodonov Demidenko Strelach and Kisselevskaya being persecuted by Yugoslav organs for their former emigre sins while such dyed in the wool enemies of everything progressive and revolutionary as Kotylarov, who completed espionage and sabotage courses of German intelligence and who served in the White Guard Security Corps, Zhukov, active member of the white emigre press organs in Yugoslavia during the German occupation, and Dyunkovsky, a Fascist agent and enemy of the U.S.S.R., far from being prosecuted for their past White Guard sins, on the contrary continue serving in Yugoslav institutions?

Where here is the logic, justice and elementary decency?

It is obvious that the Yugoslav Government's attempt to advance past emigre sins of Soviet citizens in Yugoslavia as a motive for their persecution is utterly false and completely unjustified.

There can be no doubt that clinging to this false motive the Yugoslav Government pursued the aim of distracting the people's attention from the real reason for the persecution of Soviet citizens, covering themselves by false speeches about their emigre past to conceal this reason from the people.

Where, then, lies the real reason for the persecution of Soviet citizens by the Yugoslav Government?

The real reason for the persecution of Soviet citizens lies not in the fact Soviet citizens were emigres in the past but in the fact they are supporters of friendly relations between the U.S.S.R. and Yugoslavia, that they do not approve of the present-day hostile policy of the Yugoslav Government toward the Soviet Union.

The real reason for the persecution of Soviet citizens lies in the fact they alongside of all patriots of Yugoslavia, do not approve of the well known and impermissible behavior of the Yugoslav Government, which deserted the camp of democracy and socialism for the camp of international capital and is now striving to do as much harm as possible to the Soviet Union in order to curry favor with the representatives of international capital and build a career for itself on this.

Precisely for this reason and not for their emigre past Soviet citizens are being persecuted by the Yugoslav Government.

Precisely for this and not for anything else thousands of Yugoslav patriots are being persecuted and imprisoned.

The Yugoslav Government itself is forced to admit this in its note.

Realizing the worthlessness of accusations built on the emigre past, the Yugoslav Government in its note lets out the fact there is still another accusation; namely, certain arrested Soviet citizens have a negative attitude toward the existing regime in Yugoslavia, sympathize with the well known resolution of the Information Bureau of the Communist parties (Cominform) and contribute to its dissemination.

But what sort of an accusation is this?

Such an accusation is not so much an accusation against arrested Soviet citizens as against the existing political regime in Yugoslavia.

Likened to Fascist Regimes

The fact the Yugoslav Government puts forward such accusations shows what sort of political regime reigns in Yugoslavia at present.

In no country except countries having a Fascist regime is free expression of democratic views considered a crime.

In present day Yugoslavia, however, it turns out this serves as a justification for unlawful arrests and cruel treatment of people who dare to criticize Fascist dispensations in Yugoslavia.

The Yugoslav Government, realizing such an argument is false and unconvincing, and in order to lend this argument a semblance of being convincing, falsely ascribes to some arrested persons "propaganda of the forcible overthrow of the state system in Yugoslavia," linking this with the Cominform resolution.

These inventions, however, are an obvious provocation and slander.

The Cominform resolution does not contain a single word about the "propaganda of the overthrow of the state system in Yugoslavia," or "forcible" measures for changing this system.

The resolution of the Cominform, issued before the (Communist) party congress in Yugoslavia, and as if directed to the congress, says:

"The Information Bureau does not doubt that in the ranks of the Communist party of Yugoslavia there are plenty of healthy elements loyal to Marxism and Leninism, loyal to the internationalist traditions of the Yugoslav Communist party and loyal to the united Socialist front.

"The task of these healthy forces of the Communist party of Yugoslavia is to compel their present leaders to admit their mistakes openly and honestly and to correct them, to make a break with nationalism, to return to internationalism and to strengthen to the utmost the united Socialist front against imperialism, or if the present leaders of the Communist party of Yugoslavia are found to be incapable of doing this to remove them and put forward new internationalist leadership of the Communist party of Yugoslavia. The Information Bureau does not doubt that the Communist party of Yugoslavia will be able to carry out this honorable task."

As can be seen, the resolution does not contain a single word about an overthrow, still less a forcible overthrow, of the state system in Yugoslavia.

The resolution only says that the Communists of Yugoslavia should compel the existing leadership of the Yugoslav Communist party to revise its policy or, if that proves impossible, should renovate the leadership of the Yugoslav Communist party and elect a new leadership.

Is this path constitutional for the party, and is it an entirely lawful method? Without question, it is.

Soviet Citizeness Strelkach, who was thrown into a Belgrade prison in March of this year, was summoned every night for questioning for twenty-two successive days.

Strelkach was charged with espionage for the Soviet Union, and an attempt was made to discover her attitude toward the resolution of the Information Bureau.

Says Woman Was Beaten

During the interrogations, Strelkach was beaten repeatedly.

Six times she was thrown into a cell with only enough room to stand in.

Just before the second World War at the Congress of the Communist party of the United States the old party leadership under (Earl) Browder was voted out of office and replaced by a new leadership under (William Z.) Foster.

Yet there was not a person in the world to qualify the fact as a forcible overthrow of the existing party structure.

In 1907 at the congress of the Russian Social Democratic party in London, the old leadership of the party in which Mensheviks were in a majority was voted out of office and replaced by a new leadership with the Bolsheviks in a majority. Yet there was not a person in the world who declared this act to be a forcible overthrow of the existing party structure.

In 1921 at the 10th congress of the Communist party of the Soviet Union when Lenin had no solid majority in the party's central committee, the congress elected a new central committee with an ensured majority of Leninists.

Yet there was not a person in the world who declared this act to be a forcible overthrow of the state system of the Soviet Union.

And that is understandable.

In Marxist parties congresses are held not to extol the leaders but to discuss the activity of the existing leadership with a critical eye and, if necessary, to renew that leadership or replace it with a new one.

In all Marxist parties, where there is internal party democracy, such a method of changing leadership is natural and entirely normal.

The question arises, why is it that what is normal and lawful for Marxist parties, the Yugoslav Government considers abnormal, unlawful and criminal for the Yugoslav Communist party?

Is it not because the Yugoslav leaders hav ebroken with the principles of Marxism-Leninism?

There are only two Governments in Europe which regard the resolution of the Cominform as a "criminal leaflet." They are the Greek and Spanish, the Tsaldaris and the Franco Government.

Both of these Governments are Fascist.

Apparently the Yugoslav Government is the third such Government which also regards the resolution of the Cominform as a "criminal leaflet," holding that its circulation or even any acquaintance with it is sufficient ground for throwing people into prison by the thousands.

Suggests Deliberate Action

Is it not clear that this coincidence is not accidental?

After all this, of what worth is the so-called "charge" brought

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against the Soviet citizens of "circulating" the Cominform resolution and of "propagating the forcible overthrow of the state system in Yugoslavia?"

The Yugoslav Government states that the note of the Soviet Government is an insult to Yugoslavia and constitutes slander against the supposedly Socialist system in Yugoslavia.

Moreover, the Yugoslav Government asserts the Soviet Government is trying to distort the "truly democratic Socialist character of the people's power" in Yugoslavia.

But the Soviet Government is obliged to tell the truth about the present regime in Yugoslavia, even if that truth insults someone and stings.

One need only look closer into what is going on in Yugoslavia today to dispel all doubts that there can be no talk at all at the present time about any people's power or any democratic and Socialist character of the state system in Yugoslavia.

And indeed, what sort of Socialist system in Yugoslavia can you speak of when the country has been put under the control of foreign capital and the leadership of the Yugoslav Communist party is at war with the Communist parties of the whole world?

Of what democratic power can there be talk when Gestapo methods of rule prevail throughout Yugoslavia, when all free expression of thought is stifled, all human rights are trampled upon, when Yugoslav prisons are crowded with the supporters of the Socialist camp, when the Communist party of Yugoslavia has become a branch of the political police subordinated to Chief of Police Rankovic (Interior Minister Alexander Rankovic)?

Linked to Hitler's Charges

Plainly enough, the declarations of the Yugoslav Government about some alleged Socialist construction and progress in Yugoslavia are worth no more than similar declarations once made by Hitler and Mussolini.

For a characterization of the present political regime in Yugoslavia, attention should be drawn to the following facts which have accidentally become known to the Foreign Ministry of the U.S.S.R.

In May of this year, Soviet Citizen N. G. Dodonov, who was employed under contract as a technical supervisor at the Duga factory in Belgrade, was suddenly dismissed from the factory for "political reasons," as was stated in his labor book.

When Dodonov filed a grievance against such arbitrary action with the general director of the chemical industry of Serbia, Budisavlevic, and demanded an explanation as to what the "political reasons" were, Budisavlevic told him frankly that the "supporters of the Information Bureau's resolution are deprived of legal protection."

That very day Dodonov was arrested and taken to the state security department of the Second District of the City of Belgrade, where for several days he was systematically beaten by the chief of that department, Capt. Shotra, who tried to obtain a confession from Dodonov that he had supported the resolution of the Information Bureau and pasted up illegal leaflets in the Duga factory.

During the police interrogation Dodonov was kept on his feet without moving for twenty days and deprived of sleep, food and water for two days.

When Dodonov's father applied to the Assistant Public Prosecutor of Serbia, Vukadinovic, with a complaint against the maltreatment to which his son had been subjected in the State Security Headquarters, Vukadinovic not only refused to accept the grievance but tried to justify the criminal actions of the Yugoslav police officials with the cynical statement that "that is our auxiliary investigating machinery, and they know what they are doing."

Soviet Citizeness Demidenko, arrested in May of this year, received no food for six days.

During her interrogation she was beaten on the feet with clubs in an attempt to wring an admission from her that she had gathered some sort of information for the U.S.S.R.

Can a regime that practices such outrages and gives people such inhuman treatment be called a democratic people's regime?

Would it not be more true to say that a regime that permits such abuse of people is a Fascist Gestapo regime?

The Yugoslav Government makes so bold as to express indignation in its note that the Soviet Government should have charged Yugoslav authorities with using intolerable and inhuman methods in dealing with the arrest of Soviet citizens.

The Yugoslav Government declares that such methods of conducting an investigation as beating and torturing the arrested are entirely alien and unfamiliar to Yugoslav authorities, but the facts produced, as others like them, speak for themselves.

The Yugoslav Government will not be able to brush aside these facts.

The Soviet Government maintains that responsibility for the aforementioned brutal treatment of Soviet citizens rests with the Yugoslav Government.

The Yugoslav Government tries to claim some sort of interference on the part of the Soviet Government in the domestic affairs of Yugoslavia. It represents the matter as though the Soviet Government did not recognize the rights of the Yugoslav Government to arraign Soviet citizens guilty of crimes.

But this claim of the Yugoslav Government lacks all foundation, since it is not a matter of persecution of Soviet citizens for actions which constitute a violation of the law but a question of the Yugoslav Government persecuting Soviet citizens who had not committed any crime and are persecuted only because they express democratic views and champion friendly relations between the Soviet people and the people of Yugoslavia.

The Yugoslav Government apparently intends in the future to continue the practice of inhuman treatment of Soviet citizens, the practice of unlawful arrests and beatings, the practice of mockery toward Soviet citizens. Apparently, the Yugoslav Government does not intend to bring to account those who are to blame for these practices.

If that is so, the Soviet Government deems it necessary to declare that it will not reconcile itself to such a situation and will be forced to resort to other more effective measures necessary to defend the rights and interests of Soviet citizens in Yugoslavia and to call to order the violators.

Tito Warns Greece On Slav 'Persecutions'

London, Aug. 20 (AP)—Yugoslavia warned she will act to protect her citizens, if alleged persecution of Yugoslavs in Greece is not stopped, the Yugoslav News Agency Tanjug declared today.

A Tanjug report distributed here said the Yugoslav legation in Athens in a note to the Greek Government protested against "intensified terror over Yugoslav citizens who maintain any connections" with Premier Marshal Tito's representatives in Greece.

The note, Tanjug said, declared some Yugoslavs in Greece "whose only crime was that they had requested repatriation to Yugoslavia" had been tried and sentenced to death or imprisonment.

U.S. Barbs Sting British, Chided On Dollar Crisis

Nation 'Tired Of Yankee Insults,' Paper Asserts; Shinwell Warns Against Twisting Lion's Tail

London, Aug. 20 (AP)—The steady lashing from some sections of American public opinion raised welts on the British hide today. The result: Supporters of the Labor Government struck back, independent organs showed a flash of injured national pride, the Conservative press protested.

The stream of suggestions that Britain would need less dollar help from the United States. If she would do more to help herself, gave rise to this headline in the *Sunday Pictorial*, a pro-Labor tabloid which claims 5,000,000 circulation:

"We British are tired of Yankee insults."

Time to Quit "Sneering"

Emanuel Shinwell, Minister of War, in a speech at Aspatria declared it was time that the American and other critics quit "sneering" at Britain and remember that "the game of twisting the lion's tail is a risky one and it may recoil on those who indulge in this pastime."

"The suggestion that Britain is played out is sheer nonsense," he continued, adding that it was time "due recognition was given to the part played by this country in world affairs."

"Now, when we have almost exhausted ourselves in six years of war and find ourselves in a grave economic position, our magnificent efforts in the past are overlooked," he complained.

Portrayed As Bowery Bum

From the British point of view the criticism abroad could not come at a worse time. United States, British and Canadian officials will go into a huddle in Washington September 6 to see whether they can find a lasting cure for Britain's dollar shortage. The British have been hoping for decisions reached in an atmosphere of sympathetic understanding. The sharp criticism makes them wince.

The *Sunday Pictorial* printed a cartoon in which a slovenly, Bowery bum of a John Bull stands in front of a barroom labeled "Socialist Saloon" holding out a tin cup to Uncle Sam.

"This insulting cartoon—typical of hundreds of others on the same theme—has just appeared in the American press," said the pictorial's caption.

The *Pictorial* said the cartoon was from the Memphis (Tenn.) *Commercial Appeal*. It did not give the date.

In an article, the tabloid commented that "it is fair to say that the British are riled. In fact, we're damned annoyed.

"During the last few weeks it has been impossible to pick up a newspaper without reading onslaughts against this country, its political leaders and its people. Our traducers have not stopped short of downright lies.

"Britain is accustomed to a generous dose of abuse from the Continent. Now, it seems, we must be kicked downstairs by the Yanks.

"Borrowed Time . . . British Lives"

The *Pictorial* said some Americans seem to think Britain is "living on borrowed time and American money," and demanded to know:

"Well—it is also conceded that twice in this century the Americans have lived on borrowed time and British lives? And do you realize that one day you may need to do so again?"

"Let's get this clear—we're going to run our own country in our own British way," declared the *Pictorial*.

The paper took special offense at six other recent examples of American press criticism.

It cited the gibe of the New York *Daily News* that "the old British backbone is turning to putty."

It cited an editorial in the *News* saying "let's write Britain off."

It quoted "a Chicago journal" as telling its readers, "here's that beggar again."

Quotes N.Y. Mirror

It passed along the New York *Mirror's* statement it "fervently trusts" the British won't have "an easy time of it" in the Washington dollar talks.

It said E. T. Leech, who signed a series for the Scripps-Howard newspapers, wrote with a "poison pen."

It reported that the *Wall Street Journal* had described Sir Stafford Cripps, Chancellor of the Exchequer, as one of "Hitler's heirs."

The Conservative *Daily Telegraph* protested that American critics over-simplify things. It is "too easy to say that the only method of closing a dollar deficit is to earn a dollar income," said the *Telegraph*. "What about the United States tariffs which help keep out British dollar exports?"

The *Economist*, an influential anti-Labor journal, denied that Britain's troubles are "due to anything that can properly be called socialism."

"Emotional Fault-Finding"

The independent *Observer* complained of "loud, emotional fault-finding" from overseas.

In general, American criticism reproduced here has taken these main lines:

Here it is four years after the war and Britain still has its hand out for dollars. How much longer is this going on?

The British workman produces only half as much on the average as his counterpart in an American factory. He should work harder.

Britain cannot afford a five-day working week at a time like this.

The Labor Government is pampering the worker with welfare and health services which demand outrageously high taxes. Private enterprise is robbed of its incentive and does not risk capital for possible new profits.

What Laborites Reply

To these criticisms the Laborites reply:

British industry took a beating during the war, yet produced in the first quarter of this year at 131 per cent of the 1938 rate. This is a better showing than any other industrial nation of western Europe which took part in the war.

British exports are running 156 per cent of pre-war. The trouble is in selling them to dollar areas.

The recent falling off of United States buying has hurt. Sales of wool, jute, rubber, tin and cocoa to America in the first quarter of 1949 were at a rate of $600,000,000 a year. Sales in 1948 totaled $730,000,000.

The British workman produces less than the American because he

has fewer machines to help him. British industry is modernizing as fast as it can, especially in the branches that are now state-owned.

The British workman produced only half as much as the American even before the war—when Britain had a Conservative Government.

Working Hours Compared

As for the five-day week, average hours worked in the United Kingdom, including overtime, are 46½ a week for men, compared with 47½ in 1938, and 42 and 41 for women and juveniles, compared with 44 and 43 in 1938.

Spending for British welfare services is in pounds, not dollars. Sickness and death rates are the lowest ever. The new generation will be Britain's healthiest in history.

Taxes must stay high to curb inflation and thus give every Briton his fair share of national production and food.

A record one fifth of the national income is now going into new capital investment. Company profits, even after taxation, are as high as ever.

Unhappily, the British fear that all these arguments are likely to go in one ear and out the other when an American sees something like a picture published this week by the *Evening Standard*, a Lord Beaverbrook paper. Lord Beaverbrook believes the cure for what ails Britain is to build up the Empire.

Three Men Look On

The photograph showed one roll of linoleum being removed from a truck. There were seven men in the picture and the caption described it.

"Three men look on as four others carry a roll of linoleum into No. 10 Downing Street, where redecorating was in progress."

No. 10 is Prime Minister Attlee's official residence.

The advance guard of British experts who will take part in the dollar talks left on the Queen Mary today. Leader of the delegation was Sir Henry Wilson Smith, second secretary to the British Treasury. With him were S. L. Holmes, of the Board of Trade; R. L. Hall, of the economic section of the Cabinet office, and D. B. Pitbaldo, a Treasury undersecretary. Sir Stafford and Ernest Bevin, Foreign Secretary, will sail next Saturday on the Queen Elizabeth.

Doesn't Want Britain Called Poor

London War Minister Says Talk That England Is Played Out Is Sheer Nonsense.

Aspatria, England, Aug. 20 (A. P.).—War Minister Emanuel Shinwell urged today that American and other critics drop "the sneering references" to financially pinched Britain.

"The suggestion that Britain is played out is sheer nonsense," he said, adding it is time that "due recognition was given to the part played by this country in world affairs."

"The game of twisting the lion's tail is a risky one and it may recoil on those who indulge in this pastime," he said.

"Now, when we have almost exhausted ourselves in six years of war and find ourselves in a grave economic position, our magnificent efforts in the past are overlooked.

"It is bad enough when overseas critics attack us, but it is nothing short of treachery when critics at home, from political motives, seek to disparage this country."

British Experts Depart for U. S. Dollar Parleys

Cripps to Delay His Sailing Until Aug. 31; London Press Discusses the Crisis

LONDON, Aug. 20 (AP).—Sir Stafford Cripps, Chancellor of the Exchequer, will delay his departure for the Washington economic talks until Aug. 31. The conference is scheduled to open on Sept. 7.

Informants said tonight the delay had been decided upon in order to permit Sir Stafford additional rest here, following treatment at a Swiss nursing home for a digestive complaint. It will also give him time to dispose of accumulated business at the Treasury.

He had been booked to sail on the Queen Elizabeth with Foreign Secretary Ernest Bevin on Aug. 27. He now hopes to sail on the Mauretania on Aug. 31. Mr. Bevin may delay his own departure in order to make the crossing with Sir Stafford, if accommodations are available.

[The advance guard of the British delegation to the Washington talks departed on board the Queen Mary Saturday. It was led by Sir Henry Wilson Smith, second secretary to the British Treasury and head of its overseas finance section.]

Action Resented

Unfavorable comment by some sections of American public opinion on Britain's economic crisis evoked a spirited defense today, not only by supporters of the Labor government, but by the Conservative and Independent press as well.

The stream of suggestions that Britain would need less dollar help from the United tSates if she would do more to help herself gave rise to this headline in "The Sunday Pictorial," a pro-Labor tabloid which claims 5,000,000 circulation: "We British are tired of Yankee insults."

Emanuel Shinwell, Minister of War, in a speech at Aspatria, declared it was time American and other critics quit "sneering" at Britain and remembered that "the game of twisting the lion's tail is a risky one and it may recoil on those who indulge in this pastime."

"The suggestion that Britain is played out is sheer nonsense," he continued, adding that it was time "due recognition was given to the part played by this country in world affairs."

"Now, when we have almost exhausted ourselves in six years of war and find ourselves in a grave economic position, our magnificent efforts in the past are overlooked," he complained.

"Pictorial's" Comment

The "Pictorial," in an article, said: "during the past few weeks it has been impossible to pick up a newspaper without reading onslaughts against this country, its political leaders, and its people. Our traducers have not stopped short of downright lies."

The Conservative "Daily Telegraph" protested that American critics over-simplify things. It is "too easy to say that the only method of closing a dollar deficit is to earn a dollar income," said the "Telegraph." "What about the United States Tariffs which help keep out British dollar exports?"

The "Economist," an influential anti-labor journal, denied that Britain's troubles are "due to anything that can properly be called socialism." The independent "Observer" complained of "loud, emotional fault-finding" from overseas.

RUSSIAN COLD WAR CUT DOWN

Allied Officials Say They Think It's Merely A Lull

Berlin, Aug. 20 (AP)—Russia has throttled down her side of the cold war in Germany—but Allied officials say they think it's merely a lull.

Relations between the Western powers and Russia eased after the Soviet blockade of Berlin was lifted last May. High Allied officers think the Russians called off the siege for three reasons:

The Allied counter blockade, which stopped shipments of machine parts and other vital equipment to the Soviet zone, hurt the Russians more than the blockade hurt the Allies.

The airlift, a stupendous undertaking which Russians doubted could actually supply a city of more than 2,000,000, was a great success.

Russian propaganda attempts to lure west Berliners into the Communist fold fell flat.

Opposite Views

Lifting of the blockade was a shot in the arm to Berlin's industry and business, but German leaders said they had not noticed any new improvement traceable to the continued lessening of East-West tension.

Dr. Walter Schreiber, chairman of the Berlin branch of the Christian Democrat Union (CDU), which won a majority in last Sunday's West German elections, said "it is mere irony to speak of a lessening of tension in Berlin. We have not noticed any signs of it. It is high time something was done to unite Berlin under a single city government."

Carl-Hubert Schwennicke, chairman of the strongly anti-Socialist Free Democratic party (FDP), took the opposite view. He said "Russia certainly is interested in reducing the East-West rivalry in Berlin because a political crisis here would damage its already weak position in all of eastern Germany."

Incidents Disappear

With the lifting of the blockade the western Allies noted a change in the Russian attitude. The Soviet-licensed press slowly toned down its attacks. Personal tirades against Allied officers slacked off. Russian officers began showing up again at some semi-social functions of the west.

Allied officials say the Russians have almost restored the pre-blockade status quo. Americans report that the attitude of the Russians at Potsdam, where an American military mission is located, is not unfriendly, but it is still somewhat aloof.

Sector border incidents have disappeared. Last fall, when feeling was at its highest, western sector policemen were kidnapped by Soviet-backed German police almost daily. A high American official was arrested at a sector border point because he carried a camera. Today the Russians permit visitors to their sector to take pictures of everything but military installations.

American Officials Skeptical

The airlift, now being de-activated, is no longer heckled by Soviet aerial activity in the air corridors to Berlin. It was a common practice during the hard days of the blockade, but both Air Force officers and American Military Government officers assert the Russian planes never hampered the airlift.

"They annoyed some of the boys," said one officer, "but they never so much as put a tiny crimp into the lift."

Potsdamer platz in downtown Berlin, once the hot corner in the cold war, is quiet today. The American, British and Russian sectors meet there, but no longer do squads of east German police or Russian tommygunners patrol the Soviet perimeter.

But American officials are grimly skeptical.

One top American officer, who asked that he not be named, declared:

"This Russian change is a phoney. It can be compared to the sit-down phase of World War II."

Political Situation

An American intelligence officer commented:

"The Russians called for a pause. Their fundamental concepts have not changed. Their objectives have not changed. They are gathering their resources for another round."

No Allied official would predict what new move the Russians might make, but all were of the opinion the blockade would not be reimposed.

"It was a failure, they know it was a failure and they aren't going to try it again," was the attitude.

Why did the Russian attitude revert to preblockade status?

Allied officials think Russia is anxious to replenish stocks in the east zone without dipping into its own economy or that of satellite nations.

The political situation in the East zone needs a strengthening hypodermic and Russia's Communists want to give it full attention.

HOWLEY WANTED WAR, GERMAN REDS CHARGE

Berlin, Aug. 20 (AP)—The Communists said today United States Brig. Gen. Frank L. Howley is angry because the diplomats did not let him start a war. They made the charge in a bitter farewell to the retiring American commandant of Berlin.

Howley told a news conference after a four-power meeting on Thursday the Russians are trying to revive the four-power Kommandatura and regain their veto power in the rule of all Berlin.

Denied By Russians

Commenting on this, *Neues Deutschland*, organ of the Social Unity (Communist) party, said:

"In this angry belch flares the whole fury of the cavalry general from Philadelphia because the diplomats did not let him make Berlin worth a war."

"No Berliner will cry for General Howley," *Neues Deutschland* said. "The whole of the Berlin population will breathe more freely when

the cavalry general saddles his horse for his ride home."

Before leaving Berlin, the paper added, Howley had to "by all means unmask himself once more as the decisive mischief-maker."

The Russians said they are not trying to revive the Kommandatura. *Taegliche Rundschau*, official organ of the Soviet Army in Berlin, said in a front-page article it wished to "comfort General Howley, even though he is leaving soon."

British Report Praised

"The Russians are not striving to set up the four-power Kommandatura," the paper said, "since the Soviet proposals to that effect were not accepted at Paris."

Taegliche Rundschau praised a British report on Thursday's meeting which said the talks were carried out in a friendly atmosphere. Howley had said there were several "very heated" exchanges.

"This proves," the paper said, "that General Bourne (British commandant, Maj. Gen. G. K. Bourne) judges the situation far more soberly and reasonably than the resigning General Howley."

John J. McCloy, United States high commissioner for Germany, said today the State Department will take over from the Army on or about September 15 in conducting the American occupation program.

Commissioner Saluted

Frankfurt, Germany, Aug. 20 (AP). A nineteen-gun salute was given Andre Francois-Poncet by an American honor guard today on his first visit to Frankfurt since his appointment as French High Commissioner for Germany. He conferred with the United States High Commissioner, John J. McCloy.

Iron, Steel Record Made In Germany

Frankfurt, Aug. 20 [*Reuter*]—Iron and steel production in the Anglo-American zones of Germany set a new postwar record during July, Allied control authorities announced here.

The monthly totals were 624,216 tons of pig iron, 776,795 tons of steel ingots and 529,580 tons of hot-rolled products.

Increases ranging from 55 to 70 per cent were recorded in the past twelve months in output of pig iron, steel ingots and hot-rolled products.

Niemoeller Off to Australia

FRANKFORT, Germany, Aug. 20 (AP)—Pastor Martin Niemoeller left Frankfort today by air for Sydney, Australia, via New York. The former U-boat commander, who was jailed by the Nazis in World War II, intends to lecture in Australia, New Zealand and Tasmania.

TWO TO SLICE U.S.-AID FUNDS

French And Belgian Experts To Tackle European Quarrel

Paris, Aug. 20 (AP)—Two men—a Belgian and a Frenchman—today were named to the job of figuring out who gets how much Marshall aid for 1949-50. They are experts whose names are seldom in the news.

Robert Marjolin, 38-year-old economist, is the general secretary of the Organization for European Economic Co-Operation (OEEC). This is the body that represents all European areas in the Marshall plan. He formerly was an official in the French Finance Ministry.

Baron Charles Jean Snoy et d'Oppuers is secretary general—the top permanent official—of the Belgian Economic Affairs Ministry. Baron Snoy (pronounced Snwah) heads his country's delegation to the OEEC.

Britain Scorns Sum

Their job is complicated by the fact that Congress has not yet agreed on how much aid to appropriate. The Senate has voted $3,778,000,000. The House of Representatives has a bill providing only $3,568,000,000 but says the sum can be spent in 10½ months.

An OEEC committee has worked on a scheme for dividing $3,621,600,000. The trouble with this division is that not even the committee itself agreed on it. Only one area—Trieste, next-to-the-smallest—is satisfied with its share.

Sir Edmund Hall-Patch, head of the British delegation, told the OEEC Council indignantly yesterday that Britain would not accept the $842,700,000 allotted to her. Britain has said she needs $1,518,000,000. Italy also said she was discontented with her $382,700,000.

Today the council heard from the Netherlands and France. It was known that they were unhappy, too, although the OEEC insisted on keeping secret what they said.

Swiss Also Gives Views

Dr. H. M. Hirschfeld spoke for the Dutch, and Herve Alphand for France.

There was also a statement from Gerard Bauer, of Switzerland. His country is a member of the organization, but receives no dollar aid. Talks between the United States and Switzerland on providing some broke down when Switzerland said she could not sign an agreement that would permit American officials to set up a mission on Swiss soil.

After hearing these speeches, the French delegate proposed that Marjolin and Baron Snoy be asked to make suggestions on dividing aid. He was supported by Britain.

The council, OEEC's ruling body, told them to take two contradictory sets of documents as a basis for their work: The committee report, and the delegates statements that they can not accept it.

No date was set for the two economists to come back with a solution.

Reynaud Calls Marshall Plan A Failure

Strasbourg, Aug. 20 (AP)—Former Premier Paul Reynaud, French representative in the European Consultative Assembly, said today the European end of the Marshall Plan is a failure.

He said the American aid program had not developed free trade in Europe.

Urging the European Council to establish a large trading area in Europe, Reynaud declared the Assembly must solve economic problems first if it hopes to settle some of Europe's pressing political issues.

Sees U.S. Interest

"The OEEC (Organization for European Economic Cooperation which helps administer the Marshall plan) has failed," said Reynaud: "The United States has a great interest, it seems to me, in supporting the Council of Europe."

Reynaud said he will address the assembly Tuesday morning, when the legislature takes up the role of the European Council in the economic domain.

U.S. ENVOY DENOUNCES STUDENT DELEGATION

PRAGUE, Czechoslovakia, Aug. 20 (AP)—A United States diplomat denounced today the conduct of some United States citizens attending a world festival of youth and students in Budapest and said the background of their leaders was being investigated.

The diplomat, who would not be identified for publication, was visiting here on a trip from Budapest. He did not say who was making the investigation.

He said Communist attempts to convert the festival into another peace congress, such as they had staged in New York and Paris, had faded but some leaders of the United States delegation were "making asses of themselves with silly antics."

The antics, he said, included denunciation of United States leaders as warmongers and stopping recreational parades and festivities with demands for singing of the Communist anthem, "The Internationale."

"The Hungarians, the Russians and others wonder what sets them off," he added.

"While they attack their own country, delegates from the Eastern 'people's republics' can save their breath."

The diplomat said there were about 200 Americans in Budapest, but "the majority don't seem to know what it's all about and they'll probably be most surprised at the festival's end to hear that they have subscribed to a lot of Communist-inspired resolutions."

The festival began with ceremonies hailing Prime Minister Stalin as the "guardian of world peace" and then broke up during the week into small, scattered meetings, the diplomat said.

Bulgarian Parliament Called

SOFIA, Bulgaria, Aug. 20 (AP)—Parliament was called today to a special session Sept. 14, the Government announced.

Italian Orphan Village Begun

NAPLES, Italy, Aug. 20 (AP)—Work has begun on an American-financed village for Italian war orphans at nearby Pozzuoli. Pope Pius, Italian President Luigi Einaudi and Premier Alcide de Gasperi sent messages of good will to cornerstone laying ceremonies yesterday. The Society of American Relief for Italy is the sponsor.

Jamaica-Britain Sugar Pact

SOUTHAMPTON, England, Aug. 20 (AP).—William Alexander Bustamante, Jamaican labor leader and Minister of Communications, said here today that Great Britain would sign a long term sugar agreement with his country this year.

Rain Hits Austria Crops

VIENNA, Aug. 20 (AP).—Heavy rainfall in Austria in the last 10 days has caused damage estimated at 80,000,000 schillings ($3,000,000), official sources said today. Some lowland crops were flooded. Snow fell heavily in the Alpine districts.

Jordan Accuses Israel of Peril To Jerusalem

Asks U. N. to Have Sappers Dismantle Explosives Cached Near Holy Places

AMMAN, Jordan, Aug. 20 (AP)—King Abdullah's Government asked the United Nations today to blame Israel for planting explosives near Jerusalem's holiest places and to have expert sappers dismantle the cache if possible. The Israelis intended to blow up the dump last Monday, but did not carry out their plans.

The Jordan Government charged that the cache near the Damascus Gate of the Old City was a "Jewish-planted" mine. It cabled a statement to the United Nations and delivered it to foreign diplomats here.

The Government said that if the explosives cannot be dismantled, the United Nations should see that precautions are taken to minimize the damage that might result from the detonation. Israeli authorities have said that removal of the explosives would be more dangerous than destruction on the spot.

The four-point Jordan statement said: (1). "The mine was planted in no-man's land (between Arab and Israeli military positions) at present under U.N. supervision;" (2). "From statements of U.N. truce observers, it appears the mine was planted after the final cease-fire order of the U.N. Security Council;" (3). "It is proved that the mine was planted in a disused sewer passing near St. Paul's Church X X X and near the Mosque of Omar;" (4). "Military experts believe the explosives discovered hitherto may be the first lot of similar mines placed in the sewage system."

U.S. Fostering 'Fifth Column,' Reds Charge

Nanking, Aug. 20 (AP)—The Communist-controlled press today fired its heaviest propaganda broadside against the United States.

The daily, bitter press attacks reached a new height of intensity in today's editorials, which practically choked news off front pages.

The anti-American propaganda campaign has been sharply accelerated by publication of the United States White Paper on China. [The White Paper laid down a policy of aiding the Chinese to cast off the "foreign yoke" of a Red regime which served Russian imperialism.]

"Fostering Fifth Column"

The official Communist Hsinhua (New China) Agency charged the United States with fostering a fifth column behind Red lines and with encouraging and assisting sabotage by "Nationalist special bandits."

[The Nationalists, when they were riding high, referred to the Communists as "bandits."]

With the opening of large-scale campaigns to suppress peasant unrest in North, Central and East China, the Communists repeatedly have said the United States is backing Nationalist agents who are supposed to be leading the insur-

rections.

[In Shanghai, pro-Communist newspapers said another Nationalist underground organization had been uncovered and partly wiped out.

[The papers said the organization called itself the "penetrating force of the Ministry of National Defense in the Kiangshu-Chekiang-Anhwei border area."

[Its leader was identified as Col. Wang Sing-pan, close friend of the late Gen. Tai Li, who headed Generalissimo Chiang Kai-shek's secret police for years. Wang and four other officers were arrested.

25,000 Reported Slain

[Communist Army sources said more than 25,000 Nationalist undergrounders had been wiped out in East China from May through July. Communist newspapers also said more than 50 battles had been fought with Nationalist guerrillas in Central China during July and 16,000 undergrounders had been wiped out.]

The agency's editorial said Secretary of State Acheson's statement of basic principles meant a policy of supporting China's warlords and continuing the economic blockade of Communist ports.

In explaining away the Nationalist blockade, the Communists consistently place the blame on the United States.

Criticism also was heaped upon United States Ambassador J. Leighton Stuart, now in Washington. This criticism significantly is aimed at educated Chinese opinion.

It urges this section of Chinese life to drop "illusions about America." Stuart, a lifelong resident of China who is a noted missionary and educator, has a large following among Chinese intellectuals. The diatribes seem aimed at eliminating this following.

VICTORY GAINED BY NATIONALISTS

Strong Reinforcement Against Chinese Reds Reported

Canton, China, Aug. 20 (AP)—The Chinese Nationalists were credibly reported today to be throwing strong reinforcements into the path of the Communist advance about 170 miles northeast of Canton.

At the same time it appeared that the Nationalists had scored a genuine victory on the front 310 miles northwest of Canton.

Chinese press dispatches said the Nationalist reinforcements had gone into the Tayu and Siaomei mountain region along the north border of Kwangtung province, of which Canton is the seat. This area faces the town of Tayu, which the Chinese Reds took two days ago.

[However, military experts have predicted the Chinese Red drive would head southeast down a valley 70 miles to the Canton railway, rather than south into the hills.]

Truth In Reports Indicated

Numbers of troops passing through Canton in the past few days indicated the reinforcement reports probably were true.

There was no fresh news of action on the Tayu front today, however.

Reliable independent sources meanwhile confirmed Government reports of the past couple of days that Gen. Pai Chung-hsi's defense forces had defeated the Communist 51st Army northwest of Hengyang.

(Column 3)

Official reports said one Chinese Red division was wiped out, with 8,000 casualties and 1,000 prisoners, and two other divisions were routed.

These reports said the Nationalists then recaptured Yungfeng, 45 miles northwest of Hengyang and 310 miles northwest of Canton. The Government was flying 100,000 silver dollars to the victors as a reward.

A Nationalist army spokesman admitted, however, that the Chinese Reds had taken Anjen, 60 miles southeast of Hengyang. This would indicate they were bypassing the Hengyang strong point.

Resistance Stiffening

[It also would indicate that General Pai was making a stronger defense of this rail escape route leading southwest into his native Kwangsi province than of the direct southward route to Canton.]

Chinese quarters expressed belief that the United States' no-more-aid policy was stiffening the Nationalist resistance to the Chinese Reds. The theory is that resentful Nationalists are out to prove there is still some fight left in them.

The United States Embassy, meanwhile, quietly completed its closure. The staff went to near-by British Hong Kong to join the consulate staff quartered aboard the United States destroyer tender Dixie.

Red Push Closes U.S. Embassy

AUG 21 1948

Canton, Aug. 20 (AP)—The United States Embassy, closing in the face of the Communist advance on Canton, ended its existence today without fuss or ceremony.

At 2.22 P.M. Third Secretary Bruce Lancaster, of State College, Miss., locked the door of the deserted embassy building on Shameen Island and strolled to a waiting car.

With him were Third Secretary Gerald Stryker, of Norwalk, Conn., and Clerk John Finnegan, of New York city.

Two hours later they took off from White Cloud Airdrome for Hong Kong in a United States C-47 transport which carried American Charge d'Affaires Lewis Clark. Also aboard was Major William Henry Saunders, of Lexington, Ky., who headed the military attache's office here.

Beginning Monday, Clark will commute regularly to Canton by air so long as the situation allows.

Reinforcements Join Defense Of Canton

AUG 21 1948

Canton, Aug. 20 (AP)—Press reports said today the Nationalists had sped strong reinforcements into the mountains less than 170 miles northeast of Canton in an attempt to check the Reds' southward rush.

These reports probably are true, because large numbers of troops have been passing through Canton for the north.

The loss of Tayu, 170 miles northeast, put the Communists only 5 miles from the border of Kwangtung province, of which Canton is the capital as well as the temporary haven of the Government.

Loss Of Anjen Admitted

The Nationalists also admitted the loss of Anjen, 250 miles north of Canton and a key point on the eastern flank of the Canton-Hankow railroad.

The fall of Anjen means the Reds are bypassing the Hunan province defense bastion of Hengyang on the east and suggests they are trying to cut the rail line at Leiyang. Leiyang is 230 miles north of Canton and 70 north of the Kwangtung border.

Bad News In Northwest

[Philippine consular officials arriving at Manila from Amoy said that big port on the southeast coast appeared about to fall to the Communists. The eighteen members of the staff reported they passed within range of the fighting close to Amoy, the best port left to the Nationalists.]

Bad news also came from the far northwest. An official dispatch said the Communists had pressed to a point only twelve miles southeast of Lanchow before being thrown back. Lanchow is the capital of Kansu province and a Nationalist stronghold.

Travelers from that remote region said most Nationalist troops had pulled out of the Lanchow area, leaving rearguards to fight a delaying action. The Nationalists were retreating westward into mountainous Tsinghai province.

Nationalists Claim Victory

There was a feeling prevalent in Canton that the loss of Lanchow might be only a matter of days.

The Nationalists asserted that they had scored a victory on the front due north of Canton. Official dispatches said the Communists suffered 8,000 casualties and 1,000 Red soldiers were captured in fighting around Shaoyang, which guards the western approach to Hengyang, 265 miles to the north.

[While the casualties may be exaggerated, it appeared that the Nationalists were standing firm west of Hengyang. Shaoyang guards the route of retreat into southwest China of Gen. Pai Chung-hsi, commander in south-central China.]

Meanwhile, the Foreign Office speeded the packing of crates for the expected flight to a new capital at Chungking in the west. More Americans were leaving and the United States consulate-general was closed.

Mongols Reported Invading Suiyuan

Canton, Aug. 20 (AP)—A Chinese Nationalist Army spokesman charged today that troops from Russia's outer Mongolian vassal state had invaded the Inner Mongolian province of Suiyuan.

Maj. Gen. Chang Yi-ting, deputy army spokesman, did not say when the alleged invasion occurred or how many troops from the Mongolian Peoples Republic were involved.

Thus it was impossible to tell whether the alleged action represented an actual invasion or was just another border incident.

Others Move On Polingmiao

Chang made the charge in a written review of the war situation in China.

The only detail he gave was to assert that outer Mongols were heading for Polingmiao, important religious and trading center well inside Inner Mongolia. Polingmiao is 350 miles west-northwest of Peiping.

British May Close Shanghai Cotton Mill

Shanghai, Aug. 20 (AP)—The British-owned China Printing Textile Mill, Ltd., asked the Communist Labor Board today for permission to close because it cannot obtain raw cotton.

The mill operates 30,000 spindles and employs 2,000 workers. It has been operating lately at half on curtailed schedules, reported and domestic cotton and says both are in short supply. It has enough on hand for one week's operation.

Several other mills, all operating on curtained schedules, reported that they were almost out of raw cotton and might soon have to apply for permission to close. Cotton textiles is Shanghai's major industry.

1,000 to Test Tientsin Blockade

HONG KONG, Aug. 20 (AP)—The British merchantman Yunnan sailed for Communist Tientsin yesterday with about 1,000 Chinese passengers — a record since the Chinese Nationalists began their blockade more than two months ago. Passengers from the British ship Yochow arriving from Tientsin said they saw British warships patrolling the Taku bar gateway to Tientsin.

Karen Invaders To Face Shan Citizen Army

AUG 21 1949

Rangoon, Burma, Aug. 20 (AP)—An official source said today a large citizens' army has been mobilized in the Shan states of northeastern Burma to fight rebel Karen tribesmen invading Shan territory.

This new phase in Burma's many-sided civil war developed after Shan Minister Sao Hkun Hkio called on his people to leave their peacetime pursuits and join in "war unto death" in the wooded ravines and hills adjoining Thailand (Siam).

A Shan Ministry spokesman said the citizen army has linked up with Shan regulars in the Burmese Army and they have ringed Taunggyi, the southern Shan state's capital, vowing not to let any Karens leave it alive.

Guerrilla Warfare

The citizens, with an assortment of weapons, were reported engaged in guerrilla warfare around Taunggyi.

The Shan spokesman said Karens who occupied Taunggyi August 13 looted systematically and sent booty to headquarters at the Karenni state capital, Loikaw.

He said the Karen invasion of the Shanlands was apparently intended to wreck the Burma Union, the independent republic formed after the British freed Burma from the Empire. The Burma Union would disintergrate if the Shans were out of it, he added.

Massacre Reported

The Karens, who are fighting for a nation of their own, expected to win the Shan chieftains over against the Rangoon Government, but instead roused their animosity by violating Shan territory, the spokesman said.

The Rangoon press published a report that Karens massacred 34 Burmese men, women and children at a village near here. It said there were only four survivors among 38 herded into a small room which was set afire. Those trying to escape were mowed down by Sten gunfire, the report said.

30.24- 5159

BURMA REBELS RINGED

Citizens' Army in Shan States Surrounds Karen Force

RANGOON, Burma, Aug. 20 (AP)—A citizens' army has mobilized in the Southern Shan States and, with regular Burmese and Shan troops, has ringed 600 invading Karen rebels in the capital of Taunggyi, an official source said today.

The informant said that the Karen rebels had invaded and occupied Taunggyi on Aug. 13 for the purpose of winning Shan chieftains to their side. The Burma Union would disintegrate, he said, if the Shan States withdrew from it.

The invasion, however, had the effect of arousing the "animosity and resentment of all Shans," the source said, and a citizens' army was organized to fight the Karens.

Pacific Defense Pact Talks

Experts of Britain, New Zealand to Meet Australians in Sydney

SYDNEY, Australia, Aug. 20 (AP).—Australia will be host to military experts from Great Britain and New Zealand next week for talks on defense of the Pacific and Indian Ocean areas, official sources said today.

The conferences are regarded as marking a new Australian effort to promote a Pacific defense pact along the lines of the North Atlantic treaty. They will take place at Melbourne.

Observers at Canberra, the capital, said they probably will be followed by invitations to experts from India, Pakistan, Ceylon, Malaya and Hong Kong for further meetings.

Pakistan-U. S. Pact Drafted

KARACHI, Pakistan, Aug. 20 (AP).—The draft of a proposed treaty of friendship, covering commerce and navigation between the United States and Pakistan, has been completed and is under study by the Foreign Ministry here, it was learned today. It was dafted jointly by American Embassy officials and Shujaat Ali Hasnie, of the Pakistan Ministry of Commerce.

48 Frantic Koreans Die Fleeing Train In Tunnel

Seoul, Aug. 20 (AP)—A passenger train stalled in a tunnel. Forty-eight Koreans were reported killed trying to get out.

This report was made today by C. L. Burpee, American adviser to the Korean Railway communications division. He said the passengers fought to escape from three cars which became uncoupled from the rest of the train about midway through a two-mile tunnel 120 miles south of Seoul Thursday night.

Vaughan Linked To New Case On Rationing

Washington, Aug. 20 (AP)—Senatorial sources said today that Maj. Gen. Harry H. Vaughan once gave an Agriculture Department official "particular hell" about a grain-rationing order after alcoholic-beverage makers reportedly complained about the edict.

Senate five-percenter investigators already have been told that Vaughan, who is President Truman's army aide, intervened at the department in another case in 1946.

The testimony was that Vaughan at that time tried unsuccessfully to aid a New Jersey molasses company accused of violating sugar rationing.

Two Separate Sources

The account of intervention by Vaughan in the grain-rationing case came separately from two officials. Their stories are substantially the same.

Apart from those sources, Senator Mundt (R., S.D.) said he plans to ask for an investigation by the Special Senate Subcommittee conducting the five-percenter inquiry Mundt is a member of the group which is checking on whether improper influence has figured in the handling of Government business.

On a related matter, Mundt said he has no idea who Senator McCarthy (R., Wis.) was talking about when he said that the committee is getting unsolicited adverse information about Vaughan's activities from sources "very close to the President and to Vaughan in the White House."

Asked About Change

In the grain-rationing episode, Vaughan in 1946 or 1947 reportedly asked Clinton P. Anderson, then Secretary of Agriculture, whether any change was contemplated in the Federal order which restricted the amount of grain which could be used for making alcoholic beverages.

Anderson, now a United States senator from New Mexico, is understood to have said no change was indicated.

Subsequently, however, the rationing order was made more stringent. An official familiar with the incident gave this account:

"I understand that Vaughan got a call from Milwaukee, from someone representing the brewery interests there. The call is supposed to have come from Harry Hoffman."

Named As Freezer Donor

[Vaughan named Harry Hoffman, Milwaukee advertising man, as one of the donors of the seven home freezers presented to him in 1945.]

"Vaughan's caller protested about the change in the rationing order. Vaughan then tried to phone Anderson, but he was out of town. So Vaughan talked to Nate Koenig."

[Koenig then was executive assistant to Anderson. He now is an assistant to Secretary of Agriculture Brannan.]

"Particular Hell"

"Vaughan gave Koenig particular hell about the rationing order."

There was no comment on the grain episode from Senator Anderson. Koenig is on his way home from a trip to Puerto Rico.

In Milwaukee, Hoffman said "it was not I who made the call; I know nothing of the incident."

One Senate official said "there is no question about it that Nate got a call" from Vaughan. He said Koenig's version was that Vaughan minced no words and protested that Anderson should have informed the White House before revising the order.

Guarded Against Speculation

The official said that the Agriculture Department was taking great care to keep its plans with respect to the rationing of grain a secret in advance of official announcement, because of the possible effect on the grain market.

Anderson and Koenig are understood to have conferred after the Vaughan call and to have decided to stand pat.

Senator Hoey (D., N.C.), chairman of the Investigations subcommittee, said he has no personal knowledge of the grain-rationing incident, but that his staff might have.

Hearings Resume Tuesday

William P. Rogers, subcommittee counsel, indicated that the staff has information about the episode. But he refused to say whether it will be brought up at the public hearings to be resumed Tuesday.

Hoey, meanwhile, said the story of the home freezers which were presented to Vaughan and other Washington notables four years ago "has been magnified out of all proportion to its importance."

Vaughan, who is expected to testify next week, has acknowledged that the freezers were gifts to him from Hoffman and David Bennett, head of the Albert Verley Company, a Chicago perfume house. The committee has received testimony that the freezers were paid for by the Verley Company.

DISTILLERS' GRAIN TIED TO VAUGHAN

Report He Fought Ration Is Under Probe By Senate Unit

Washington, Aug. 20 (AP)—Senator Mundt (R., S.D.) said today that a full inquiry is under way into reports that Maj. Gen. Harry H. Vaughan once intervened at the Agriculture Department, in behalf of alcoholic beverage makers.

Mundt, member of the investigating committee, made the announcement after two senatorial sources said Vaughan gave a Government official "particular hell" about the grain rationing order which affected breweries and distillers.

The name of Vaughan, President Truman's army aide, has woven in and out of testimony at the Senate inquiry into whether improper influence has played a part in the handling of Government business.

Today there were some kind words for Vaughan. They came from Brig. Gen. E. A. Evans, executive director of the Reserve Officers Association.

Favorable Opinion Is Sought

Evans said he has written "six or eight" members of the association, asking for expression of opinion about Vaughan. Evans said the material probably will be used to get favorable publicity for the presidential aide, but he did not know just how he would go about that.

"Harry Vaughan has been of tremendous help to the reserve officers in trying to get the Defense Department to give us a service program," Evans said. "I think he has been the subject of unnecessary malignment."

Evans said he informed Vaughan of what he was doing, and that Vaughan seemed to appreciate it.

Mundt conferred about the grain rationing incident with Francis D. Flanagan, assistant counsel to the Senate's special Investigations subcommittee.

Due In Capital Monday

Afterward Mundt told reporters that committee investigators have been trying to get in touch with Nate Koenig, who reportedly took a tongue-lashing from Vaughan in connection with the grain episode. Koenig, now an assistant to Charles F. Brannon, Secretary of Agriculture, is on the way home from Puerto Rico. He is expected in Washington Monday.

Senate sources said the incident was dated either 1946 or 1947. They said the general at that time asked Clinton P. Anderson, then Secretary of Agriculture, whether there was likely to be any change in a Federal order which restricted the use of grain in alcoholic beverages.

Anderson, who now is a United States Senator from New Mexico, reportedly said no change was contemplated. Later developments, however, did bring a tightening of the grain rationing order.

Hoffman Named

The Senate officials who gave the account to newsmen said that thereupon Vaughan got a call from somebody in Milwaukee representing brewery interests. They named the caller as Harry Hoffman, Milwaukee advertising man listed as one of those having a part in the 1945 donation of seven home freezers which Vaughan in turn gave to Washington notables.

In Milwaukee, however, Hoffman said today: "It was not I who made the call. I know nothing of the incident."

Continuing the account, the Senate officials said:

"Vaughan's caller protested about the change in the ration order. Vaughan then tried to phone Anderson, but he was out of town. So Vaughan talked to Nate Koenig.

"Vaughan gave Koenig particular hell about the rationing order."

Take No Action

Vaughan reportedly protested that Anderson should have informed the White House before the order was revised. Koenig and Anderson took no action on the protest and the new order stayed on the books, it was related.

Anderson had no comment on the matter today.

Mundt said he had been told that notes on a Vaughan-Koenig conversation are available at the Agriculture Department. He said the committee wants to obtain them.

Meanwhile, Chairman Hoey (D., N.C.) said at his home in Shelby, N.C., that the committee hopes to wind up the peddlers-of-influence public hearings next week.

Feldman Called

When the session resumes Tuesday the probers plan to call Maj. Gen. Herman Feldamn to the witness stand. Feldman, the Army quartermaster general, was suspended July 16 pending further investigation.

In relieving Feldman and Maj. Gen. Alden H. Waitt from duty, Secretary of the Army Gray said both men had failed to exhibit judgment expected of persons in their positions. Waitt, chief of the Army Chemical Corps, already has testified.

Connally Making Uphill Fight On Arms-Aid Cut

Washington, Aug. 20 (AP)—Captained by Senator Connally (D., Texas), the Administration began an uphill fight in the Senate today to salvage its $1,450,000,000 foreign arms program.

Connally, adopting a no-compromise attitude, came out for restoration of the full amount of $1,160,990,000 for military supplies for North Atlantic treaty signers. The House cut that total exactly in half.

But Connally seemed unlikely to be able to muster a majority of the Senate Foreign Relations and Armed Services Committees, over which he is presiding, for reinstatement of the full fund.

Vandenberg Stands Pat

Senators Vandenberg (R., Mich.) and Dulles (R., N.Y.) stood firmly on their demand for a reduction to a round $1,000,000,000. And even Chairman Tydings (D., Md.), of the Armed Services group, talked in terms of the same amount.

Critics of the program applauded the House action.

Senator Byrd (D., Va.) called the slash "a step in the right direction."

Senator Russell (D., Ga.) approved the cut, adding that in his opinion it would be enough for this country to ship $450,000,000 worth of surplus military equipment to the Europeans this year without spending any additional cash.

George Firm For Cut

Senator George (D., Ga.) said he thinks the House action reflects the views "of people who are pretty close to the grass roots." He has been advocating cutting the Administration's request in half.

On the other side, Senator Gurney (R., S.D.) said he wants an adequate amount made available. But he said he wasn't wedded to any particular figure.

Senator H. Alexander Smith (R., N.J.) announced he will support the Vandenberg-Dulles proposal to shave $160,990,000 off the Administration request, and to mesh the program into a mutual defense plan to be drafted by the proposed North Atlantic council.

TALKS TO FAIL, OFFICIALS FEAR

U.S., British Pessimistic Over Economic Conference

Washington, Aug. 20 (AP)—An air of defeat already overshadows next month's American-British conference on Britain's economic crisis.

Truman Administration officials and British economic and political experts predict that a good many sensational proposals will be put forward. But they say there is little chance that both sides will agree at this meeting on a broad plan of action that will set John Bull back on well-shod financial feet.

There is a chance, too, of an irritating dispute over who is responsible for Britain's present fix.

Britain's economic chief, Sir Stafford Cripps, and Ernest Bevin, Foreign Secretary, are expected to argue that the crisis was forced by the economic recession in the United States, which caused drastic cuts in American spending for British colonial products such as tin and rubber. The British are spending dollars faster than they get them.

British Blamed

The American viewpoint will be presented by John W. Snyder, Secretary of the Treasury, and Dean Acheson, Secretary of State.

Snyder—If he is governed by American views now dominant—will argue that the British are responsible for their own difficulties. It is contended that they have failed to develop the flexible economy to permit them to cut prices in the world market to compete with American goods, and to take other measures by which they could sell enough of the things they make to buy all the things they need.

Canada is to be in on the talks, too, as a vastly interested third party. The conference had been set to open September 6, but may be delayed until the following day because of Cripps's decision to postpone his departure from England until August 31. The meeting is expected to last about a week.

Some Agreement Expected

Well informed officials here currently believe that the best that can be expected is possible agreement on some short-range measures and perhaps a decision to meet again in six months or so.

The major American proposal for action by the British, according to all advance speculation, will be an insistent request that Cripps and Bevin agree to devalue the pound from its present rate of $4.03 to some substantially lower figure.

For their own part, American officials are ready to suggest relatively minor moves such as improving American tariff procedures to encourage imports from Britain and the empire countries, and providing technical assistance to British industries and to colonial areas, in an effort to step up the marketing of British products in the United States.

Warning On Russia In '45 Made Public

Washington, Aug. 20 (AP)—Representative Judd (R., Minn.) today made public a United States military intelligence warning of mid-1945 that "there is reason to believe" Russia plans to dominate Manchuria, Korea and North China.

Intelligence called Chinese communism part of the Moscow-guided international movement.

It spoke out against giving the Red Army any exclusive operation zone in Asia. This was before Russia entered the war against Japan.

"Top Secret" Report

The warning was contained in what Judd termed a "top secret" report. He said he released the information because the State Department has issued "all the secret documents it could find to bolster its own feeble case." He referred to the department's White Paper on policy toward China.

Judd gave out the military intelligence summary of its report on Chinese communism and Russian intentions from 1944 to July, 1945. It also concluded that:

Chinese Communist "democracy" is Soviet-styled democracy.

China's strength and stability depends on the natural resources of Manchuria, and North China.

Division Of China Opposed

To prevent China's separation from its northern areas and Manchuria, "it is essential that China not be divided (like Europe) into separate American-British and Russian military zones.

The intelligence report specifically warned against modifying the Cairo declaration of December 1, 1943, for Korean independence and Chinese sovereignty over Manchuria.

Judd said that when the army intelligence experts made their recommendations, "they did not know that Yalta had given Manchuria and other areas to Russia."

Judd said he had had the papers a number of years, but did not explain how he came into possession of them.

AEC Issues Nonrevelatory Pictures Of Eniwetok Tests

Washington, Aug. 20 (AP)—The Atomic Energy Commission came out today with the first pictures of its hush-hush bomb tests at Eniwetok. It's notable what the pictures did not show.

They are views of test operations held in the Spring of 1948 involving three bombs of "improved" design—that is, improved over the original model used in New Mexico, Japan and at Bikini.

Since the tests at the closely guarded Eniwetok proving grounds in the Marshall Islands, the AEC has announced that the bombs demonstrated "a substantial gain in (explosive) energy release" over previous models.

Resemblance To Earlier

The AEC has been mum as to whether the bombs were bigger than their predecessor, or whether the scientists had learned how to cause more of the potentially explosive material of the bombs to contribute to the blast. Probably the latter is closer to the truth.

But, from a pictorial standpoint, the explosions of the new bomb bear a very close resemblance to those of the earlier model.

The pictures show actual detonation of a bomb (and the AEC didn't make it clear whether just one or all three explosions were depicted). The familiar fireball and big mushrooming cloud are present. Billows of smoke curl sideways from the center of the blast.

Noninformative Captions

But the photographs give no clue about what the bomb looks like or how they work.

The official captions for the pictures are masterpieces of brevity and the commission declines to add a syllable.

One caption says:

"Cloud formations give an impression of sunset rather than a bomb-blast."

Another:

"Fireball rises majestically . . . casting its reflection on the water."

One of the pictures shows a group of uniformed men viewing "the devastation" caused by an atom-bomb blast.

All you see is a sandy area with a lot of apparently broken wood and some box-like affairs in the foreground. There's no "before-the-blast" shot for comparison.

Detonated From Tower

One picture did bring out the fact that at least one of the bombs was detonated from a tower—as was the bomb originally tested in New Mexico in 1945. But whether this bomb caused a huge crater—as in New Mexico—you'll have to guess.

Most of the blast shots indicate that tests were made at night and were photographed over water from ships and planes.

One shot shows three shirtless men piling cans of something—or maybe they're empty—behind a "cement pillbox."

But the commission isn't saying what, if anything, happened to the cans when the bomb went off.

The pictures released today are a selection from a souvenir booklet to be put out by the *Infantry Journal* for the 9,800-member military and civilian team that participated in the Eniwetok show called "Operation Sandstone."

WANTS SPEED ON D.P. BILL

Graham Would Vote To Take Measure From Committee

Washington, Aug. 20 (AP)—Senator Graham (D., N.C.) said today he will vote to take a House-approved displaced persons bill from the Senate Judiciary Committee, if that is necessary, to get action.

This bill would allow 339,000 people to come into the country in three years in place of the approximately 205,000 in two years under present law.

It also would remove some restrictions which President Truman has said slow up action and discriminate against Jews and Catholics.

Graham Wanted To Study It

Yesterday the Senate Judiciary Committee, of which Graham is a member, voted down, 5 to 2, a surprise move to take the bill away from a subcommittee headed by Senator McCarran (D., Nev.). Graham and Senator Wiley (R., Wis.) did not vote. Graham stated at the time that he wished to study the legislation further before voting.

McCarran said after the meeting that Senator Ferguson (R., Mich.) made the motion, contending that a move is under way in the Senate to discharge the full committee from consideration of the bill. President Truman has urged passage of the legislation.

Only Sentaor Kilgore (D., W.Va.) voted with Ferguson to discharge the subcommittee, an action which would have brought the bill before the full committee for its consideration.

Senator Lucas, of Illinois, Democratic leader, has offered to head a list of six Democrats to sign a petition to the Senate to take the bill away from the committee if Senator Taft (R., Ohio) will head a similar list of six Republicans.

Taft has said he will do this if Lucas will assure him that the bill will be called up in the Senate before Congress quits.

Graham's Statement

Graham issued a statement today in which he said:

"I am now comparing the provisions of the House bill and the McGrath-Neeley bill. I will support the bill and procedures which will most nearly carry out the commitments of the President and the national political platform for the admission into the United States of our decently responsible share of the unfortunate persons displaced by the ravages of the war, regardless of creed, race, or nationality, who meet the qualifications set forth in the act.

"In addition to this, I am disposed to favor a continuation of the overall study of the problems of displaced persons in the world now being comprehensively carried on by the subcommittee."

His statement that he would vote in the Senate to take the bill from the committee for action on the floor was in answer to a question from reporters.

Veterans' Bill Introduced

WASHINGTON, Aug. 20 (AP).—A bill to classify war veterans' disabilities as to their source has been introduced by Representative Clyde Doyle, Democrat, of California. It would authorize the Veterans Administration to have its records show whether disabilities are "combat connected," "service connected," or "non-service connected." It would also call for compensation checks to show such notations as "combat compensation," "service compensation," or "compensation."

30.24- 5161

DROPS AMVETS MERGER

Keats Discards Plan as Many Express Opposition

WASHINGTON, Aug. 20 (AP)—Harold A. Keats, national commander of the American Veterans of World War II (Amvets) said today that he had decided to abandon his personal efforts to unite his organization with the American Veterans Committee.

In a statement issued by national headquarters of Amvets Mr. Keats said he would not put forward a program for union at the Amvets national convention in Des Moines over the Labor Day weekend.

"I have been led to this decision by literally scores of telegrams, letters and telephone calls from individual members, posts and state departments throughout the country indicating their opposition to the move," the statement said. "As the elected leader of Amvets, I must bow to the popular will."

If the question arises at the convention, he added, it will have to come from the delegates.

PURPLE HEART CHIEF ELECTED

Wisconsin Man Is Named As Cumberland Meeting Ends

Cumberland, Aug. 20 (AP)—Frank J. Schneller, of Madison, Wis., was elected national commander of the Military Order of the Purple Heart today as some 350 delegates wound up a four-day convention here.

The 71-year-old veteran of the Spanish-American War and World War I, is the oldest man ever named to head the Purple Heart order, whose ranks are composed of former soldiers wounded in battle.

As national commander, Schneller succeeds Clifford A. Parmenter of Long Beach, Cal. Schneller was unopposed.

Auxiliary Elects President

Mrs. Neta Ihbe, of Milwaukee, was elected president of the Women's Auxiliary, succeeding Mrs. Beatrice Donovan, of Baltimore.

Other national officers elected by the veterans included:

John Goodwin, of Johnson City, Tenn., senior vice commander; Robert W. Schroeder, of Milwaukee, judge advocate; Lloyd Tigge, of Waukesha, Wis., and Joseph Trader, of Detroit, sergeants-at-arms; Lloyd Henry, of Hyattsville, Md., finance officer; John J. O'Connor, Jr., of Baltimore, national inspector, and the Rev. Michael Halley, of Wilkes-Barre, Pa., chaplain.

Baltimorean Heads Zone

Frank Parmenter, of Framingham, Mass., was named national welfare officer; Adolph Sutro, of Hollywood, cal., chairman of the national legislative committee, and Richard P. Golick, of Sheboygan, Wis., chairman of the publications committee.

Charles H. Gore, of Baltimore, was elected commander of Zone 2, which comprises Maryland, Pennsylvania, Delaware, New Jersey, New York and the District of Columbia.

Other auxiliary officers elected were Beatrice Parmenter, of Long Beach, Cal., senior vice president, and May Keyes, of Milwaukee, treasurer.

GI Phone Wedding Fails To Connect

Fort Worth, Texas, Aug. 20 (AP)—A soldier spent a sleepless night and $40 today in a futile attempt to marry his girl in Germany by trans-Atlantic telephone.

Pfc. Elmer Lee Wright, 21, met Leopoldine Ana Grubmuller when he was stationed there. Wright's transfer to a post at Tooele, Utah, prevented their marriage overseas. Arrangements were made for the long-distance wedding.

Now on furlough, Wright, with his parents and the Rev. A. B. Lightfoot, appeared at the preacher's Baptist church before dawn. Two telephones, one for Wright, the other for the preacher, were ready.

After two tense hours the call was completed. Wright spoke excitedly to his fiancée. The preacher smiled at the other telephone. Then the soldier sighed. Through a mixup, the girl explained, no minister was available at the Red Cross base in Germany from where she talked.

The wedding was temporarily off. But Wright said he'd try again Monday.

Dying Vet Hunts for Work

Cancer Victim With Six Months to Live Says He Has to Eat in the Meantime.

Detroit, Aug. 20 (A. P.).—Ernest Gillum, 34, is hunting for a special kind of job,

It can't require much physical exertion, because the former roofing contractor's doctor has forbidden that. It can't demand special training, since he has no time to get it.

And Gillum, a Navy aerial photographer during the war, will only be able to work four or six months. After that, physicians have told him, he will die of cancer.

"I know I'm going to die soon," the tall veteran explained. "But the trouble is, I have to eat until I do."

Gillum began his job hunt eight months ago after he underwent an operation at a veterans' hospital. At that time the doctor told his brunet wife, Lee, that her husband had cancer. But it was only a few days ago that the couple learned Gillum's case was hopeless. Their savings have been exhausted by months of unemployment.

Gillum isn't interested in a final fling before he dies. He just wants his last few months to be free from financial worry.

100 Gift Dolls Are Impounded For Duty

Pittsburgh, Aug. 20 (AP)—More than 100 dolls destined for needy children in Europe have been impounded here by United States customs inspectors. The Government wants duty paid on the toys.

The dolls were contributed by children of St. Catharines, Ont., to a Dolls-for-Europe campaign conducted by townsfolk of Somerset, Pennsylvania.

United States Customs Inspector Nicholas A. Forster said the dolls are held in the Pittsburgh customs warehouse and will be placed in storage unless they are claimed by tomorrow.

"After they are claimed and the Somerset people estimate an evaluation we'll fix the amount of duty," Forster said. "If they go into storage, an additional charge of 50 cents per package will have to be paid."

In Somerset, H. B. Reiley, publisher of the Somerset *American* said the Government had reneged on a promise to let the dolls enter the country duty free.

Can't Afford Duty

"We can't afford to pay the duty on them," Reiley declared. "This isn't a commercial proposition. I don't understand why they suddenly decide they require duty."

Reiley's daughter, Peggy, 29-year-old newspaper woman, fostered the idea of collecting the dolls. She took some toys with her on a trip to Europe last year.

Deeply impressed by the lack of playthings owned by children in war-torn countries, she urged her friends to collect dolls. The idea snowballed.

Newspaper accounts brought thousands of contributions from all parts of the nation and Canada. The present campaign at Somerset ends today after a three-day festival of dolls.

Packed And Tagged

Now the dolls are all being packed, together with tags bearing donors' names and addresses and postal cards for European kids to acknowledge the gifts with.

"We've got to work fast," Reiley said. "We should have those dolls from St. Catherines now so we can fix them up for shipment." He said other Canadian dolls were brought across the border last week duty free.

But customs officials were adamant about the present shipment. "They must officially claim the dolls and submit what proof they have that they do not fall under our duty laws," Forester said. "But it appears to me at the moment that they can't escape a duty."

U.S. Arrests Santa! Seizes Dolls Given Foreign Children

Pittsburgh, Aug. 20 (AP)—Uncle Sam's red tape has snarled a shipment of 200 dolls destined for needy children overseas.

The toys—donated by children in St. Catharines, Ontario—lie in the United States Customs warehouse in Pittsburgh. The seven big packages in which they were shipped from Canada were placed there awaiting a claimant.

But the citizens of Somerset, Pa., who plan to transship the dolls to England, France, Austria and Germany, say they can't afford to pay import duties on them.

Unless they can prove by some statute that the shipment is duty-free they'll have to pay, says the Government.

Charges Mount

Customs officers said an additional charge for storage will begin after 5 P.M. tomorrow.

H. B. Reiley, editor and publisher of the Somerset *American*, said the unofficial committee which is collecting the dolls understood they would not be subject to tariff because they were gifts.

"A contributor brought a few across the border in an automobile at Niagara Falls, N.Y., a week or so ago," said Reiley, "and they didn't collect duty."

He said an aide in the Pittsburgh customs office promised him last week the bigger shipment would be duty-free.

Nicholas A. Forster, United States Customs inspector, said all the Somerset citizens have to do is claim the dolls. Then, after they estimate their value, they may file their reasons for an exemption. He said the procedure is routine.

Time Running Out

But, retorts Reiley, that would cost valuable time. Some 1,500 other dolls are already being prepared in Somerset for a shipment to Europe next month. The project is the result of a trip abroad last year by Reiley's editor-daughter, Peggy, 29.

The drive was climaxed by a three-way festival, which ended today. Contributions flooded the little western Pennsylvania town from all parts of the United States and Canada.

Peggy—who's going to accompany the toys to Europe—said she hoped to get them there in time for them to be given as Christmas gifts.

"The customs people said we can get around the duty by just letting them be shipped right from Pittsburgh overseas," she said. "But I have little tags with the names of the Canadian kiddies who gave them to tie onto each doll. We can't just ignore those children.

"A gift without the giver is bare," she quoted.

U. N. SCIENTISTS STUDY SOIL PRACTICES HERE

AMENIA, N. Y., Aug. 20 (AP)—Seventy scientists today made a field trip into Dutchess County to study soil conservation practices.

The group was made up of delegates to the United Nations Scientific Conference on the Conservation and Utilization of Resources, which met this week at Lake Success.

As guests of the National Association of Soil Conservation Districts, Millbrook, N. Y., the scientists inspected farm practices concerning such matters as contour plowing and water supply.

Kent Leavitt, association president, told them:

"In our past conception you owned the land and did with it as you pleased. In the future we must think of land ownership as a trusteeship with the owner getting a fair income from the land but passing it on to the next generation in as good or better condition than he found it."

Sir William Ogg, director of the Rothamsted Agricultural Station in England, said the "most priceless heritage any nation has is its land. If we waste it we starve. We are looking to America to develop practices for land preservation."

The group also planned to visit the Franklin D. Roosevelt home in Hyde Park.

U. N. Anniversary Planned

WASHINGTON, Aug. 20 (AP).—Ten radio executives and State Department officials will meet Tuesday to discuss plans for celebrating the fourth anniversary of the United Nations organization, Oct. 24. The group will consider means of publicizing the occasion overseas and in America.

FEDERATION.

COMMUNIST LABOR LEADERS WERE REPORTED SQUABBLING AMONGST THEMSELVES THE EMPLOYERS' CENTRAL ORGANIZATION SAID IT RECEIVED A LETTER FROM THE TRANSPORT WORKERS' UNION DECLARING THAT F.V. HIILOS, UNION PRESIDENT AND A MODERATE COMMUNIST WHO TRIED TO PREVENT THE SCHEDULED TRUCKERS' STRIKE, HAD BEEN REPLACED BY A MILITANT COMMUNIST, V.H.SUUTARI.

THE ONLY DEMONSTRATION REPORTED TODAY WAS A MASS MEETING IN THE TOWN OF ROVANIEMI, ON THE ARCTIC CIRCLE, WHERE CROWDS DEMANDED THE RE-
LEASE OF ARRESTED COMMUNISTS.

VAEINOE LESKINEN, SECRETARY OF THE RULING SOCIAL DEMOCRATIC PARTY, SAID THE COMMUNISTS HAD SHOWN THEIR CARDS. "WITH SUCH CARDS," LESKINEN SAID IN THE GOVERNMENT NEWSPAPER, SUOMEN SOSIALIDEMOKRAATI, "MANY PEOPLES HAVE HAD THEIR FREEDOM GAMBLED AWAY."

IN STOCKHOLM, SWEDISH EXPERTS ON RUSSIAN FOREIGN POLICY SAID THEY BELIEVED THE SOVIET UNION WAS NOT PREPARED TO GO OUT OF HER WAY TO HELP HOIST FINLAND'S MOSCOW-TRAINED COMMUNISTS INTO POWER.

ML322PED

WITH HELSINKI FINNISH (400)
BY GUSTAV SVENSSON

STOCKHOLM, AUG. 20-(AP)-SWEDISH OBSERVERS GENERALLY SAID TODAY THE COMMUNIST LABOR UPRISINGS IN FINLAND ARE DOOMED TO FAILURE BECAUSE OF BAD TIMING.

EXPERTS HERE WHO ARE IN TOUCH WITH FINNISH DEVELOPMENTS SAID PRIVATELY THE COMMUNISTS BEGAN THEIR OFFENSIVE TOO LATE.

THE COMMUNIST TACTICS OF BORING FROM WITHIN TRADE UNIONS TO CRIPPLE INDUSTRY WITH STRIKES AND DISCREDIT THE GOVERNMENT MIGHT HAVE STOOD SOME CHANCE OF SUCCESS IF THE OFFENSIVE HAD BEEN STARTED SEVERAL YEARS AGO, THE SWEDISH OBSERVERS FIGURED.

THEY SAID THERE WAS LITTLE LIKELIHOOD THAT RUSSIA WOULD OPENLY COME TO THE RESCUE OF THE FINNISH COMMUNISTS IN STRIVING FOR THEIR APPARENT ULTIMATE GOAL OF MAKING FINLAND A "PEOPLE'S DEMOCRACY" ON THE SOVIET PATTERN.

FINLAND IS IN THE UNIQUE POSITION OF HAVING THE ONLY ANTI-COMMUNIST GOVERNMENT ON RUSSIA'S WESTERN DOORSTEP.

SWEDISH SOURCES WHO KEEP WELL POSTED ON FINLAND VIEWED THE STRIKES IN VITAL INDUSTRIES AS PART OF A BROAD COMINFORM SCHEME TO PUT FINLAND UNDER COMMUNIST RULE.

AMONG INFLUENTIAL NEWSPAPERS PUTTING THE BLAME ON THE COMINFORM WAS MORGON TIDNINGEN, WHICH PUBLISHES THE GOVERNMENT VIEWPOINT.

EXPERTS POINTED OUT THE COMMUNISTS STRUCK AFTER THEIR STRENGTH AND PRESTIGE AMONG THE WORKERS HAD DWINDLED CONSIDERABLY. COMMUNISTS HAVE BEEN SWEPT OUT OF THE GOVERNMENT AND OUT OF EVERY COMMANDING POST IN THE ADMINISTRATION, NOTABLY THE MINISTRY OF INTERIOR, THE POLICE FORCES AND THE RADIO. AND ALL NON-COMMUNIST PARTIES HAVE PLEDGED THEMSELVES NEVER MORE TO ADMIT A COMMUNIST TO A KEY MINISTRY.

PROSPECTS FOR ANY SUBSTANTIAL AID FROM THE RUSSIANS TO THE FINNISH COMMUNISTS APPEARED DIM. RANKING SWEDISH EXPERTS ON SOVIET FOREIGN POLICY WERE POSITIVE, THEY SAID, THAT RUSSIA IS NOT PRESENTLY PREPARED TO GO OUT OF HER WAY TO HELP PUSH FINLAND'S MOSCOW-TRAINED COMMUNISTS INTO POWER.

THE CURRENT TREND OF SOVIET FOREIGN POLICY, THESE EXPERTS ADDED, IS ONE OF CAUTIOUS MANEUVERING.

THE FINNISH GOVERNMENT DEALING WITH THE COMMUNIST ASSAULT IS A SOCIALIST MINORITY REGIME HEADED BY PREMIER K.A.FAGERHOLM.

ITS PARLIAMENTARY BASE IS RATHER NARROW--55 SEATS OUT OF 200-BUT THE GOVERNMENT HAS WEATHERED SEVERAL CABINET CRISES WITH THE SUPPORT OF OTHER NON-COMMUNIST PARTIES.

BOUND FOR RUSSIA BY A TEN-YEAR FRIENDSHIP AND MUTUAL ASSISTANCE PACT, THE FAGERHOLM GOVERNMENT IS STRONGLY ANTI-COMMUNIST INTERNALLY. IT IS CAREFULLY AVOIDING, AT THE SAME TIME, ANY MOVE THAT MIGHT GIVE THE KREMLIN A PRETEXT FOR COMPLAINT OVER FOREIGN POLICY.

RP-ML1003AED

FRANKFURT, GERMANY, AUG.20-(AP)-TIGHTER CONTROLS ON GIFT PARCELS FROM THE U.S. WILL PROBABLY BE SET UP NEXT WEEK IN ORDER TO KEEP SUCH SHIPMENTS OUT OF THE BLACK MARKET.

AN AMERICAN MILITARY GOVERNMENT OFFICIAL SAID YESTERDAY THE NEW REGULATIONS FOLLOW INVESTIGATION BY CUSTOMS OFFICIALS OF WHAT THEY CALLED DIVERSION OF GIFT PARCELS TO THE BLACK MARKET AND WILL CONTAIN PROVISION TO CLOSE LEGAL LOOPHOLES.

MILITARY GOVERNMENT OFFICIALS SAID THE DRIVE WILL BE DIRECTED AGAINST HUNDREDS OF PHONY CHARITABLE GROUPS WHICH HAVE SPRUNG UP IN GERMANY SINCE THE WAR.

THEY EMPHASIZED THAT SUCH WELL-KNOWN AGENCIES AS THE BRITISH AND AMERICAN RED CROSS, AND THE COUNCIL OF RELIEF AGENCIES ARE NOT INVOLVED IN ILLEGAL RACKETS.

ON AUG. 12 THE ANGLO-AMERICAN EXPORT-IMPORT AGENCY (JEIA) ANNOUNCED IT HAD CANCELLED "ALL OUTSTANDING LICENSES AND CONTRACTS IN THE NAME OF THE OVERSEAS MAIL ORDER SERVICE (OMOS)."

THE ANNOUNCEMENT SAID:

"ACTING ON INFORMATION RECEIVED FROM A UNITED STATES CUSTOMS GROUP CONCERNING VIOLATIONS OF REGULATIONS GOVERNING DUTY-FREE GIFT SHIPMENTS UNDER JEIA INSTRUCTION NO. 15, THE JEIA MAIN OFFICE IN FRANKFURT HAS NOW ORDERED THE IMMEDIATE CANCELLATION OF ALL OUTSTANDING LICENSES AND CONTRACTS IN THE NAME OF OVERSEAS MAIL ORDER SERVICE (OMOS)."

"AT THE SAME TIME, ALL JEIA BRANCH OFFICES HAVE BEEN REQUESTED TO ISSUE NO FURTHER LICENSE OR CONTRACT TO OMOS OR ITS SUCCESSOR CORPORATIONS WITHOUT REFERENCE TO THE JEIA HEAD OFFICE."

PAUL HIRSCH, EXECUTIVE VICE-PRESIDENT OF OVERSEAS MAIL ORDER SERVICE, INC., OF (2019 BROADWAY), NEW YORK, SAID IN A STATEMENT:

"NO SPECIFIC ALLEGATIONS OR CHARGES OF VIOLATIONS HAVE BEEN PRESENTED TO OMOS OFFICIALS HERE OR ATTRIBUTED TO THEM. IMMEDIATELY UPON HEARING OF THE CANCELLATION OF THE ONLY JEIA LICENSE IN FORCE FOR OMOS, WE IMMEDIATELY WENT TO THE JEIA OFFICE IN STUTTGART, WHERE THE LICENSE WAS ISSUED, TO ASCERTAIN THE REASON THEREFOR AND THE ISSUING OFFICE COULD GIVE NO REASONS BECAUSE THEIR ORDERS TO CANCEL THE LICENSE WERE ACCOMPANIED BY NO REASONS, SO THEY SAID.

"AFTER THAT WE CAME TO THE CUSTOMS GROUP IN FRANKFURT AND HAVE DISCUSSED THIS MATTER AND ALL PHASES OF OUR OPERATIONS AND LIQUIDATION ACTIVITIES WITH OFFICIALS OF THE CUSTOMS GROUP. UP TO THIS MINUTE NO DIRECT ALLEGATIONS OR CHARGES HAVE BEEN MADE AGAINST OMOS AND NO REASONS FOR THE CANCELLATION OF THE LICENSE INVOLVING VIOLATIONS BY OMOS HAVE BEEN RELATED TO US.

"ANY CHARGES OR INSINUATIONS THAT OVERSEAS MAIL ORDER SERVICE

HAS BEEN SHIPPING CONTRABAND MERCHANDISE SUCH AS DRUGS, MONEY, FABRICS, NYLON STOCKINGS ETC. IN GIFT PACKAGES TO GERMANY ARE UNTRUE.

"THE TRUTH OF THE MATTER IS THAT OVERSEAS MAIL ORDER SERVICE HAS NOT PACKAGES TO GERMANY FOR ABOUT TWO YEARS. THIS COMPANY HAS HAD A

"THE TRUTH OF THE MATTER IS THAT OVERSEAS MAIL ORDER SERVICE HAS NOT SHIPPED GIFT
PACKAGES TO GERMANY FOR ABOUT TWO YEARS. THIS COMPANY HAS HAD A STOCK OF MERCHANDISE IN GERMANY SINCE THE MIDDLE OF 1947 FROM WHICH GIFT PARCELS HAVE BEEN PACKED, ACCORDING TO THE SELECTION OF BENEFICIARIES.

"THIS STOCK OF MERCHANDISE HAS COME INTO GERMANY LEGALLY, IN BULK SHIPMENTS, AND HAS AT ALL TIMES BEEN UNDER THE CONTROL AND SUPERVISION OF THE PROPER AUTHORITIES."

"HIRSCH SAID OMGS DOES NOT SELL ANY GOODS INSIDE GERMANY. THE GOODS ARE DISTRIBUTED IN GIFT PARCELS, HE SAID, SENT TO GERMANS FROM STOCKS IN GERMANY THROUGH ITS DISTRIBUTION REPRESENTATIVE, A LARGE CHARITABLE ORGANIZATION IN THIS COUNTRY.

SF815AED

HYPODERMIC AND RUSSIA'S COMMUNISTS WANT TO GIVE IT FULL ATTENTION.

WEST BERLIN'S MARKETS ARE FLOODED FROM TIME TO TIME WITH SOVIET ZONE CONSUMER GOODS WHICH ARE ON RATION IN THE ALLIED SECTORS. THESE ARE PRINCIPALLY CIGARETTES, TOBACCO, NYLONS AND SIMILAR ARTICLES. THE RUSXIANS APPARENTLY ARE TRYING TO DRAIN OFF WEST MARKS, WHICH ARE FIVE TIMES MORE VALUABLE THAN EAST MARKS.

DR. KARL HAMANN, CHAIRMAN OF THE EAST ZONE LIBERAL DEMOCRAT PARTY, A SPLINTER GROUP, SAYS THE EAST ZONE WANTS TO WAIT AND SEE POLITICAL DEVELOPMENTS IN THE WEST AFTER THE WEST GERMAN REPUBLIC IS FULLY ESTABLISHED.

DR. HERMANN KASTNER, A PRESIDENT OF THE COMMUNIST-CONTROLLED PEOPLES' COUNCIL IN THE SOVIET ZONE, REVIEWED THE WEST GERMAN ELECTIONS BRIEFLY AND SAID THE SOVIET ZONE WOULD TAKE "PRECAUTIONARY MEASURES" BUT THAT IT IS TOO EARLY TO DISCUSS DETAILS.

THE RUSSIANS MAY SPONSOR THE ASSIMILATION OF ALL EAST ZONE POLITICAL GROUPS INTO A SO-CALLED PEOPLES' FRONT, TO ACHIEVE A UNITY AND TO OFFSET THE DEFEAT OF THE COMMUNISTS IN THE WEST GERMAN ELECTIONS.

(END ADVANCE FOR AMS OF SUNDAY, AUG. 21).

JT108AED

PRAGUE--FIRST ADD BUDAPEST YOUTH RALLY (A10S) X X X DIPLOMAT SAID.

--DASH--

NINETEEN AMERICAN YOUNGSTERS--EIGHT GIRLS AND 11 BOYS--ENROUTE TO THE BUDAPEST RALLY SPENT SEVERAL DAYS IN POLAND WITH 1,600 YOUTHS FROM OTHER FOREIGN COUNTRIES EARLY IN AUGUST, LIVING IN TENTS AND HELPING CLEAN UP RUBBLE LEFT FROM THE WAR IN WARSAW.

THEIR LEADER, WHO REFUSED TO IDENTIFY THEM BY NAME, TOLD REPORTERS THEY LEFT NEW YORK ON THE LINER VOLLENDAM AT THE END OF JUNE AND HAD VISITED FRANCE, SWITZERLAND AND CZECHOSLOVAKIA. MOST, HE SAID, WERE FROM NEW YORK STATE AND CALIFORNIA.

RP248PED

AUG 21 1949

BY JAMES DEVLIN

FRANKFURT, GERMANY, AUG. 20-(AP)-A SECRET CONFERENCE THAT MAY GO A LONG WAY TOWARD DETERMINING THE CABINET LINEUP IN WEST GERMANY'S NEW FEDERAL GOVERNMENT WAS HELD HERE TODAY.

THE CONFEREES WERE DR. KONRAD ADENAUER, CHAIRMAN OF THE CONSERVATIVE CHRISTIAN DEMOCRATIC UNION (CDU), AND DR. HANS EHARD, BAVARIAN MINISTER-PRESIDENT (GOVERNOR). EHARD LEADS THE CDU'S SOUTHERN WING, THE CHRISTIAN SOCIALIST UNION (CSU).

THE COMBINED CDU-CSU TRIUMPHED OVER THE LEFTIST SOCIAL DEMOCRATIC PARTY (SPD) IN LAST SUNDAY'S FEDERAL ELECTIONS.

ADENAUER, THE STRONGEST CONSERVATIVE IN NORTH GERMANY, DROVE FROM BONN TO MEET THE STRONGEST SOUTHERN CONSERVATIVE IN FRANKFURT--A MID-WAY POINT.

THE TALK WAS EXPECTED TO PLACE THE FINISHING TOUCHES ON A COALITION GOVERNMENT PROGRAM ADENAUER MAY PRESENT TO A MEETING OF CDU-CSU REGIONAL CHIEFTANS TOMORROW.

THE MEETING WILL BE HELD AT ADENAUER'S HOME AT RHOENDORF, ON THE RHINE A SHORT DISTANCE FROM BONN.

GERMAN POLITICAL CIRCLES EXPECT THE RHOENDORF MEETING TO STRIVE FOR PARTY HARMONY ON THE QUESTION OF WHAT OTHER PARTIES WILL BE INVITED INTO A COALITION GOVERNMENT.

MOST OBSERVERS BELIEVE THE CDU-CSU WILL INVITE THE FREE DEMOCRATIC PARTY (FDP) TO JOIN IN FORMING A GOVERNMENT. THESE PARTIES ARE GENERALLY REGARDED AS RATHER SIMILAR IN THEIR POLICIES AND OBJECTIVES.

A QUESTION FACING THE CONFERENCE IS WHAT TO DO ABOUT THE EXTREME RIGHTIST PARTIES. THEIR VOTES COULD GIVE THE CONSERVATIVES A HEAVY MAJORITY IN THE NEW PARLIAMENT, BUT MIGHT LEAVE IT OPEN TO CHARGES OF BEING NAZI TAINTED.

THE SOCIALISTS SO FAR HAVE BEEN MUM ON WHETHER THEY WOULD BE INTERESTED IN JOINING A COALITION, EVEN IF THE WAY WERE LEFT OPEN. THEY ARE PLANNING A MEETING OF PARTY LEADERS AUG. 29 AT BAD DUERKHEIM, IN THE FRENCH ZONE.

RP246PED

AUG 21 1949

BERLIN, AUG. 20-(AP)-THE STATE DEPARTMENT WILL TAKE OVER FROM THE ARMY SEPT. 15 IN CONDUCTING THE UNITED STATES OCCUPATION OF GERMANY.

A STATEMENT BY HIGH COMMISSIONER JOHN J. MCCLOY TODAY SAID AN EARLIER ANNOUNCEMENT ERRONEOUSLY GVE THE DATE OF THE CHANGEOVER FROM MILITARY TO CIVIL RULE AS NOV. 15.

MCCLOY'S STATEMENT SAID THE STATE DEPARTMENT WILL ASSUME ALL U.S. OCCUPATION RESPONSIBILITIES "WHEN THE WESTERN GERMAN GOVERNMENT IS ESTABLISHED, WHICH IS EXPECTED TO BE ON OR ABOUT SEPT. 15."

ON THAT DATE, THE STATEMENT SAID HICOG (HIGH COMMISSIONER FOR GERMANY) WILL REPLACE OMGUS (OFFICE OF MILITARY GOVERNMENT, UNITED STATES) AS THE TOP AMERICAN AUTHORITY IN GERMANY.

THE LIQUIDATION OF OMGUS BEGAN AUG. 15.

RP240PED

AUG 21 1949

30.24- 5165

A96
BERLIN, AUG. 20-(AP)-THE WEST BERLIN POSTAL DEPARTMENT PROTESTED TODAY AGAINST RUSSIAN SEIZURE OF 2,000 GIFT PACKAGES ADDRESSED TO WEST BERLINERS.
POST OFFICIALS SAID RUSSIAN BORDER GUARDS HAD SEIZED A MAIL CAR CONTAINING THE GIFT PACKAGES WHEN AN INTERZONAL TRAIN ENTERED THE SOVIET ZONE AT MARIENBORN LAST NIGHT.
RP954AED

(ADVANCE) SOUTHAMPTON,ENGLAND-FIRST ADD DOLLAR TALKS (B37)
XXX FINANCE SECTION.
A CONSERVATIVE MEMBER OF PARLIAMENT SAID TODAY THE DELEGATION SHOULD NOT BE LED BY CRIPPS BUT BY A "BRITISH GEORGE WASHINGTON" WHO WOULD DECLARE HIS COUNTRY'S INDEPENDENCE ECONOMICALLY.
CONSERVATIVE L.D.GAMMANS, IN A POLITICAL SPEECH AT ANDOVER, DID NOT NAME HIS CHOICE, BUT SAID SUCH A LEADER WOULD BE "WHAT THE BRITISH PEOPLE WANT AND THE AMERICANS WOULD RESPECT."
HE SAID CRIPPS INSTEAD WOULD CARRY WITH HIM THE LABOR GOVERNMENT'S "FANTASTIC SCHEMES OF MORE NATIONALIZATION" OF INDUSTRY.
ANTI-NATIONALIZATION IS A KEY PLANK IN THE PLATFORM OF THE CONSERVATIVES, LED BY WINSTON CHURCHILL, FOR GENERAL ELECTIONS DUE BEFORE THE MIDDLE OF NEXT YEAR. LABOR HAS GOVERNMENT OWNERSHIP OF THE IRON AND STEEL INDUSTRY PENDING IN PARLIAMENT AND PLANS OTHER MOVES IN THIS FIELD.
(END ADVANCE FOR USE AT 1030 A.M., EST, TODAY).
MJ1038AED

AUG 21 1949

NEXT SATURDAY ON THE QUEEN ELIZABETH.
L.D.GAMMANS, A CONSERVATIVE M.P., SAID IN A SPEECH AT ANDOVER THAT WHAT BRITAIN NEEDED WAS A "BRITISH GEORGE WASHINGTON WHO WILL RAISE THE BANNER OF ECONOMIC INDEPENDENCE AND HAVE THE GUTS TO TELL US HOW TO ATTAIN IT." HE SAID SIR STAFFORD WOULD GO TO WASHINGTON AS "A MENDICANT SOCIALIST MOUTHING SELF-PITY."
RQ101PED

AUG 21 1949

SECOND NIGHT LEAD RUSSIAN-YUGOSLAV (400-UP)
MOSCOW, AUG. 20-(AP)-IN A NEW BLAST AGAINST MARSHAL TITO'S LEADERSHIP, RUSSIA WARNED YUGOSLAVIA TODAY SHE IS PREPARED TO TAKE "EFFECTIVE MEASURES" TO PROTECT THE RIGHT OF SOVIET CITIZENS IN THAT BALKAN COUNTRY.
MOSCOW DELIVERED A STERN NOTE TO BELGRADE PROTESTING THE "UNLAWFUL ARREST AND BEATINGS" OF SOME 6,000 SOVIET CITIZENS IN YUGOSLAVIA.
SAID THE NOTE:
"APPARENTLY THE YUGOSLAV GOVERNMENT DOES NOT INTEND TO BRING TO ACCOUNT THOSE WHO ARE TO BLAME FOR THESE PRACTICES.
"IF THAT IS SO, THE SOVIET GOVERNMENT DEEMS IT NECESSARY TO DECLARE THAT IT WILL NOT RECONCILE ITSELF TO SUCH A SITUATION, AND WILL BE FORCED TO RESORT TO OTHER MORE EFFECTIVE MEASURES NECESSARY TO DEFEND THE RIGHTS AND INTERESTS OF SOVIET CITIZENS IN YUGOSLAVIA AND TO CALL TO ORDER THE VIOLATORS."
THE NOTE DID NOT SPECIFY WHAT THESE MEASURES WOULD BE. IT WAS THE LATEST IN AN ACRID EXCHANGE BETWEEN THE TWO COUNTRIES. LAST WEEK RUSSIA CALLED YUGOSLAVIA AN ENEMY OF THE U.S.S.R.
RUSSIA REJECTED YUGOSLAVIA'S CONTENTION THAT THE COMINFORM IS ADVOCATING THE FORCIBLE OVERTHROW OF THE TITO GOVERNMENT.

A112
IN A PREVIOUS NOTE TO MOSCOW YUGOSLAVIA HAD SAID SOME OF THOSE UNDER ARREST WERE GUILTY OF ADVOCATING THE OVERTHROW OF THE GOVERNMENT IN LINE WITH THE 1948 COMINFORM RESOLUTION WHICH EXPELLED YUGOSLAVIA FROM THE ASSOCIATION OF COMMUNIST NATIONS IN EASTERN EUROPE.
"THESE INVENTIONS, HOWEVER," THE NOTE SAID, "ARE AN OBVIOUS PROVOCATION AND SLANDER.
"THE COMINFORM RESOLUTION DOES NOT CONTAIN A SINGLE WORD ABOUT THE 'PROPAGANDA OF OVERTHROW OF THE STATE SYSTEM IN YUGOSLAVIA' OR 'FORCIBLE' MEASURES FOR CHANGING THIS SYSTEM."
THEN THE SOVIET NOTE QUOTED DIRECTLY FROM THE COMINFORM RESOLUTION, STRESSING THAT THE RESOLUTION DOES NOT ASK THE FORCIBLE OVERTHROW OF TITO BUT REQUESTS THE YUGOSLAV COMMUNISTS THEMSELVES TO "COMPEL THEIR PRESENT LEADERS TO ADMIT THEIR MISTAKES OPENLY AND HONESTLY AND TO CORRECT THEM, TO MAKE A BREAK WITH NATIONALISM, TO RETURN TO INTERNATIONALISM AND TO STRENGTHEN TO THE UTMOST THE UNITED SOCIALIST FRONT AGAINST IMPERIALISM, OR IF THE PRESENT LEADERS OF THE COMMUNIST PARTY OF YUGOSLAVIA ARE FOUND TO BE INCAPABLE OF DOING THIS, TO REMOVE THEM AND PUT FORWARD NEW INTERNATIONALIST LEADERSHIP OF THE COMMUNIST PARTY OF YUGOSLAVIA. THE INFORMATION BUREAU (COMINFORM) DOES NOT DOUBT THAT THE COMMUNIST PARTY OF YUGOSLAVIA WILL BE ABLE TO CARRY OUT THIS HONORABLE TASK."
"AS CAN BE SEEN," THE NOTE ADDED, "THE RESOLUTION DOES NOT CONTAIN A SINGLE WORD ABOUT OVERTHROW, STILL LESS A FORCIBLE OVERTHROW OF THE STATE SYSTEM IN YUGOSLAVIA.
"THE RESOLUTION ONLY SAYS THAT THE COMMUNISTS OF YUGOSLAVIA SHOULD COMPEL THE EXISTING LEADERSHIP OF THE YUGOSLAV COMMUNIST PARTY TO REVISE ITS POLICY, OR IF THAT SHOULD PROVE IMPOSSIBLE, SHOULD RENOVATE THE LEADERSHIP OF THE YUGOSLAV COMMUNIST PARTY AND ELECT A NEW LEADERSHIP."

AUG 21 1949

THEN IN ITS SHARP SLAP AT TITO THE NOTE SAID THAT THE "SOVIET GOVERNMENT IS OBLIGED TO TELL THE TRUTH ABOUT THE PRESENT REGIME IN YUGOSLAVIA, EVEN IF THAT TRUTH INSULTS SOMEONE AND STINGS."
"ONE NEED ONLY LOOK CLOSER INTO WHAT IS GOING ON IN YUGOSLAVIA TODAY TO DISPEL ALL DOUBTS THAT THERE CAN BE NO TALK AT ALL AT THE PRESENT TIME ABOUT ANY PEOPLES' POWER OR ANY DEMOCRATIC AND SOCIALIST CHARACTER OF THE STATE SYSTEM IN YUGOSLAVIA.
"AND, INDEED, WHAT SORT OF SOCIALIST SYSTEM IN YUGOSLAVIA CAN YOU SPEAK OF WHEN THE COUNTRY HAS BEEN PUT UNDER THE CONTROL OF FOREIGN CAPITAL AND THE LEADERSHIP OF THE YUGOSLAV COMMUNIST PARTY IS AT WAR WITH THE COMMUNIST PARTIES OF THE WHOLE WORLD?"
THE RUSSIAN NOTE SAID THAT THE SOVIET CITIZENS ARRESTED BY THE YUGOSLAVS WERE "WHITE RUSSIANS" WHO HAD "ATONED FOR THEIR SINS WITH NEW PRO-SOVIET DEEDS" DURING WORLD WAR II. THEY WERE FORGIVEN BY BOTH YUGOSLAVIA AND RUSSIA, THE NOTE SAID, AND MORE THAN HALF THE 12,000 STILL IN YUGOSLAVIA HAVE APPLIED FOR SOVIET CITIZENSHIP.
("WHITE RUSSIAN" X X X 5TH GRAF FIRST NIGHT LEAD (A19)
VS1140PED

YUGOSLAVIA" HAD BEEN TRIED AND SENTENCED TO DEATH OR IMPRISONMENT.

TANJUG SAID THE ATHENS GOVERNMENT WAS TOLD:

"THE YUGOSLAV GOVERNMENT ON ITS PART WOULD TAKE STEPS TO PROTECT THE INTERESTS AND LIVES OF ITS CITIZENS IN SO FAR AS PERSECUTION OF YUGOSLAV CITIZENS IN GREECE DID NOT IMMEDIATELY CEASE."

SF746AED

PARIS, AUG.20-(AP)-BRITAIN CAN'T MAKE ENDS MEET WITH THE DOLLARS HER MARSHALL PLAN PARTNERS HAVE VOTED HER.

SHE TOLD THE 18 OTHER AREAS REPRESENTED IN THE ORGANIZATION FOR EUROPEAN ECONOMIC COOPERATION YESTERDAY THAT CONSEQUENTLY SHE WOULD REFUSE TO ACCEPT THE FIGURE.

ALAN DUDLEY, PRESS OFFICER OF THE BRITISH DELEGATION, EVEN REFUSED TO MENTION THE SUM ALLOTTED BY THE COMMITTEE WHICH HAS THE JOB OF RECOMMENDING TO AMERICAN AUTHORITIES HOW MUCH EACH COUNTRY'S CUT OF MARSHALL PLAN AID SHOULD BE.

THE COMMITTEE HAD ALLOTTED BRITAIN $842,700,000 OF A TOTAL WHICH IS EXPECTED TO BE $3,521,600,000. SHE HAD ASKED FOR $1,518,000,000.

THE SLASHES WERE MADE BY AN O.E.E.C. WORKING PARTY OF SIX COUNTRIES. ALTHOUGH BRITAIN WAS A MEMBER, THE BRITISH TOOK NO PART IN THE DISCUSSION OF THE BRITISH PROGRAM.

BRITAIN MAINTAINED THAT THE FIGURE AGREED ON FINALLY BY THE WORKING PARTY REPRESENTED AN EXAGGERATION OF BRITISH CHANCES OF CUTTING HER DOLLAR SHORTAGE BY DOLLAR INCOME FROM OVERSEAS TERRITORIES, EXPORTS AND SUCH ITEMS AS TOURIST SPENDING AND INSURANCE.

SHE EMPHASIZED THAT THE $1,518,000,000 FIGURE WAS A FAIR ONE AND THAT "VERY GREAT SLASHES", SOME OF THEM "WITHOUT ANY REASON GIVEN," HAD BEEN MADE TO BRING IT DOWN.

MEANWHILE, AT CHEQUERS, OFFICIAL COUNTRY RESIDENCE OF THE PRIME MINISTER OF ENGLAND, SIR STAFFORD CRIPPS WENT INTO CONFERENCE WITH PRIME MINISTER CLEMENT ATTLEE AND FOREIGN MINISTER ERNEST BEVIN. THE BIG THREE OF ENGLAND'S LABOR GOVERNMENT WERE BELIEVED TO BE DISCUSSING THE CASE BRITAIN WILL PUT BEFORE THE UNITED STATES IN WASHINGTON SEPT. 6 WHEN TALKS OPEN THERE ON THE WORLD DOLLAR CRISIS.

SF546AED

PARIS, AUG. 20-(AP)-THE FRENCH GOVERNMENT ANNOUNCED TONIGHT IT WILL IMPORT 13,490 TONS OF BUTTER FROM DENMARK AND HOLLAND AND 4,800 TONS OF CHEESE FROM HOLLAND AND SWITZERLAND IN ITS CAMPAIGN TO DRIVE DOWN PRICES.

THE IMPORTS WILL BE MADE UNDER PREVIOUSLY CONCLUDED TRADE PACTS.

THE GOVERNMENT HOPES TO FORCE FRENCH FARMERS AND MERCHANTS TO BRING OUT OF HIDING STOCKS WHICH HAVE BEEN HELD BACK BECAUSE OF HOPES OF HIGHER PRICES.

VS1043PED

AUG 21 1949

BUDAPEST, HUNGARY, AUG. 20-(AP)-HUNGARIANS OBSERVED THE FESTIVAL OF ST.STEPHEN TODAY, TRADITIONALLY THE COUNTRY'S GREATEST NATIONAL HOLIDAY, WITHOUT ANY INTERFERENCE BY THE COMMUNIST-CONTROLLED GOVERNMENT.

TENS OF THOUSANDS OF FAITHFUL ROMAN CATHOLICS PARTICIPATED, HEADED BY BISHOP JOSEF GROSZ OF KALOCSA, DEAN OF THE BENCH OF CATHOLIC BISHOPS. THE CUSTOMARY PROCESSION WAS HELD IN WHICH A GLASS BOX CONTAINING THE RIGHT HAND OF ST.STEPHEN WAS CARRIED THROUGH THE STREETS OF BUDAPEST.

(ST.STEPHEN, THE FIRST KING OF HUNGARY, BEGAN THE CONVERSION OF THE COUNTRY TO CHRISTIANITY. HE DIED IN 1038. AUG. 20 WAS THE DAY ON WHICH HIS RELICS--HIS BODY AND OBJECTS CONNECTED WITH HIM--WERE BROUGHT TO THE HUNGARIAN CAPITAL, ALTHOUGH HIS REGULAR FEAST DAY IS SEPT. 2.)

A GREAT BALL ON BUDAPEST'S HUGE SQUARE OF PARLIAMENT WAS TO CONCLUDE THE DAY'S EVENTS.

VS1039PED

AUG 21 1949

BY R. SATAKOPAN

NEW DELHI, INDIA, AUG. 20-(AP)-INDIA AND PAKISTAN, DRAWN TOGETHER LAST YEAR BY THE ASSASSINATION OF MOHANDAS K. GANDHI, HAVE BEGUN DRIFTING APART ALONG ROUTES THAT OBSERVERS HERE FEAR MAY LEAD TO NEW, SERIOUS TROUBLES.

RENEWAL OF THE TWO COUNTRIES' UNDECLARED WAR IN KASHMIR IS THE GRAVEST IMMEDIATE THREAT.

SOME IMPARTIAL OBSERVERS FEAR A REVIVAL EVENTUALLY OF COMMUNAL RIOTING -- MOB ACTIONS AGAINST HINDU MINORITIES IN PAKISTAN AND MOSLEMS IN INDIA LIKE THOSE THAT TOOK THOUSANDS OF LIVES AFTER THE PARTITIONING OF INDIA AUG.15, 1947.

THE KASHMIR ISSUE HAS BEEN PRACTICALLY AT A STANDSTILL SINCE THE UNITED NATIONS COMMISSION FOR KASHMIR SUCCEEDED IN EFFECTING A CEASE-FIRE IN THE DISPUTED HIMALAYAN MOUNTAIN STATE LAST JAN.1.

THE U.N. COMMISSION FAILED THIS WEEK IN EFFORTS TO TAKE THE NEXT STEP TOWARD RESOLVING THE QUESTION OF WHETHER INDIA OR PAKISTAN SHALL HAVE SOVEREIGNTY OVER KASHMIR.

BOTH COUNTRIES REFUSED TO AGREE EVEN ON THE AGENDA FOR A PROPOSED JOINT CONFERENCE. UNLESS ONE OR THE OTHER YIELDS, AND THERE IS NO SIGN OF THAT, THE ONLY COURSE FOR THE COMMISSION APPEARS TO BE TO REFER THE DEADLOCK OR BACK TO THE U.N. SECURITY COUNCIL FOR NEW DIRECTIVES.

NEXT TO KASHMIR, THE BIGGEST INDO-PAKISTAN DISPUTE IS OVER PAYMENT FOR PROPERTY LEFT BEHIND BY MOSLEMS MOVING TO PAKISTAN AFTER PARTITION AND HINDUS AND SIKHS MOVING TO INDIA. IT REMAINS UNSETTLED AFTER TWO YEARS OF NEGOTIATIONS.

AN INDIAN GOVERNMENT SPOKESMAN THIS WEEK ACCUSED PAKISTAN OF "PURPOSELY AVOIDING THE ISSUE THROUGH SIDETRACKING TRIVIALITIES" FOR FEAR OF LOSING MONEY. HE ESTIMATED PAKISTAN, UNDER A FINAL SETTLEMENT, WOULD OWE INDIANS SOME 15,000,000,000 (B) RUPEES (NEARLY $5,000,000,000).

PAKISTAN'S MOVE WAS TO EMPOWER ITSELF TO ANNEX ALL NON-MOSLEM PROPERTIES IN WESTERN PAKISTAN, EVEN OF PAKISTANI CITIZENS, ON GROUNDS

30.24- 5167

THE OWNERS WILL MIGRATE EVENTUALLY TO INDIA. ACTIONS ALREADY HAVE BEEN STARTED AGAINST SEVERAL NON-MOSLEM BUSINESS MAGNATES.

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AUG 21 1949

THE OWNERS WILL MIGRATE EVENTUALLY TO INDIA. ACTIONS ALREADY HAVE BEEN STARTED AGAINST SEVERAL NON-MOSLEM BUSINESS MAGNATES.

THE SPOKESMAN HERE SAID THE INDIAN GOVERNMENT IS STUDYING POSSIBLE COUNTER MEASURES.

A THIRD BIG BONE OF CONTENTION IS SHARING OF THE WATERS OF THREE INDUS RIVER TRIBUTARIES THAT FLOW THROUGH BOTH INDIAN AND PAKISTANI PARTS OF PARTITIONED PUNJAB PROVINCE.

PAKISTAN HAS THREATENED TO GO TO THE INTERNATIONAL COURT AT THE HAGUE TO STOP INDIA'S CONSTRUCTION OF A DAM AT BHAKRA TO DIVERT SOME OF THE WATERS.

LIAQUAT ALI KHAN, PAKISTAN'S PRIME MINISTER, SAID RECENTLY A STRONG AND UNITED PAKISTAN WAS THE ONLY SAFEGUARD FOR SOME 35,000,000 MOSLEMS LIVING IN INDIA AND "SUFFERING GREAT TRIALS AND TRIBULATIONS" THERE.

INDIAN PRIME MINISTER JAWAHARLAL NEHRU PROTESTED HE WAS "GENUINELY CONCERNED OVER THE SETBACKS WHICH EFFORTS TO IMPROVE RELATIONS WITH PAKISTAN MUST SUFFER FROM SUCH UTTERANCES."

MERCHANTS IN PAKISTAN, WHICH PRODUCES SOME OF THE SUBCONTINENT'S BEST COTTON, HAVE THREATENED TO BOYCOTT CLOTH FROM INDIA, SITE OF MOST OF THE TEXTILE MILLS.

TIMELY ARRIVAL OF PAKISTANI POLICE AVERTED A POSSIBLE BLOODY CLASH EARLY THIS WEEK IN KARACHI, THE PAKISTAN CAPITAL. THE POLICE BROKE UP A CROWD THREATENING TO STORM THE INDIAN HIGH COMMISSIONER'S OFFICE BECAUSE IT WAS FLYING THE INDIAN UNION FLAG IN CELEBRATION OF INDEPENDENCE DAY.

JJ/RP325PED

SECOND NIGHT LEAD CHINESE WAR (250)

AUG 21 1949

BY SPENCER MOOSA

CANTON, SUNDAY, AUG. 21-(AP)-CHINESE COMMUNIST TROOPS TODAY WERE ATTACKING A CITY WHOSE FALL WOULD CUT OFF CANTON FROM THE STRONGHOLD OF HENGYANG, 265 MILES TO THE NORTH.

THE CITY IS LEIYANG, 35 MILES SOUTH OF HENGYANG ON THE RAILROAD WHICH LEADS TO CANTON. OFFICIAL REPORTS ADMITTED THAT RED TROOPS MOVING DOWN FROM THE EAST HAD ATTACKED LEIYANG'S OUTSKIRTS.

CIVILIANS WERE FLEEING FROM LEIYANG IN LARGE NUMBERS. THE LEI RIVER STANDS BETWEEN THE COMMUNISTS AND THE CITY PROPER. THE OFFICIAL REPORTS SAID THE REDS PUT A REGIMENT ACROSS THE RIVER BUT IT WAS WIPED OUT.

THE FALL OF LEIYANG WOULD CUT OFF ANY RETREAT TOWARD THIS REFUGEE CAPITAL OF THE MAIN FORCES OF GEN. PAI CHUNG-HSI, COMMANDER ON THE FRONT NORTH OF CANTON.

PAI'S ESCAPE SOUTHWESTWARD INTO HIS OLD PROVINCE OF KWANGSI STILL IS INTACT, BUT THE COMMUNISTS WERE REPORTED REGROUPING ON THAT PART OF THE FRONT AFTER A SETBACK.

ON THE SOUTHEASTERN SEABOARD, RED TROOPS BY OFFICIAL ACCOUNTS WERE MOVING SOUTH TOWARD AMOY. (FILIPINO CONSULAR OFFICIALS WHO FLED THIS MAJOR PORT SAID IN MANILA YESTERDAY THAT THE REDS WERE FIGHTING NEAR AMOY AND ITS FALL APPEARED NEAR.)

THE MINISTRY OF NATIONAL DEFENSE ISSUED A STATEMENT SAYING THE NATIONALISTS WERE DETERMINED TO DEFEND LANCHOW, CAPITAL OF KANSU PROVINCE ON THE FRONT IN FAR NORTHWEST CHINA.

THE STATEMENT SAID SMALL COMMUNIST FORCES WERE PROBING THE CITY'S DEFENSES FROM MANY DIRECTIONS. SOME WERE WITHIN 12 MILES OF THE CITY BUT THE MAIN FORCES WERE FROM 20 TO 30 MILES AWAY.

THE GOVERNMENT WAS REPORTED THROWING STRONG REINFORCEMENTS INTO THE COMMUNIST ADVANCE 170 MILES NORTHEAST OF CANTON.

CHINESE PRESS X X X THIRD GRAF FIRST NIGHT LEAD

CK914PPS

BY FRED HAMPSON

(DISPATCHES FROM SHANGHAI ARE CENSORED BY THE COMMUNIST MILITARY)

SHANGHAI, AUG 20-(AP)-WHILE RED ARMIES ROLL SOUTH AND THE WESTERN NATIONS SEEK NEW CHINA POLICIES, THE COMMUNISTS INSIDE CONQUERED AREAS ARE UP TO THEIR NECKS IN TROUBLES.

CHINA ALWAYS HAS BEEN MORE EASILY CONQUERED THAN DIGESTED, AS THE REDS NOW ARE LEARNING.

TWO MONTHS AGO THE CIVIL WAR SEEMED NEAR AN END. NOW THE REDS THEMSELVES ARE TALKING IN TERMS OF ANOTHER YEAR OF FIGHTING DESPITE THEIR CURRENT SUCCESSES.

EXPERTS DISAGREE ON THE SERIOUSNESS OF THE COMMUNISTS' INTERNAL PROBLEMS.

GEN. CHEN YI, MILITARY MAYOR OF SHANGHAI, SAYS THEY ARE MERELY THE EARLY DIFFICULTIES OF VICTORY. OTHERS THINK A CRISIS IS RISING WHICH MIGHT IMPERIL THE REVOLUTION AND UNDERMINE COMMUNISM IN ALL ASIA.

THIS EXTREME VIEW IS NOT YET JUSTIFIED--BUT IT MAY BE JUSTIFIED IF THE REDS DO NOT MAKE FASTER PROGRESS IN SOLVING ECONOMIC AND SOCIAL UNREST.

AUG 21 1949

CROWDED, HUNGRY CHINA CANNOT WAIT FOR SLOW ADJUSTMENT AND EXPERIMENTATION. A CONQUEROR HAS LITTLE MARGIN TO WORK ON.

SOME OF THE PROBLEMS INCLUDE:

PEASANT UPRISINGS, WHICH THE NATIONALISTS USED TO BLAME ON "COMMUNIST BANDITS" AND WHICH THE REDS NOW BLAME ON "NATIONALIST BANDITS";

URBAN DISCONTENT, UNEMPLOYMENT AND LABOR TROUBLES;

THE NATIONALIST BLOCKADE;

RECENT DAMAGING FLOODS; AND

THE DRAIN OF A RED ARMY THAT NOW NUMBERS AT LEAST 4,000,000 MEN--BIGGER THAN THE COUNTRY CAN LONG SUPPORT.

AS A RESULT, THE TOO-AMBITIOUS RED INDUSTRIAL PROGRAM FOR SHIFTING THE REVOLUTIONARY BASIS FROM PEASANTS TO CITY WORKERS HAS SUFFERED AN EARLY SETBACK. TOO MANY WORKERS HAVE BECOME JOBLESS. THE BLOCKADE HAS PARALYZED INDUSTRIAL CITIES.

WHAT ARE THE REDS DOING ABOUT IT?

THEY ARE SENDING OUT POLITICAL CADRES TO TRY TO GET THE COUNTRYSIDE BEHIND THE REVOLUTION. WHEN THESE FAIL, TROOPS ENTER. THE PRO-RED PRESS SAYS THAT DURING MAY, JUNE AND JULY, MORE THAN 40,000 KUOMINTANG (NATIONALIST) "AGENTS AND ARMED BANDITS" HAVE BEEN WIPED OUT IN CENTRAL AND EAST CHINA AND 28,000 SMALL ARMS CAPTURED, PLUS 600 MACHINE GUNS AND EVEN SOME ARTILLERY. THIS GIVES AN IDEA OF THE

EXTENT OF RURAL TROUBLES.
TO SOLVE CITY PROBLEMS, THE REDS ARE TRYING TO MOVE PEOPLE TO THE FARMS AND INDUSTRIES TO THE INTERIOR. THOUSANDS OF REFUGEES HAVE LEFT THE CITIES, BUT IN POPULOUS CHINA EVEN THE COUNTRY IS TOO CROWDED TO ABSORB MANY MORE.
THE COMMUNISTS ARE TRYING SOME RECLAMATION WORK IN NORTH KIANGSU AND ANHWEI TO PROVIDE LAND FOR FORMER CITY DWELLERS, BUT THIS APPEARS TO BE MOSTLY ON PAPER.
DURING THE PAST CENTURY UNDER THE TREATY-PORT SYSTEM, CHINA BUILT UP ENOUGH FOREIGN TRADE TO MAKE A LIVING FOR MILLIONS. THESE PEOPLE HAVE NO DESIRE TO BECOME FARMERS. THE AVOWED AIM OF MAKING THE CITIES INDEPENDENT OF "IMPERIALIST TRADE" IS APT TO MEET GREAT RESISTANCE HERE.

A161KX
AUG 21 1949
IF THE REDS SACRIFICE FOREIGN TRADE FOR POLITICAL REASONS AT A TIME WHEN FLOODS ARE REDUCING CROPS, THEY WILL BE EMBARKING ON A PERILOUS VENTURE INDEED. THEY PROBABLY WILL NOT DO IT IF THEY DON'T HAVE TO--BUT THEY HAVE NO WAY OF KNOWING HOW LONG THE BLOCKADE WILL LAST OR WHETHER WESTERN NATIONS WILL TRADE WITH THEM.
THEY ARE TRYING TO BREAK THE BLOCKADE BY TAKING OUTLYING ISLAND BASES AND BY ACCELERATING THE WAR. THE MAIN BLOCKADE BASE, HOWEVER, IS FORMOSA, AND THEY CANNOT GET AT IT ACROSS 100 MILES OF SEA.
TRADE WITH RUSSIA HAS BEEN GIVEN A TERRIFIC PROPAGANDA TREATMENT, BUT IT DOES NOT IMPRESS OBSERVERS.
THIS GATHERING RED CRISIS IS APT TO COMPOUND THE EFFECTS OF ACTION BY WESTERN POWERS CONCERNING CHINA.
DEMANDS OF SOME AMERICAN CONGRESSMEN FOR NEW AID TO THE NATIONALISTS CAUSE UNEASINESS AMONG BOTH COMMUNISTS AND NEUTRAL ELEMENTS; AMONG THE COMMUNISTS BECAUSE THEY WANT TO FINISH THE WAR; AMONG NEUTRALS BECAUSE THEY DON'T BELIEVE AID WOULD SOLVE ANYTHING.
THE COMMUNISTS' PROBLEMS, HOWEVER, ARE NO COMFORT TO WESTERN BUSINESS MEN REMAINING IN RED CHINA.
AERRIIIIIIIIIIIIII

AMERICANS LEAN TO THE OPINION THAT THEY MIGHT AS WELL POCKET THEIR LOSSES AND GET OUT. THE BRITISH FAVOR STICKING, EVEN THOUGH IT IS COSTING HEAVILY, BECAUSE THEY HAVE LARGER INVESTMENTS AT STAKE.
AMERICANS HERE ARE LUKEWARM TOWARDS DIPLOMATIC RECOGNITION OF THE REDS, WHILE THE BRITISH HOPE FOR EARLY RECOGNITION.
THERE IS A GROWING FEAR AMONG THE BRITISH THAT THE UNITED STATES WILL TRY TO INFLUENCE BRITAIN AGAINST RECOGNITION BY PROMISING TO HELP HOLD HONG KONG.
"THAT WOULD MEAN THE END OF US IN CHINA," SAID ONE SPOKESMAN OF THE BRITISH COMMUNITY.
A DISCOURAGED AMERICAN BUSINESS MAN REPLIED, "WE'RE BOTH FINISHED IN CHINA ANYWAY; YOU JUST WON'T ADMIT IT."
JW15 JW156PCS

AUG 21 1949

SO LONG AS THE SITUATION ALLOWS. xxx Canton
THE LATEST ESTIMATE SHOWED ABOUT 70 PER CENT OF THE NON-OFFICIAL AMERICANS IN THE CANTON CONSULAR DISTRICT INTEND TO REMAIN FOR THE RED OCCUPATION.
THE U.S. CONSULATE GENERAL HERE CLOSED YESTERDAY.
LW420APS NM

NIGHT LEAD MONGOLIA
CANTON, SUNDAY, AUG. 21-(AP)-A NATIONALIST REPORT OF AN "INVASION" OF INNER MONGOLIA BY TROOPS FROM RUSSIAN-CONTROLLED OUTER MONGOLIA BEGAN TO SHAPE UP TODAY AS MERELY ANOTHER BORDER INCIDENT.
MAJ.GEN.CHANG YI-TING, ARMY SPOKESMAN, REPORTED THE "INVASION" YESTERDAY. TODAY HE SAID THAT "SEVERAL HUNDRED MEN" CROSSED THE BORDER AND HEADED FOR PAILINGHIAO (POLINGHIAO), ABOUT 65 MILES INSIDE INNER MONGOLIA IN NORTH CENTRAL SUIYUAN PROVINCE.
"WE ARE NOT SURE WHETHER THESE MEN ARE OUTER MONGOL REGULARS," HE ADDED. "ALL WE KNOW IS THEY CAME FROM OUTER MONGOLIA."
WD916PPS

AUG 21 1949

A119KX
TOKYO, SUNDAY, AUG.21-(AP)-JAPANESE POLICE ARRESTED 53 SUSPECTED KOREAN COMMUNISTS YESTERDAY AFTER A RIOT AT SHIMONOSEKI, A SOUTHWESTERN JAPANESE PORT OPPOSITE KOREA.
THREE POLICE WERE INJURED IN A CLASH BETWEEN LEFTIST AND RIGHTIEST KOREANS. THEY CALLED FOR REINFORCEMENTS. MORE THAN 600 POLICE THEN RAIDED COMMUNIST OFFICES AND ARRESTED 30 KOREANS.
ON THE WAY TO THE POLICE STATION, THE POLICE TRUCKS WERE STONED. POLICE STOPPED AND ARRESTED 23 MORE KOREANS.
EW1002PCS

TOKYO, SUNDAY, AUG. 21-(AP)-GENERAL MACARTHUR'S HEADQUARTERS REPORTED TODAY THAT APPROVAL HAD BEEN GIVEN TO AN APPLICATION FROM SENATOR KNOWLAND (R-CALIF) TO VISIT JAPAN.
KNOWLAND IS ONE OF A GROUP OF SENATORS WHO HAS BEEN TRYING TO GET MACARTHUR TO RETURN TO WASHINGTON AND TESTIFY ON THE FOREIGN ARMS AID PROGRAM.
MACARTHUR'S OFFICE QUOTED HIM AS SAYING THAT "SENATOR KNOWLAND IS WELCOME HERE AT ANY TIME."
BECAUSE OF THE SENATOR'S POSITION, HIS APPLICATION WAS NOT ROUTED THROUGH NORMAL AND SLOWER CHANNELS BUT WENT DIRECT TO MACARTHUR, WHO GAVE IMMEDIATE APPROVAL.
NO DATE HAS BEEN SET FOR KNOWLAND'S VISIT. HE IS A MEMBER OF THE ARMED SERVICES COMMITTEE.
BA1258ACS NM

KX FOR FRISCO (APWS)
NEW YORK, AUG. 20-(AP)-AN AMERICAN TRADER WHO HAS SPENT MOST OF THE PAST TWO YEARS IN JAPAN IS CONVINCED THAT COUNTRY IS ON THE ROAD TO SUCCESS AS A DEMOCRACY AND A FAR EASTERN COMMERCIAL CENTER.
E.J. GRIFFITH OF PORTLAND, ORE., SAID CHANCES FOR PROSPEROUS TRADE RELATIONS WITH JAPAN ARE FAR GREATER THAN WITH GERMANY WHENCE HE HAS JUST RETURNED. THE MAIN REASON FOR THIS, HE SAID, IS THE DIFFERENCE FOUND IN THE ATTITUDES OF THE PEOPLE.
"THE JAPANESE," SAID GRIFFITH, PRESIDENT OF E.J. GRIFFITH & CO., "KNOW THEY HAVE FOUND A SUCCESSFUL WAY OF LIFE IN DEMOCRACY. THEY ARE PUTTING EVERYTHING THEY HAVE INTO IT. THE GERMAN, INFLUENCED BY CONFLICTING GOVERNMENT PRACTICES, IS CONFUSED. more

30.24- 5169

CONFUSION ADDS NOTHING TO INITIATIVE."

IN AN INTERVIEW, GRIFFITH SAID THAT IN HIS VISITS TO BOTH COUNTRIES HE ACTED AS A POTENTIAL SALESMAN FOR A NUMBER OF AMERICAN INDUSTRIAL CONCERNS. THESE FIRMS, HE SAID, WANTED TO KNOW HOW MUCH BUSINESS THEY COULD EXPECT TO DO IN EACH OF THE TWO COUNTRIES.

"I'VE TOLD THEM," HE SAID, "THE BUSINESS OUTLOOK IN JAPAN IS EXCELLENT, IN GERMANY NOT TOO GOOD YET. JAPANESE ALREADY ARE MAKING MONEY. FURTHER, LESS THAN 500,000 OF JAPAN'S TOTAL POPULATION OF 84,000,000 ARE UNEMPLOYED. JAPAN IS MORE THAN SIX YEARS AHEAD OF GERMANY IN RECOVERY. AMONG WESTERN GERMANY'S 44,000,000 PEOPLE, 1,300,000 HAVE NO JOBS."

"ANOTHER WHOLESOME ECONOMIC FACTOR IN JAPAN," GRIFFITH SAID, "IS THE JAPANESE CONFIDENCE IN THE VALUE OF THEIR CURRENCY. SUCCESSFUL IMPLEMENTATION OF THE NINE POINT ECONOMIC STABILIZATION DIRECTIVE OF 1948, HE SAID, HAS RESULTED IN A MEASURE OF REAL ECONOMIC STABILIZATION THERE.

"WE HAVE SEEN THE UPWARD PRICE TREND AND INCREASE IN NOTE ISSUE HALTED. PRICES NOW GIVE EVERY INDICATION OF GENUINE STABILITY. SYSTEMATIC BANK REORGANIZATION HAS MADE THE BANKS SOLVENT AND SOUND."

GRIFFITH SAID OBSERVATION HAS LED HIM TO BELIEVE THE FINANCING OF LARGE SCALE OPERATIONS OR HEAVY ENGINEERING PROJECTS WILL CONTINUE TO BE LIMITED BY JAPAN'S OVERALL FISCAL POSITION. HOWEVER, HE EMPHASIZED HIS BELIEF THAT THE COUNTRY'S TRUE ECONOMY IS BUILDING ON A SOUND FOUNDATION, WITH CREDIT RAPIDLY IMPROVING.

ON THE OTHER HAND, HE SAID, FRANCE AND ENGLAND "APPEAR DETERMINED TO KEEP GERMAN PRODUCTION DOWN TO A POINT THAT WILL NOT BE COMPETITIVE WITH THEIR OWN HEAVY INDUSTRIES. THIS POLICY, IF FOLLOWED, WILL PREVENT GERMANY FROM EARNING A LIVING. HOW LONG THE UNITED STATES WILL CONTINUE TO FEED GERMANY WHILE ENGLAND AND FRANCE KEEP HER ON A NON-PRODUCTIVE BASIS IS SOMETHING OUR GOVERNMENT VARY SHORTLY WILL HAVE TO DECIDE. GERMANY'S LOW MORALE CAN BE LARGELY ATTRIBUTED TO THIS SITUATION."

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IN JAPAN, GRIFFITH SAID, GEN. DOUGLAS MACARTHUR "HAS CREATED A RESERVOIR OF GOOD WILL WHICH DEFINITELY HAS ESTABLISHED A FAVORABLE CLIMATE TO AMERICAN INVESTMENT." TOO, HE SAID, THE JAPANESE WHO HAVE COME TO DEFINE SUCCESS AS DEMOCRACY WANT THAT INVESTMENT, IN A VARIETY OF FIELDS, AND ARE EAGER TO ENLIST THE AID OF AMERICAN EXPERTS IN THEIR RECONSTRUCTION PROGRAM.

IN RETURN FOR SUCH AID, THE TRADE EXPERT SAID, THE JAPANESE APPEAR WILLING TO REVISE CORPORATE TAX STRUCTURE AND PROVIDE FOR REASONABLE RETENTION OF FOREIGN EXCHANGE BY INVESTORS.

THE STABILITY TOWARD WHICH THE JAPANESE ARE MOVING, GRIFFITH SAID, IS TO BE FOUND IN SOCIAL, POLITICAL AND RELIGIOUS REGENERATION, AS WELL AS THE ECONOMIC FIELD. "WOMEN HAVE FOUND AND LOVE THEIR NEW ROLE IN POLITICS AND COMMUNITY LIFE," HE SAID. "EVERYONE IS BUSY BUILDING A NEW AND BETTER JAPAN, ONE OF MUTUAL COOPERATION AMONG NEIGHBORS, ONE OF CHURCHES FOR 20,000,000 CHRISTIANS, ONE OF ATHLETIC FIELDS AND PERSONAL PRIDE AND INITIATIVE."

"THIS SUCCESS, SAID GRIFFITH, "IS SHARED BETWEEN THE PEOPLE AND MACARTHUR'S ADMINISTRATION. BY GIVING DEMOCRACY A CHANCE TO FUNCTION, THE GENERAL REVIVED JAPANESE ECONOMY AND GAVE SPIRITUAL HOPE TO THE PEOPLE. HE ALSO PUT THEM TO WORK."

GRIFFITH SAID HE SOON WILL BUILD A HOME TIN TOKYO WHERE HE WILL LIVE WITH HIS FAMILY, "COMMUTING TO THE UNITED STATES ON BUSINESS."

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AUG 21 1949

CHEMICAL CORPS, ALREADY HAS TESTIFIED AT THE HEARING.

ALSO DUE TO TAKE THE STAND SOMETIME NEXT WEEK ARE VAUGHAN AND JOHN MARAGON, A FORMER KANSAS CITY SHOESHINER WHO ONCE HAD FREE ACCESS TO THE WHITE HOUSE. SENATOR MCCARTHY (R-WIS) HAS DEMANDED THAT MARAGON BE INDICTED FOR PERJURY ON THE BASIS OF TESTIMONY HE GAVE TO THE COMMITTEE BEHIND CLOSED DOORS ON JULY 28.

HOEY SAID THE COMMITTEE ALSO PLANS TO CALL JAMES V.HUNT, WASHINGTON MANAGEMENT COUNSELOR, NEXT WEEK IF HIS HEALTH PERMITS. HUNT, STILL IN THE HOSPITAL AFTER A LEG OPERATION, IS A KEY FIGURE IN THE INQUIRY.

HE IS IN THE BUSINESS OF HELPING OTHERS GET GOVERNMENT CONTRACTS FOR A FEE. WITNESSES HAVE TESTIFIED HE BOASTED OF AN INSIDE TRACK TO THE WHITE HOUSE THROUGH VAUGHAN.

A5WX

MCCARTHY HAS SAID THE COMMITTEE IS GETTING UNSOLICITED ADVERSE INFORMATION ABOUT VAUGHAN FROM SOURCES VERY CLOSE TO MR.TRUMAN. THE SENATOR SAID TODAY THE COMMITTEE ALSO HAS OBTAINED "EVIDENCE OF LETTERS WHICH VAUGHAN WROTE" TO GOVERNMENT AGENCIES ASKING "SPECIAL CONSIDERATION FOR FRIENDS."

THE COMMITTEE ALREADY HAS RECEIVED TESTIMONY THAT VAUGHAN AND MARAGON TRIED UNSUCCESSFULLY TO INTERVENE AT THE AGRICULTURE DEPARTMENT IN 1946 IN BEHALF OF A NEW JERSEY MOLASSES COMPANY ACCUSED OF VIOLATING SUGAR RATIONING.

GG432PED

AUG 21 1949

PAID FOR BY THE VERLEY COMPANY.

HOEY SET FORTH HIS VIEWS IN A TELEGRAM LATE YESTERDAY TO JOHN A. PASSLER, A KANSAS CITY APPLIANCE DEALER WHO ASKED HOEY WHETHER IT WOULD BE ALL RIGHT FOR HIM TO GO AHEAD WITH PLANS TO PRESENT A TELEVISION SET TO MR.TRUMAN.

"WHETHER IT IS ACCEPTED OR NOT," PASSLER WIRED HOEY, "I WANT TO GO ON RECORD AS MAKING THIS OFFER PUBLICLY SO IT WILL NOT BE FOOTBALLED AROUND AS THE FREEZER DEAL WAS."

HOEY TOLD PASSLER TO GO RIGHT AHEAD, AND ADDED:

"IN MY OPINION THE DEEP FREEZER MATTER HAS BEEN MAGNIFIED OUT OF ALL PROPORTION TO ITS IMPORTANCE. IT IS NOT AN UNCOMMON THING FOR GIFTS TO BE MADE TO PUBLIC OFFICIALS, AS WELL AS OFFICIALS OF PRIVATE CORPORATIONS AND OTHERS IN THE PUBLIC MIND, WITHOUT THE DESIRE OR EXPECTATION OF RECEIVING ANY FAVORS OR REWARDS IN RETURN."

VH307AED

AP 20 WX

(190) VAUGHAN-RESERVE OFFICERS

WASHINGTON,AUG.20-(AP)-BRIG.GEN.E.A.EVANS, EXECUTIVE DIRECTOR OF THE RESERVE OFFICERS' ASSOCIATION, SAID TODAY THAT HE THINKS MAJ. GEN.HARRY H.VAUGHAN "HAS BEEN THE SUBJECT OF UNNECESSARY MALIGNMENT AND PICKING-ON."

EVANS REFERRED TO THE REPEATED MENTION OF THE NAME OF VAUGHAN, PRESIDENT TRUMAN'S MILITARY AIDE, IN THE SENATE INVESTIGATION OF ACTIVITIES OF FIVE PERCENTERS.

AUG 21 1949

EVANS, NOW RETIRED, SAID VAUGHAN "HAS BEEN OF TREMENDOUS HELP TO THE RESERVE OFFICERS IN TRYING TO GET THE DEFENSE DEPARTMENT TO GIVE US A SERVICE PROGRAM." HE SAID HIS REORGANIZATION HAS 80,000 MEMBERS.

HE TOLD A REPORTER THAT HE HAS WRITTEN TO "SIX OR EIGHT" MEMBERS OF THE ASSOCIATION ON THE ORGANIZATION'S STATIONERY, ASKING FOR EXPRESSIONS OF OPINION ON VAUGHAN.

EVANS SAID THE STATEMENTS PROBABLY WILL BE USED TO GET FAVORABLE PUBLICITY FOR THE PRESIDENT'S AIDE. BUT, EVANS ADDED THAT HE DOES NOT KNOW JUST HOW THAT WILL BE DONE.

HE SAID HE TOLD VAUGHAN WHAT HE WAS DOING. HE SAID VAUGHAN "HAD NO PARTICULAR COMMENT BUT DID SEEM TO APPRECIATE IT." HE ADDED:

"I THINK HE (VAUGHAN) HAS BEEN THE SUBJECT OF UNNECESSARY MALIGNMENT AND PICKING-ON. I AM HAPPY TO DO ANYTHING I CAN TO HELP HIM."

LT1132AEDNM

CONGRESS ROUNDUP (520)

BY JOSEPH C.GOODWIN

WASHINGTON, AUG.20-(AP)-MAJ.GEN. HARRY H.VAUGHAN WAS THE TARGET FOR A NEW BARB LOOSED TODAY ON CAPITOL HILL.

TWO SENATORIAL SOURCES SAID HE ONCE GAVE AN AGRICULTURE DEPARTMENT OFFICIAL "PARTICULAR HELL" ABOUT A GRAIN RATIONING ORDER AFTER ALCOHOLIC BEVERAGE MANUFACTURERS COMPLAINED ABOUT THE EDICT.

SENATE FIVE PERCENTER INVESTIGATORS ALREADY HAVE LINKED HIS NAME WITH GIFT HOME FREEZERS, AND HAVE HEARD TESTIMONY THAT HE TRIED UNSUCCESSFULLY TO AID A MOLASSES FIRM ACCUSED OF VIOLATING SUGAR RATIONING.

AUG 21 1949

THE ACCOUNT OF INTERVENTION BY VAUGHAN IN THE GRAIN RATIONING CASE CAME FROM TWO OFFICIALS WHO DID NOT WANT TO BE IDENTIFIED. HOWEVER, SENATOR MUNDT (R-SD), A MEMBER OF THE INQUIRY SUBCOMMITTEE, STUDYING CHARGES THAT INFLUENCE IS ON SALE IN WASHINGTON, SAID HE HAD HEARD OF THE MATTER AND PLANS TO ASK THAT IT BE INVESTIGATED.

THE ADMINISTRATION BEGAN AN UPHILL FIGHT IN THE SENATE TODAY TO SALVAGE ITS $1,450,000,000 (B) FOREIGN ARMS PROGRAM.

SENATOR CONNALLY (D-TEX), SPARKING THE FIGHT, CAME OUT FOR RESTORATION OF THE FULL AMOUNT OF $1,160,990,000 (B) FOR MILITARY SUPPLIES FOR NORTH ATLANTIC TREATY SIGNERS. THE HOUSE CUT THAT ITEM EXACTLY IN HALF.

CONNALLY SEEMED UNLIKELY TO BE ABLE TO MUSTER A MAJORITY OF THE SENATE FOREIGN RELATIONS AND ARMED SERVICES COMMITTEES, OVER WHICH HE IS PRESIDING, FOR REINSTATEMENT OF THE FULL FUND.

SEVERAL SENATORS HAVE DEMANDED REDUCTIONS IN THE PROGRAM AND HAVE APPLAUDED THE HOUSE ACTION.

SENATORS VANDENBERG (R-MICH) AND DULLES (R-NY) WANT THE EUROPEAN FUND TRIMMED BACK TO A FLAT $1,000,000,000 (B).

SENATOR FERGUSON (R-MICH) PREDICTED THE SENATE WILL BE ASKED NEXT WEEK TO FORCE A VOTE ON THE DISPLACED PERSONS BILL NOW HELD UP IN COMMITTEE.

THE BILL WOULD INCREASE TO ABOUT 335,000 THE NUMBER OF DISPLACED EUROPEANS WHO COULD BE ADMITTED TO THIS COUNTRY. THE PRESENT LAW, WHICH PRESIDENT TRUMAN HAS CALLED "ANTI-CATHOLIC AND ANTI-SEMITIC," ALLOWS ADMISSION OF 205,000 IN TWO YEARS.

SENATORS LUCAS (D-ILL) AND TAFT (R-OHIO) HAVE AGREED TO HEAD A LIST OF A DOZEN OR MORE OF THEIR COLLEAGUES SUPPORTING A MOVE TO FORCE A VOTE.

AUG 21 1949

B21WX (SEG)

FERGUSON SAID THIS PROBABLY WOULD RESULT IN THE FILING OF A MOTION TO DISCHARGE THE JUDICIARY SUBCOMMITTEE WHICH IS STILL HOLDING HEARINGS ON THE MEASURE.

CHAIRMAN ELMER THOMAS (D-OKLA), OF THE SENATE AGRICULTURE COMMITTEE, AND SENATOR ANDERSON (D-NM), AUTHOR OF A NEW FARM BILL DESIGNED TO PLEASE EVERYBODY, JUST CAN'T SEE EYE-TO-EYE ON A POSSIBLE FUTURE FOR THE MEASURE.

"THERE IS ABSOLUTELY NO CHANCE FOR CONGRESS APPROVING THE COMPROMISE BILL," THOMAS TOLD A REPORTER.

ANDERSON, ON THE OTHER HAND, PREDICTED THAT THOMAS' COMMITTEE WILL GIVE IT A FAVORABLE VOTE MONDAY.

FROM ANOTHER CORNER, SECRETARY OF AGRICULTURE BRANNAN PUT IN SOME HARSH LICKS AT THE COMPROMISE FLEXIBLE PRICE SUPPORT PLAN WORKED OUT BY ANDERSON WITH THE HELP OF BOTH DEMOCRATS AND REPUBLICANS.

HIS CRITICISM CAME IN A FIVE-PAGE LETTER MADE PUBLIC BY THOMAS LATE YESTERDAY, A WEEK AFTER IT WAS WRITTEN.

BRANNAN SAID, AMONG OTHER THINGS, THAT HE BELIEVES THE ANDERSON BILL "STILL FAILS TO PROVIDE ADEQUATE AND COMPREHENSIVE PRICE SUPPORT AUTHORITIES WHICH WOULD EQUIP THE DEPARTMENT OF AGRICULTURE TO DEAL WITH THE PRODUCTION AND DISTRIBUTION PROBLEMS WITH WHICH THIS NATION IS BEING CONFRONTED WITH EVER INCREASING INTENSITY."

HE ADDED THAT THE TOP PRICE SUPPORTS UNDER THE BILL "ARE, IN MY OPINION, STILL TOO LOW."

THE ANDERSON BILL WOULD AIM AT A LONG RANGE PROGRAM OF FLEXIBLE SUPPORTS, UNDER WHICH GOVERNMENT PRICE PROPS THROUGH LOANS AND PURCHASES WOULD DECLINE IF SUPPLIES BECOME TOO LARGE.

UNLESS THE SENATE AND HOUSE REACH SOME AGREEMENT ON FARM LEGISLATION AT THIS SESSION, A MUCH-CRITICIZED DELAYED-ACTION FLEXIBLE PRICE SUPPORT PLAN GOES INTO OPERATION JANUARY 1.

IT CARRIES LOWER SUPPORT PROPS THAN EITHER THE ANDERSON BILL OR A BILL ALREADY PASSED BY THE HOUSE. THE HOUSE MEASURE WOULD EXTEND FOR ANOTHER YEAR HIGH-LEVEL WARTIME GOVERNMENT PRICE SUPPORTS AT 90 PER CENT OF PARITY.

THOMAS SERVED NOTICE THAT HE WILL ASK HIS COMMITTEE TO GO ALONG WITH THE HOUSE PLAN.

VH502AED

30.24- 5171

WASHINGTONAUG 20-(AP)-SPOKESMEN FOR THE AIR FORCE AND THE ATOMIC ENERGY COMMISSION REFUSED TO COMMENT TONIGHT ON WHETHER THE ATOMIC PLANT AT HANFORD, WASH., IS ANY MORE VULNERABLE TO RUSSIAN AIR ATTACK THAN SEATTLE, 150 MILES AWAY.

THE AIR FORCE HAS HAD UNDER DISCUSSION A PROPOSAL TO MOVE SUB-ASSEMBLY WORK FOR THE B-47 BOMBER FROM THE BOEING PLANT IN SEATTLE TO A BOEING PLANT AT WICHITA, KANS.

IN THIS CONNECTION, AN AIR FORCE OFFICIAL TOLD A REPORTER THAT THE SEATTLE AREA IS CONSIDERED VULNERABLE IN CASE OF WAR.

AUG 21 1949

ASKED ABOUT THE VULNERABILITY OF THE HANFORD PLANT--THE PLUTONIUM-PRODUCING CENTER OF THE ATOMIC ENERGY PROGRAM--AN AIR FORCE SPOKESMAN TOLD A REPORTER:

"IT IS NOT LOCATED IN SEATTLE. IT IS WITHIN THE COMPETENCE OF THE ATOMIC ENERGY COMMISSION. THE AIR FORCE DOES NOT PROPOSE TO EVALUATE PUBLICLY THE RELATIVE VULNERABILITY OF TARGETS IN THE U.S."

AN AEC SPOKESMAN, IN TURN, SAID THAT THE QUESTION IS A MILITARY ONE. HE SAID THE PLANT'S LOCATION WAS DETERMINED WHILE THE ATOMIC ENERGY PROGRAM WAS STILL UNDER MILITARY DIRECTION. MANY FACTORS WERE TAKEN INTO CONSIDERATION IN DECIDING ON THE LOCATION, HE ADDED, AMONG THEM THE ISOLATION OF THE AREA, THE AVAILABILITY OF POWER AND WATER, AND THE MANPOWER SITUATION IN THE PACIFIC NORTHWEST.

THE COMMISSIONSPOKESMAN SAID THE HANFORD WORKS ARE DISPERSED OVER AN AREA OF 400 SQUARE MILES. HANFORD IS MORE THAN 150 MILES SOUTH AND EAST OF SEATTLE ON THE COLUMBIA RIVER.

AS PART OF THE AIR FORCE'S STUDY OF THE PROPOSED TRANSFER OF B-47 WORK FROM SEATTLE TO WICHITA, SECRETARY OF THE AIR FORCE SYMINGTON WILL FLY TO SEATTLE NEXT MONTH. HE WILL BE ACCOMPANIED BY SENATOR MAGNUSON (D-WASH).

IN DISCUSSING THAT TRIP, AN AIR FORCE OFFICIAL SAD YESTERDA THAT

AUG 21 1949

IN DISCUSSING THAT TRIP, AN AIR FORCE OFFICIAL SAID YESTERDAY THAT "STRATEGIC VULNERABILITY" OF VARIOUS AREAS IN THE UNITED STATES TO RUSSIAN AIR ATTACK IS CONSIDERED IN PLACING CONTRACTS FOR HIGH PRIORITY COMBAT PLANES.

"WE HAVE NO DESIRE TO FOLD UP EXISTING PLANTS," HE SAID, "BUT WE DO NOT PROPOSE TO EXPAND ACTIVITIES IN AREAS WHICH IN TIME OF WAR WOULD BE CONSIDERED VULNERABLE."

PF648PED

ARMS AID (550)

BY OLIVER W.DEWOLF

WASHINGTON,AUG 20-(AP)-REP.VORYS (R-OHIO) SAID TODAY THE HOUSE VOTED A "LACK OF CONFIDENCE" IN THE ADMINISTRATION'S FOREIGN POLICY WHEN IT CHOPPED IN TWO THE ADMINISTRATION'S $1,160,990,000 ARMS AID PROGRAM FOR WESTERN EUROPE.

HE SAID THE ADMINISTRATION, IN TURN, HAD DEMONSTRATED ITS LACK OF CONFIDENCE IN THE HOUSE.

THE OHIO LAWMAKER, A HIGH-RANKING REPUBLICAN MEMBER OF THE HOUSE FOREIGN AFFAIRS COMMITTEE, OFFERED HIS ANALYSIS OF THE ADMINISTRATION'S STAGGERING SETBACK AS TRUMAN SUPPORTERS IN THE SENATE SURVEYED THE WRECKAGE AND LAID PLANS FOR A FRESH START.

VORYS CALLED ATTENTION TO THE ADMINISTRATION'S DETERMINED STIFF-ARMING OF MOVES TO PROVIDE WEAPONS FOR NON-COMMUNIST CHINA, AND DECLARED:

"THE ADMINISTRATION PRESENTED NO FOREIGN POLICY FOR HALF THE WORLD; THE HOUSE SHOWED ONLY HALF CONFIDENCE IN THEIR POLICY FOR THE OTHER HALF."

"MEMBERS OF THE HOUSE WERE NOT CONSULTED IN THE FORMULATION OF THE PLAN OR THE DRAFTING OF THE LEGISLATION THAT WAS INTRODUCED," HE SAID IN A STATEMENT. "ALL ATTEMPTS AT A WORKABLE COMPROMISE BEFORE GOING TO THE FLOOR WERE REJECTED."

BESIDES CUTTING THE AMOUNT, THE HOUSE TRIMMED THE TIME OF THE PROGRAM FROM TWO YEARS TO 10 MONTHS ON THE THEORY CONGRESS COULD VOTE THE REST OF THE MONEY NEXT YEAR IF THE PLAN IS WORKING ALL RIGHT.

THE SENATE FOREIGN RELATIONS AND ARMED SERVICES COMMITTEES, WHICH HELD JOINT HEARINGS ON THE ARMS LEGISLATION, GO BEHIND CLOSED DOORS TUESDAY TO GET DOWN TO DETAILS ON THE BILL WHICH IS AIMED AT STAVING OFF RUSSIAN AGGRESSION.

AUG 21 1949

SENATOR CONNALLY (D-TEX), CHAIRMAN OF THE FOREIGN RELUTIONS GROUP, BUGLED A CALL FOR APPROVAL OF THE FULL $1,450,000,000 SOUGHT BY THE ADMINISTRATION. BESIDES $1,160,990,000 FOR MEMBERS OF THE ATLANTIC PACT, THE BILL WOULD PROVIDE EQUIPMENT FOR GREECE, TURKEY, IRAN, KOREA AND THE PHILIPPINES.

"THIS IS NO TIME FOR PIECEMEAL TREATMENT," CONNALLY SAID. "TO CUT THE AMOUNT AS WAS DONE BY THE HOUSE WILL BE EXPLOITED BY COMMUNIST STATES AS A LACK OF SINCERITY ON OUR PART, AND WILL DISCOURAGE AND DEPRESS THE MEMBERS OF THE NORTH ATLANTIC PACT."

THE ADMINISTRATION KNOWS, HOWEVER, IT FACES A BIG JOB IN TRYING TO GET SENATE APPROVAL OF THE FULL AMOUNT.

SENATORS VANDENBERG (R-MICH) AND DULLES (R-NY), GOP FOREIGN POLICY LEADERS, ARE COMMITTED TO A $160,990,000 CUT FOR ATLANTIC PACT NATIONS, AND SUCH KEY DEMOCRATS AS SENATORS GEORGE AND RUSSELL OF GEORGIA AND BYRD OF VIRGINIA HAVE APPLAUDED THE HOUSE ACTION.

EVEN IF CONNALLY CAN PERSUADE HIS ECONOMY-MINDED COLLEAGUES TO VOTE THE FULL $1,450,000,000, THE HOUSE ACT VIRTUALLY ASSURES THAT SOME LESSER AMOUNT WILL BE AUTHORIZED.

THE TWO HOUSES FREQUENTLY SPLIT THE DIFFERENCE IN THE AMOUNTS WHEN MONEY BILLS ON AUTHORIZATIONS ARE SENT TO CONFERENCE.

CONNALLY, IN STANDING PAT ON THE FULL AMOUNT, RECALLED TO A REPORTER THAT SECRETARY OF STATE ACHESON, GENERAL OMAR BRADLEY, CHAIRMAN OF THE JOINT CHIEFS OF STAFF, AND OTHER LEADERS HAD TESTIFIED THAT THE $1,450,000,000 WAS THE "MINIMUM TO MAKE OUR OBJECTIVE EFFECTIVE."

THE TEXAS LAWMAKER SAID HE THOUGHT THE TWO SENATE COMMITTEES COULD WORK OUT A BILL BY THE END OF NEXT WEEK AND SEND IT TO THE FLOOR. THERE BOTH THE TIME OF ITS DEBATE AND ITS FATE APPEAR UNCERTAIN.

THE COMMITTEES HAVE ABOUT A DOZEN AMENDMENTS, INCLUDING SEVEN BY VANDENBERG AND DULLES, TO CONSIDER.

IN ADDITION TO TRIMMING THE AMOUNT FOR PACT COUNTRIES TO AN EVEN $1,000,000,000, THE TWO REPUBLICANS WANT TO MAKE CERTAIN THAT THE ARMS PROGRAM IS MESHED IN WITH MUTUAL DEFENSE PLAN TO BE FORMULATED BY THE PROPOSED NORTH ATLANTIC COUNCIL.

THE HOUSE LEFT UNCHANGED THE ADMINISTRATION REQUESTS FOR $211,370,000 FOR ADDITIONAL MILITARY AID FOR GREECE AND TURKEY, AND THE $27,640,000 REQUESTED FOR IRAN, KOREA AND THE PHILIPPINES.

GG-PF506PED NM BJT

(260) DP'S

WASHINGTON, AUG.20-(AP)-SENATOR FERGUSON (R-MICH) PREDICTED TODAY THAT THE SENATE WILL BE ASKED NEXT WEEK TO FORCE A VOTE ON THE DISPLACED PERSONS BILL NOW SNAGGED IN COMMITTEE.

BEATEN IN AN EFFORT YESTERDAY TO GET THE JUDICIARY COMMITTEE TO VOTE ON THE HOUSE-APPROVED MEASURE, FERGUSON SAID A BIPARTISAN GROUP OF SENATORS WILL CARRY THE FIGHT TO THE SENATE ITSELF.

SENATORS LUCAS OF ILLINOIS, THE DEMOCRATIC LEADER, AND TAFT OF OHIO, THE GOP POLICY CHAIRMAN, HAVE AGREED TO HEAD A LIST OF A DOZEN OR MORE SENATORS OF BOTH PARTIES SUPPORTING SUCH A MOVE.

FERGUSON SAID THIS PROBABLY WILL RESULT IN THE FILING NEXT WEEK OF A MOTION TO DISCHARGE THE COMMITTEE. HOWEVER, A SHOWDOWN VOTE ON THE QUESTION MAY BE DELAYED FOR SOME TIME.

FERGUSON LOST, 5 TO 2, AN EFFORT WITHIN THE JUDICIARY COMMITTEE TO TAKE THE BILL OUT OF THE HANDS OF A SUBCOMMITTEE HEADED BY SENATOR MC CARRAN (D-NEV).

MC CARRAN, CHAIRMAN OF THE FULL COMMITTEE, HAS BLOCKED EFFORTS TO GET SENATE ACTION ON THE BILL WHICH PRESIDENT TRUMAN HAS CLASSIFIED AS "MUST" LEGISLATION TO REPLACE WHAT HE SAID WAS THE "ANTI-CATHOLIC, ANTI-SEMITIC LAW PASSED BY THE REPUBLICAN 80TH CONGRESS.

SENATOR KILGORE (D-WVA) SUPPORTED FERGUSON IN THE ATTEMPT TO SPEED UP COMMITTEE PROCEDURE BY TAKING THE BILL AWAY FROM THE SUBGROUP. BUT SENATORS MC CARRAN, EASTLAND (D-MISS), JENNER (R-IND), DONNELL (R-MO) AND LANGER (R-ND) VOTED IT DOWN.

"IN THE FACE OF A MOVE IN THE SENATE TO DISCHARGE THE COMMITTEE, I WAS ONLY TRYING TO GET A VOTE BY THE FULL COMMITTEE ON THE BILL," FERGUSON TOLD A REPORTER.

MCCARRAN SAID HE OBJECTED TO DISCHARGING THE SUBCOMMITTEE BECAUSE IT STILL IS HOLDING HEARINGS ON THE MEASURE.

THE BILL WOULD INCREASE TO ABOUT 335,000 THE NUMBER OF DISPLACED EUROPEANS WHO COULD BE ADMITTED TO THIS COUNTRY. THE PRESENT LAW ALLOWS ADMISSION OF 205,000 PERSONS IN TWO YEARS.

VH336AED

AUG 21 1949

TO BE DRAFTED BY THE PROPOSED NORTH ATLANTIC COUNCIL.

CONNALLY, WHOSE COMMITTEES WILL START WRITING UP A BILL NEXT WEEK, SAID HE KNOWS THE SENATORS HE IS WORKING WITH DON'T WANT TO SCUTTLE THE ARMS PROGRAM.

"TESTIMONY BEFORE OUR COMMITTEE REVEALS IT IS A CAREFULLY PLANNED PROGRAM," HE SAID IN A STATEMENT.

"SECRETARY (OF STATE) ACHESON AND SECRETARY (OF DEFENSE) JOHNSON TESTIFIED THAT THE FULL AMOUNT IS NEEDED AND NEEDED NOW. THE JOINT CHIEFS OF STAFF, FRESH FROM THEIR CONSULTATIONS WITH THE POLITICAL AND MILITARY LEADERS OF WESTERN EUROPE, ASSURED US THAT THE $1.4 BILLION IS THE MINIMUM FIGURE.

"I SINCERELY HOPE THAT THE SENATE WILL APPROVE THE SENATE BILL WITH THE FULL AUTHORIZATIONS RECOMMENDED BY THE SECRETARIES OF STATE AND DEFENSE AND OUR MILITARY LEADERS."

TYDINGS HIT ABOUT THE SAME NOTE. HE SAID THE HOUSE ACTION WAS A MISTAKE, ADDING THAT GEN.OMAR BRADLEY, CHAIRMAN OF THE JOINT CHIEFS OF STAFF, HAD TESTIFIED THAT $1,160,990,000 (B) IS THE MINIMUM NEEDED FOR WESTERN EUROPE.

"TO CUT SUBSTANTIALLY BELOW THE MINIMUM IS TO DEFEAT THE WHOLE PURPOSE OF THE PROGRAM," HE SAID.

HE ADDED THAT HE THINKS THE FUND "OUGHT TO BE IN THE NEIGHBORHOOD OF A BILLION" FOR THE TREATY SIGNING COUNTRIES.

THE HOUSE LEFT INTACT THE ADMINISTRATION'S REQUEST FOR $211,370,-000 (M) FOR GREECE AND TURKEY AND $27,640,000 (M) FOR IRAN, KOREA AND THE PHILIPPINES.

VH330AED

AUG 21 1949

A7WX

SOME OFFICIALS IN THE STATE DEPARTMENT AND ELSEWHERE IN THE UNITED STATES GOVERNMENT BELIEVE THAT BRITAIN CANNOT SURVIVE AS A WORLD POWER WITHOUT COMPLETELY UNHINDERED ACCESS TO AMERICAN MARKETS. THEY THINK THAT SOME TIME IN THE FUTURE THE ONLY WAY THE UNITED STATES CAN KEEP BRITAIN ALIVE WILL BE TO JOIN A CUSTOMS UNION, SHARING A COMMON CURRENCY AND A COMPLETELY INTEGRATED ECONOMY. BUT THAT IS NOT SLATED FOR DISCUSSION AT NEXT MONTH'S TALKS.

BRITISH SPOKESMEN SAY THEY ARE DISCOURAGED BY A FEELING THAT AMERICAN OFFICIALS WILL BE COMPLETELY UNWILLING TO EMBARK ON ANY BOLD NEW ENTERPRISES.

THIS, OF COURSE, WAS NOT THE CASE WHEN THE UNITED STATES GRANTED THE FIRST BRITISH POST-WAR LOAN IN 1946 AND THEN GAVE BRITAIN A NEW LEASE ON LIFE WITH THE MARSHALL PLAN COMMITMENTS OF 1947-48.

THE DIFFERENCE IS THAT ON THE TWO PREVIOUS OCCASIONS AMERICAN OFFICIALS BELIEVED THAT IF THEY USED U.S. DOLLARS TO BUY TIME AND RECONSTRUCTION BRITAIN WOULD DO THE REST.

THEY BELIEVE NOW THAT AMERICAN DOLLARS WILL NO LONGER SOLVE THE PROBLEM, THAT ONLY RADICAL ACTIONS BY THE BRITISH, REVISING THEIR CURRENCY VALUATION AND THEIR WHOLE INDUSTRIAL STRUCTURE AND FOREIGN COMMITMENTS, WILL OFFER ANY HOPE OF A PERMANENTLY HEALTHY BRITISH ECONOMY.

BRITAIN'S PROPOSALS IN THE TALKS COMING UP HERE ARE EXPECTED TO SHY AWAY FROM DEVALUATION UNLESS IT IS ACCOMPANIED BY SOME PROMISES FOR ACTION BY THE UNITED STATES AND POSSIBLY OTHER NATIONS.

HERE ARE SOME OF THE THINGS THE BRITISH ARE THINKING ABOUT:

1. THE POSSIBILITY OF AN UPWARD REVISION IN THE PRICE PAID BY THE UNITED STATES FOR GOLD--NOW $35 AN OUNCE. THE U.S. OWNS MORE THAN $24,000,000,000 WORTH OF GOLD--ABOUT TWO-THIRDS OF THE WORLD'S MONETARY SUPPLY. COMMODITY PRICES HAVE RISEN SHARPLY SINCE THIS PRICE WAS SET YEARS AGO, AND THE BRITISH FIGURE THAT IF THE U.S. WOULD JACK THE PRICE UP TO SAY $45 THEY COULD BUY MORE WITH THEIR GOLD AND THUS IMPROVE THE FINANCIAL SITUATION OF THEIR EMPIRE.

2. ESTABLISHMENT OF

GOLD AND THUS IMPROVE THE FINANCIAL SITUATION OF THEIR EMPIRE.

2. ESTABLISHMENT OF A STABILIZATION FUND OF PERHAPS $3,000,000,000 TO MAINTAIN THE VALUE OF THE POUND STERLING IF IT SHOULD BE DEVALUED.

3. AN ATTEMPT TO REACH SOME BASIC POLITICAL DECISIONS WHICH WOULD HAVE A GREAT BEARING ON SOME OF THE ECONOMIC MOVES THE BRITISH HAVE IN MIND. FOR EXAMPLE, SHOULD THE WESTERN POWERS REDUCE THEIR ACTIVITIES IN THE FAR EAST, OR SHOULD THE UNITED STATES ASSUME A GREATER PROPORTION OF THE BURDEN THERE, THUS LIGHTENING BRITAIN'S LOAD?

4. THE POSSIBILITY OF A GENERAL MOVE TO REDUCE AND REFUND WORLD WAR II DEBTS, PARTICULARLY THE HUGE SUMS THAT BRITAIN OWES INDIA AND EGYPT. BRITAIN IS HAVING TO SHIP GOODS AGAINST THOSE CREDITS NOW, WITHOUT GETTING ANY CURRENT RETURN.

GG447PED

AUG 21 1949

SAN FRANCISCO, AUG. 20-(AP)-A FORMER FILIPINO ARMY OFFICER WHO TESTIFIED "I WOULD HAVE TRUSTED IVA TOGURI D'AQUINO WITH MY LIFE," WAS VIGOROUSLY CROSS-EXAMINED BY A GOVERNMENT PROSECUTOR LATE YESTERDAY.

LT. NORMAN REYES, THIRD DEFENSE WITNESS IN MRS. D'AQUINO'S TREASON TRIAL, TOLD THE COURT HE WAS CAPTURED ON CORREGIDOR AND FORCED TO BROADCAST FOR THE JAPANESE UNTIL THE END OF THE WAR.

HE SAID HE WORKED WITH MRS. D'AQUINO, CHARGED WITH BEING THE "TOKYO ROSE" WHO BROADCAST PROGRAMS THE JAPANESE HOPED WOULD DAMAGE THE MORALE OF ALLIED TROOPS.

BUT REYES DENIED EVER HEARING SOME 40 DIFFERENT PROPAGANDA STATEMENTS, WHICH DEFENSE ATTORNEY WAYNE COLLINS READ TO HIM AND WHICH HAD BEEN ATTRIBUTED TO TOKYO ROSE BY EX-GI WITNESSES FOR THE GOVERNMENT.

THE FORMER POW TOLD OF SEEING FILIPINO PRISONERS BEATEN -- ONE TO DEATH AND ANOTHER TO INSANITY -- BY THEIR JAPANESE CAPTORS.

HE ALSO TESTIFIED HE SAW MAJOR WALLACE INCE, A PREVIOUS DEFENSE WITNESS, BADLY BEATEN. "ONE GUARD SMASHED HIS HEAD AGAINST A WALL," HE SAID.

THEN PROSECUTOR TOM DE WOLFE TOOK OVER.

"ARE YOU TELLING THE TRUTH, NORMAN?" HE DEMANDED.

"TO THE BEST OF MY ABILITY," REYES REPLIED.

THEN DE WOLFE ASKED IF REYES HAD ALSO TOLD THE TRUTH WHEN QUESTIONED BY FBI AGENTS. THE WITNESS ANSWERED THAT AS NEARLY AS HE COULD REMEMBER HE HAD.

THE PROSECUTOR LATER HINTED AT SURPRISING INFORMATION. HE FIRST ESTABLISHED THAT REYES HAD MARRIED A NISEI -- SAN DIEGO-BORN KATHERINE MURUAKO--IN TOKYO DURING THE WAR.

"YOU WERE MARRIED ON NOVEMBER 29, 1944, IN THE PHILIPPINES PUPPET CONSULATE IN TOKYO, RIGHT?" HE ASKED.

"THAT IS CORRECT," REYES SAID.

"WAS INCE MARRIED THERE AT THE SAME TIME?"

"NO," THE WITNESS SAID.

"DIDN'T HE MARRY A FILIPINO?" DE WOLFE PERSISTED.

OVER DEFENSE OBJECTIONS, THE JUDGE ALLOWED THE QUESTION.

"I DON'T KNOW," SAID REYES.

AUG 21 1949

X240APS NM

SAN FRANCISCO, AUG. 20-(AP)-THERE IS NO CHANCE FOR POLITICS OR FAVORITISM TO ENTER INTO THE SELECTION OF COMBAT AIRCRAFT, GENERAL H.H.(HAP) ARNOLD DECLARED YESTERDAY.

THE RETIRED AIR FORCE COMMANDER WAS TESTIFYING BEFORE A HOUSE SUBCOMMITTEE INVESTIGATING RUMORS THAT THE CHOICE OF THE HUGE, SIX-ENGINED B-36 MIGHT HAVE BEEN INFLUENCED BY POLITICS.

THE DEVELOPMENT OF AN AIR GIANT SUCH AS THE B-36 REQUIRES THE COMBINED EFFORTS OF COUNTLESS SCIENTISTS, ENGINEERS AND OFFICERS, HE SAID.

HE REAFFIRMED HIS FAITH IN GENERAL HOYT VANDENBERG AND THE MEN WHO PRESENTLY GUIDE THE AIR FORCE.

"I PERSONALLY SELECTED THEM FOR THEIR OUTSTANDING ABILITY AND INTEGRITY," ARNOLD SAID. "THEY HAVE MEASURED UP UNDER FIRE. I HAVE UNQUALIFIED CONFIDENCE IN THEM."

ARNOLD SAID DEVELOPMENT OF A COMBAT PLANE TAKES FROM THREE TO SIX YEARS FROM THE DRAWING BOARD TO OPERATIONAL FLIGHT. DURING THIS TIME IT REQUIRES ENDLESS REFINEMENTS--GETTING THE "BUGS" OUT--SO IT CAN BE USED. HE SAID THE VITAL DECISIONS AFFECTING THE DEVELOPMENT OF A PLANE CANNOT BE MADE BY ANY ONE MAN BUT MUST BE MADE BY ALL CONCERNED IN THAT DEVELOPMENT.

AUG 21 1949

DIGRESSING A BIT TO WORLD AFFAIRS, ARNOLD SAID FEAR OF WHAT MAY HAPPEN TO THEM IS ALL THAT DETERS SOME PEOPLE FROM AGGRESSION.

"THE THING PEOPLE FEAR MOST IS SOMETHING THEY DO NOT UNDERSTAND. AND THE THING THE RUSSIANS UNDERSTAND LEAST IS STRATEGIC BOMBING.

"THEREFORE, I CONGRATULATED THE SECRETARY FOR AIR WHEN HE ORDERED MORE B-36S."

HE SAID THAT IN THE B-36, THE U.S. HAS THE BEST INTER-CONTINENTAL BOMBER OF ANY NATION. SO FAR AS HE KNOWS, NOBODY ELSE HAS ANYTHING TO MATCH IT.

JS/X203APS

WITH MOSCOW (130)

NEW YORK, AUG. 20-(AP)-A YUGOSLAV OFFICIAL EXPRESSED BELIEF TODAY THAT DIFFERENCES BETWEEN HIS COUNTRY AND RUSSIA WOULD BE "IRONED OUT" IN THE NEAR FUTURE "WITHOUT FIGHTING."

THE OFFICIAL IS SERGIJE MAKIEDO, 39-YEAR-OLD COUNSELLOR TO THE YUGOSLAV EMBASSY IN WASHINGTON, WHO SAILED ABOARD THE FRENCH LINER ILE DE FRANCE EN ROUTE TO BELGRADE.

AFTER FOUR YEARS IN WASHINGTON, MAKIEDO IS GOING HOME TO ASSUME A NEW POST AS COUNSELLOR TO THE YUGOSLAV MINISTER.

HE SAID THERE WAS A FUNDAMENTAL DIFFERENCE BETWEEN YUGOSLAV AND RUSSIAN PHILOSOPHY BUT DID NOT ELABORATE EXCEPT TO SAY HE FELT ANY DIFFICULTIES BETWEEN BELGRADE AND MOSCOW WOULD BE SOLVED.

RELATIONS BETWEEN YUGOSLAVIA AND THE WESTERN POWERS?

"I THINK," MAKIEDO REPLIED, "THE ECONOMIC RELATIONS BETWEEN MY COUNTRY AND THE WEST ARE NOW ON A VERY REALISTIC BASIS WITH NO POLITICAL CONSIDERATIONS."

AUG 21 1949

VS903PED

NEW YORK, AUG. 20-(AP)-SIX NORTH AMERICANS LEFT TODAY FOR GENEVA, SWITZERLAND, TO ATTEND THE GENERAL ASSEMBLY MEETING OF THE INTERNATIONAL UNION OF CITIES NEXT MONTH.

THE MEETING IS THE SECOND HELD SINCE THE WAR TO PROMOTE AN EXCHANGE OF TECHNICAL IDEAS AND ENCOURAGE PEACE AND COOPERATION. THE FIRST GATHERING WAS IN PARIS TWO YEARS AGO.

THE PARTY SAILED ABOARD THE ITALIAN LINER VULCANIA, BOUND FOR GENOA AND NAPLES.

THREE U.S. MEMBERS OF THE PARTY ARE MAYORS. THEY WERE OSCAR HOLCOMBE OF HOUSTON, TEXAS; MICHAEL DISALLE OF TOLEDO, OHIO, AND WILLIAM MORRISON OF CHARLESTON, S.C. THE OTHER AMERICAN DELEGATE IS COL. PAUL BETTERS, EXECUTIVE SECRETARY OF THE UNITED STATES CONFERENCE OF MAYORS. PAUL A. SCHRADER, MANAGING EDITOR OF THE TOLEDO BLADE, IS ACCOMPANYING THE PARTY AS AN OBSERVER.

MAYOR CAMILLIEN HOUDE OF MONTREAL, CANADA, WAS REPRESENTED BY THE LONE CANADIAN IN THE GROUP, RICHARD F. QUINN. QUINN ALSO REPRESENTS THE CANADIAN FEDERATION OF MAYORS.

MAYOR MORRISON PLANS TO INTRODUCE SOME IDEAS ON CITY GOVERNMENT

AT THE MEETING, AND HOPES TO PICK UP INFORMATION ON CITY PLANNING. HE SAID CHARLESTON IS BEHIND IN THIS AND IN SLUM CLEARANCE.

MAYOR HOLCOMBE SAID HOUSTON'S PROBLEMS CENTER AROUND ITS PHENOMENONAL GROWTH FROM 130,000 IN 1920 TO 600,000 NOW, BUT ADDED "WE DON'T HAVE ANY PROBLEMS THAT MONEY CAN'T CURE."

MAYOR DISALLE IS ALSO INTERESTED IN HOUSING AND PLANNING, AND SAID THERE IS A SIMILARITY BETWEEN REBUILDING UDER CITY PLANNING PROGRAMS AND REBUILDING AFTER WAR DAMAGE.

AUG 21 1949

RP415PED

WASHINGTON,AUG.20-(AP)-REP.CHARLES E.BENNETT (D-FLA) SAID TODAY THE ECONOMIC COOPERATION ADMINISTRATION HAS PROMISED TO TAKE STEPS TO PERMIT AMERICAN PULP AND PAPER MILLS TO BID ON PURCHASES OF PULP AND PAPER BY THE UNITED KINGDOM IN 1950.

BENNETT SAID HE, ALONG WITH REP.MACK (R-WASH) AND OTHER MEMBERS OF CONGRESS, HAD TOLD THE ECA THAT SOME UNITED STATES MILLS HAVE BEEN IDLE WHILE CANADIAN MILLS ARE WORKING AT CAPACITY.

BENNETT TOLD A REPORTER THE UNITED KINGDOM, USING ECA FUNDS, HAS BEEN PURCHASING MOST OF ITS PAPER AND PULP SUPPLIES FROM CANADA UNDER CONTRACTS AND HAS BOUGHT LITTLE FROM THE UNITED STATES.

HE MADE PUBLIC A LETTER FROM WILLIAM C.FOSTER, ASSISTANT ECA ADMINISTRATOR, WHICH SAID IN PART:

"IF IT IS IMPOSSIBLE FOR US TO WORK OUT AN ARRANGEMENT WHEREBY THE UNITED STATES INDUSTRY WILL HAVE A CHANCE TO BID COMPETITIVELY ON ANY UNITED KINGDOM PULP REQUIREMENTS NOW ON CONTRACT WITH CANADA DURING THE BALANCE OF 1949, CERTAINLY OUR INDUSTRY WILL BE GIVEN SUCH A CHANCE AT COMPETITIVE BIDDING FOR 1950 IF THE UNITED KINGDOM SHOULD REQUEST FURTHER ECA FUNDS FOR PURCHASE OF WESTERN HEMISPHERE PULP AND PAPER DURING THE COMING YEAR."

BENNETT SAID THAT, IF THIS IS DONE, "THAT IS ALL THAT WE CAN ASK FOR--AND IT WILL NOT HURT THE ECA PROGRAM."

AUG 21 1949

V422PED

WASHINGTON,AUG.19-(AP)-SENATOR CHAVEZ (D-N.M.) SAID TODAY "A FINAL AND SATISFACTORY" SOLUTION ON MILITARY ACQUISITION OF LAND NEAR ALAMOGORDO, N.M., MAY BE REACHED NEXT WEEK.

"THE ARMY HAS DECIDED TO ABANDON PLANS TO ACQUIRE A 33-MILE EXTENSION OF THE ALAMOGORDO RANGE, I AM ADVISED BY THE SECRETARY OF THE ARMY," CHAVEZ SAID IN A STATEMENT.

HE ADDED THAT MILITARY REPRESENTATIVES WILL MEET IN HIS OFFICE AUGUST 24 WITH NEW MEXICO MEMBERS OF CONGRESS TO CONSIDER THE ARMY'S PROPOSED AGREEMENTS TO SETTLE THE CONTROVERSY.

HE SAID ARMY REPRESENTATIVES WENT TO NEW MEXICO AT HIS REQUEST TO DISCUSS THE LAND ACQUISITION PROGRAM AND TO PRESENT CIVIL SUITS BY THE STATE TO PREVENT THE ACQUISITION OF STATE LANDS.

"THERE APPEARS TO BE NO INSISTENCE BY THE MILITARY TO ADOPT ANY PROGRAM WHICH WOULD WORK TO THE DETRIMENT OF THE STATE, EXCEPT THE ARMY MAY INSIST UPON FEE TITLE TO THE NO. 1 ANTI-AIRCRAFT RANGE FOR FORT BLISS JUST SOUTH OF ALAMOGORDO AND EMBRACING SOME 400,000 ACRES," CHAVEZ STATED.

"STATE LANDS," HE ADDED, "PROBABLY WILL BE SAVED TO THE STATE OF NEW MEXICO IN OTHER AREAS, AND LANDOWNERS WILL RECEIVE EQUAL PROTECTION WITH THE STATE, I AM CONFIDENT."

HE SAID THE AREA USED BY THE MILITARY AT ALAMOGORDO SOUGHT FOR AN EXTENSION COVERED AN AREA ABOUT THE SIZE OF THE STATE OF CONNECTICUT.

V426PED

HALIFAX,K N.S., AUG. 20-(AP)-A GROUP OF 258 HUNGRY, TRAVEL-WEARY BALTIC REFUGEES ARRIVED HERE YESTERDAY ABOARD THE 183-TON MINESWEEPER SARABANDE, AFTER A MONTH'S TRIP FROM GOETEBORG, SWEDEN.

MEN, WOMEN AND CHILDREN, MANY BEARING THE NUMBERS BRANDED ON THEM IN GERMAN AND RUSSIAN CONCENTRATION CAMPS, HUDDLED TOGETHER ABOARD THE VESSEL, AWAITING DISEMBARKATION WHICH MAY TAKE PLACE TODAY.

AFTER THEY LEAVE THEIR SHIP, THEY WILL BE HELD IN IMMIGRATION HOSPITAL UNTIL THEIR ENTRY INTO CANADA IS SANCTIONED.

ABOUT A THIRD OF THE GROUP IS POLISH. THE OTHERS ARE FROM LATVIA, ESTONIA, AND FINLAND.

THE GROUP, DRESSED IN RAGGED, UNWASHED CLOTHES, INCLUDED NURSES, CLERKS, FISHERMEN, DENTISTS, LABORATORY TECHNICIANS AND ONE ORCHESTRA CONDUCTOR.

AUG 21 1949

JT351AED

NEW YORK, AUG. 20-(AP)-A LATVIAN FAMILY OF FOUR ARRIVED ON THE ARMY TRANSPORT MARINE MARLIN HERE TODAY, PLANNING TO START LIFE OVER IN DECATUR, ILL.

THEY SPENT THE LAST FOUR YEARS IN A DISPLACED PERSONS CAMP IN GERMANY--AND THE YEAR BEFORE THAT IN A GERMAN FORCED LABOR CAMP.

TWO DECATUR RESIDENTS WERE ON HAND TO GREET MR. AND MRS. HUBERTS KUPLIS, THEIR 6-YEAR-OLD SON, EDGARS (CQ), AND THEIR 3-YEAR-OLD DAUGHTER, ERIKA. KUPLIS WILL BECOME CUSTODIAN OF THE RIVERSIDE BAPTIST CHURCH IN DECATUR.

THEY WERE MET AT THE PIER BY WALLACE HERRING, SUNDAY SCHOOL SUPERINTENDENT OF THE CHURCH, WHO GAVE THE FAMILY A BIBLE, AND BY CLARENCE B. WALKER, (1771 EAST LAWRENCE), A DECATUR CITY EMPLOYE.

THE FAMILY'S TRIP WAS SPONSORED BY THE AMERICAN COUNCIL OF CHRISTIAN CHURCHES.

RP146PED

30.24- 5175

NEW YORK, AUG. 20-(AP)-WHAT GOES ON IN THE OFFICES OF THE DAILY WORKER, COMMUNIST NEWSPAPER, HAS BECOME A PRIME TOPIC AT THE COMMUNIST CONSPIRACY TRIAL.

IT'S A TICKLISH COURTROOM SUBJECT THOUGH--ONE THAT HAS REPEATEDLY CAUSED FEDERAL JUDGE HAROLD R.MEDINA TO REBUKE DEFENSE WITNESSES WHEN THEY DECLINED TO ANSWER SOME OF HIS QUESTIONS.

THE TOPIC BOBBED UP AGAIN YESTERDAY, AND AS DEFENSE LAWYERS BEGAN TO DRAW FROM A WITNESS TESTIMONY ABOUT AN EDITORIAL MEETING, THE JUDGE INTERRUPTED TO SAY:

"YOU MUST GET THE WITNESS TO TELL US WHEN THE DISCUSSIONS OCCURRED, WHERE THEY WERE HELD AND WHO WAS THERE."

PREVIOUSLY, THE JUDGE HAD THREATENED ALAN MAX, THE PAPER'S MANAGING EDITOR, WITH A JAIL SENTENCE WHEN HE REFUSED TO STATE WHO WAS PRESENT AT ONE OF THE PAPER'S SESSIONS.

DEFENSE LAWYER A.J.ISSERMAN ASKED MEDINA IF HIS NEW INSTRUCTION WAS "AN ORDER."

"IT IS," SAID MEDINA. "I'M NOT GOING TO PLAY AROUND WITH THIS."

"I WISH TO APPROACH IT IN ANOTHER WAY," SAID ISSERMAN.

"YOU MEAN SNEAK UP ON IT?" ASKED THE JUDGE.

"NO," REPLIED ISSERMAN, "AND I OBJECT TO THE COURT'S CHARACTERIZATION."

THE WITNESS ON THE STAND, JOSEPH STAROBIN, UNITED NATIONS CORRESPONDENT FOR THE WORKER, THEN GAVE THIS REPLY TO A QUESTION ABOUT WHO ATTENDED THE MEETING:

"MEMBERS OF THE NEWSPAPER'S EDITORIAL STAFF, CIRCULATION AND ADVERTISING DEPARTMENTS--BUT I CAN'T RECALL WHO WAS NOT PRESENT."

MEDINA LET IT GO AT THAT.

STAROBIN DISPUTED GOVERNMENT TESTIMONY THAT JAMES S.ALLEN, EX-FOREIGN EDITOR OF THE PAPER, HAD SAID AT THE MEETING THAT THE U.S. COULD BE RID OF CAPITALISM ONLY WITH HELP FROM THE RED ARMY.

"HE SAID NOTHING OF THE KIND," SNAPPED STAROBIN.

LOUIS F.BUDENZ, FORMER MANAGING EDITOR OF THE PAPER WHO RENOUNCED COMMUNISM AND IS NOW A FORDHAM UNIVERSITY ECONOMICS PROFESSOR, HAD TESTIFIED ALLEN HAD SAID THE U.S. IS "A HOPELESSLY CAPITALISTIC STATE" AND THAT "CAPITALISM COULD ONLY BE OVERTHROWN WITH THE HELP OF THE RED ARMY."

THE TRIAL, IN WHICH 11 TOP RED LEADERS ARE ACCUSED OF CONSPIRING TO ADVOCATE FORCIBLE OVERTHROW OF THE GOVERNMENT, IS IN RECESS UNTIL MONDAY.

PICKETS PARADED OUTSIDE THE FEDERAL COURTHOUSE AGAIN YESTERDAY, CARRYING SIGNS DEMANDING THAT MEDINA RELEASE THREE OF THE DEFENDANTS WHO ARE KEPT IN JAIL BETWEEN COURT SESSIONS ON CONTEMPT SENTENCES.

RW718AED

NEW YORK, AUG. 20-(AP)-FOUR AMERICANS AND ONE CANADIAN SAILED FOR EUROPE TODAY AS WESTERN HEMISPHERE DELEGATES TO THE GENERAL ASSEMBLY MEETING OF THE INTERNATIONAL UNION OF CITIES IN GENEVA NEXT MONTH.

THE GROUP REPRESENTS THE UNITED STATES CONFERENCE OF MAYORS AND THE CANADIAN FEDERATION OF MAYORS, AND IS ACCOMPANIED BY PAUL A. SCHRADER, MANAGING EDITOR OF THE TOLEDO BLADE, AS AN OBSERVER.

THEY SAILED AT NOON ABOARD THE ITALIAN LINER VULCANIA, BOUND FOR GENOA AND NAPLES.

THE AMERICANS WERE MAYOR OSCAR HOLCOMBE OF HOUSTON, TEXAS, CHAIRMAN; MAYOR WILLIAM MORRISON OF CHARLESTON, S.C.; MAYOR MICHAEL DISALLE OF TOLEDO, OHIO, AND COL. PAUL BETTERS, EXECUTIVE DIRECTOR OF THE U.S. CONFERENCE.

THE LONE CANADIAN WAS RICHARD F. QUINN, REPRESENTING MAYOR CAMILLIEN HOUDE OF MONTREAL.

AUG 21 1949

THE GENEVA MEETING WILL BE THE SECOND SUCH INTERNATIONAL CONFERENCE SINCE THE WAR--THE FIRST BEING HELD IN 1947 AT PARIS.

MAYOR MORRISON, ACCOMPANIED BY HIS WIFE, CAROLINE, SAID HE HAS SOME IDEAS ON CITY GOVERNMENT TO INTRODUCE AT THE CONFERENCE, WHICH WILL REPRESENT 40 COUNTRIES. HE SAID CHARLESTON IS BEHIND IN CITY PLANNING AND SLUM CLEARANCE. HE WILL GIVE SPECIAL ATTENTION TO THESE PHASES OF CITY GOVERNMENT.

MAYOR HOLCOMBE, WHO IS TRAVELING WITH HIS WIFE MARY, SAID "HOUSTON DOESN'T HAVE ANY PROBLEMS THAT MONEY CAN'T CURE." HE POINTED TO THE CITY'S ENORMOUS GROWTH FROM 130,000 IN 1920 TO 600,000 TODAY, AND SAID IT IS THE FASTEST-GROWING CITY IN THE WORLD.

MAYOR DISALLE SAID TOLEDO'S PROBLEMS, TOO, ARE HOUSING AND PLANNING AND HE HOPES TO GET SOME HELP AT THE CONFERENCE ON WAYS TO SOLVE THEM.

"THE PROBLEMS OF CITIES OVER THERE ARE SIMILAR TO OURS," HE SAID. "THEY HAVE TO REBUILD THEIR CITIES BECAUSE OF WAR DAMAGE AND WE ARE REBUILDING OURS BECAUSE OF THE NEED FOR CITY PLANNING."

RP118PED

End August 20, 1949

30.24- 5177

Tito Accuses Russians Of Pulling Doublecross Over Austrian Claims

MOSCOW BLASTED IN FORMAL NOTE AS SPLIT WIDENS

Kremlin Is Accused of Using Soviet Citizens in Yugoslavia as Spies

• 'INSULTS' PROTESTED

Only Russians Arrested Were Saboteurs, Belgrade Declares

LONDON, Aug. 21 — (AP) Yugoslavia accused Russia today of being a doublecrosser. In a formal note Marshal Tito's government charged the Russians abandoned on the sly support of Tito's claims for Austrian territory.

Tonight Tito's Communist Party newspaper Borba fololwed up this formal charge with an editorial accusing Russia of using Soviet citizens in Yugoslavia as spies.

The editorial lashed out at Russia's newest note of Thursday, disclosed only yesterday in Moscow, threatening "effective measures" to protect Russian citizens in Yugoslavia.

Calls Russia Doublecrosser

The Yugoslavia government blasted Russia as a doublecrosser on the Austrian question in a note handed to Russia last night and reported today by Tanjug, the official Yugoslav news agency. This was in reply to a Soviet note of Aug. 11 declaring Yugoslavia an enemy of the Soviet Union.

The Borba editorial also was reported by Tanjug. Both were heard here on broadcasts from Belgrade.

The Russian statement broadcast by the Moscow Radio yesterday, accused Yugoslavia of "unlawful arrests and beatings" of Soviet citizens on Yugoslav territory because they were friendly to Russia.

The weekend blasts were the latest in the feud between the U.S.S.R. and Yugoslavia dating back to June, 1948. At that time the Russian-led cominform kicked Tito's party out, charging it with anti-Soviet nationalism.

Says Russians Act as Spies

Borba said some Russians in Yugoslavia, when granted Soviet citizenship, "were inveigled for Soviet intelligence service against socialist Yugoslavia."

Consequently, Borba said, it is not hard to understand why Russia is not transfering these citizens to their home country. It added:

"They do not need them in the Soviet Union, but they are handy as a pillar in other socialist countries."

The Soviet note had charged that some Russian citizens had been arrested because they had spread the cominform resolution which called upon the Communist Party in Yugoslavia to overthrow Marshal Tito.

Borba denied this and said they had been arrested because of sabotage against Yugoslavia incited by the cominform resolution.

Borba said that only a small number of people have been arrested in Yugoslavia, while those who honor Yugoslav laws are living undisturbed.

Russian "Insults" Protested

The paper said the Russian note on Soviet citizens in Yugoslavia was full of "vile language, insults and threats," and was delivered in an insulting fashion—handed to a Yugoslav foreign ministry doorman at 5 a.m.

The latest Yugoslav note charged that the Kremlin had sold out Yugoslav interests in Slovene Carinthia (southern Austria) to assure "agreement on its own claims to German assets in Austria" by other members of the big four.

It bristled with such terms as "lies and slanders," "distortions of the truth" and "unworthy insinuations" in replying to Moscow's charges.

"Behind the back" of the Yugoslav government, the note declared, Russia promised Austrian Chancellor Karl Renner to work for preservation of Austria's present boundaries while at the same time encouraging Yugoslavia to press her claims with the United States, Britain and France.

Russia had accused the Yugoslav government itself of quietly abandoning its claims while attempting to make its people think Russia was responsible for the failure to win a slice of territory.

The four-power foreign ministers council at Paris last spring agreed to retain present frontiers in the Austrian treaty of independence, not yet completed.

Kremlin's Charge Denied

In her note of Aug. 11 Russia charged that Tito was conspiring to join the western power bloc. Yugoslavia said this assertion was intended to "conceal precisely the contrary"—that Russia was working against the interests of Yugoslavia in the matter of the Austrian treaty.

Today's note was the sixth in an increasingly bitter exchange which seemed to foreshadow some showdown, diplomatic or otherwise.

Beginning with the denunciation of Tito by the cominform over a year ago as a nationalistic wanderer from the true communist line, the feud has now advanced to where Russia and the Moscow-trained premier of Yugoslavia are calling each other enemies.

Saturday night, the Mocow radio broadcast the text of a note which was even stronger. It compared Tito's government to that of Generalissimo Franco of Spain and the "Monarcho-Fascists" of Greece in its alleged torture of Soviet citizens in Yugoslavia.

The Moscow note defended the cominform resolution of June, 1948, which urged the Yugoslav Communist Party to "renovate" its leadership, as entirely constitutional and legal. But Moscow denied the cominform urged an overthrow of the Yugoslav government by force.

Nevertheless Marshal Tito has been reported shifting his troops in Macedonia—between two cominform allies, Bulgaria and Albania—and he has publicly warned that his army was prepared to fight any invader.

Tito Charges Double-Cross By Kremlin

Cites Abandoning Of Yugoslav Claims

His Latest Note in Verbal Warfare Ignores Soviet Threats of Retaliation

By The Associated Press

LONDON, Aug. 21—Yugoslavia renewed today a battle of words with the Soviet Union, despite a threat from Moscow.

Premier Marshal Tito's government made public a note replying to a Soviet note of Aug. 11 which declared Yugoslavia's regime is now considered an enemy of the Soviet Union. The new Yugoslav note said Russia is a doublecrosser because she abandoned on the sly support of Yugoslav territorial demands on Austria.

Tito has not yet replied to the note, still more bitter in tone, which was broadcast from Moscow last night. It called the Tito regime Fascist and threatened "more effective measures" for protection of Soviet citizens from alleged mistreatment in Yugoslavia.

The latest note from Belgrade, as broadcast by the Yugoslav official news agency Tanjug, charged that the Soviet Union sold out Yugoslav interests in Slovene Carinthia (southern Austria) in order to assure "agreement on its own claims to German assets in Austria" by other members of the Big Four powers.

Charges Moscow Lies

The note used such terms as "lies and slanders," "distortions of the truth" and "unworthy insinuations" in replying to Moscow's charges.

[The Yugoslav note said, according to The United Press: "The enemy attitude of the Soviet government is known from a series of Soviet government acts toward Yugoslavia." It added: "That attitude is merely a consequence of the policy which the Soviet government at present follows and which not only is against the interests of Socialist Yugoslavia but is damaging to the entire anti-imperialistic world democratic front."]

"Behind the back" of the Yugoslav government, the note declared, Russia promised Austrian Chancellor Karl Renner to work for preservation of Austria's present boundaries and at the same time encouraged Yugoslavia to press her claims with the United States, Great Britain and France.

Russia, in the Aug. 11 note, accused the Yugoslav government of quietly abandoning its demands while attempting to make its people think Russia was responsible for the failure to obtain some territory from Austria.

The four-power Foreign Ministers' Council at Paris last spring agreed to retain present frontiers in the Austrian treaty of independence, not yet completed.

Soviet Accusation Denied

In the Aug. 11 note, Russia charged that Tito was conspiring to join the Western power bloc. The Yugoslav note of today said this assertion was intended to "conceal precisely the contrary"—that Russia was working against the interests of Yugoslavia in the matter of the Austrian treaty.

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(Continued on page 4, column 1)

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Beginning with the denunciation of Tito by the Cominform more than a year ago as a nationalistic wanderer from the true Communist line, the feud has now advanced to the point where Russia and the Moscow-trained Premier of Yugoslavia are calling each other enemies.

The note broadcast from Moscow last night compared Tito's government to that of Generalissimo Francisco Franco of Spain and that of the "monarcho-Fascists" of Greece, by reason of its alleged torturing of Soviet citizens in Yugoslavia.

The Moscow note defended the Cominform resolution of June, 1948—which urged the Yugoslav Communist party to "renovate" its leadership—as entirely constitutional and legal, but the note denied the Cominform had urged overthrowing of the Tito government by force.

Excerpts From Belgrade Reply to Soviet

LONDON, Aug. 21 (AP)—Following are excerpts from the Yugoslav reply to a Soviet note dated Aug. 11, as transcribed today from a Belgrade broadcast:

The Government of the Federal People's Republic of Yugoslavia, having acquainted itself with the text of the note sent by the Soviet Government on the eleventh of August, considers that the insulting tone of this note does not bind the Yugoslav Government to reply but for the sake of historical truth.

On the question of leaving Slovene Carinthia under German domination and in order that the democratic public may not remain deluded on this matter, the Yugoslav Government deals with central facts which have been entirely distorted in the said note of the Soviet Government.

It [Yugoslavia] is supposed, as far back as in 1947 in the spring, to have renounced claims on Slavene Carinthia [in southern Au-

strial. The Soviet Government is trying in this way to remove responsibility from itself as a responsible Government participating in bringing about the Paris decision whereby, contrary to the principle of self-determination of peoples, the just claims of Yugoslavia to Slovene Carinthia were entirely rejected.

In April, 1947, the Yugoslav delegation arrived at Moscow to set forth at this session of the Foreign Ministers' Council its claim on Austria, but it met with the completely negative stand of the representatives of the United States, Great Britain and France, as well as the extremely vague attitude of the Soviet Government with regard to its readiness to defend Yugoslav claims.

Stand by Russians

The Soviet Government well knows that at that time during several talks between the Yugoslav head of delegation, E. Kardelj, and the Ambassador of Yugoslavia in Moscow, V. Popovitch, and representatives of the Soviet Union, V. Molotov and A. Vishinsky, these latter two assured Yugoslav representatives that there were absolutely no prospects for the Yugoslav territorial claims in the Council of Foreign Ministers to be accepted and that it was most likely they would be rejected in entirety.

Foreign Minister Molotov declared to M. Kardelj that, despite such hopeless prospects, the Soviet delegation would continue to keep the question of Slovene Carinthia on the agenda only to facilitate a positive solution regarding German property in Austria in behalf of the Soviet Union.

The Yugoslav delegation was therefore clearly informed that the Soviet delegation would not be able to uphold its support of Yugoslav territorial claims on Austria if the Foreign Ministers' Council reached an agreement on German assets in Austria.

Moreover, such a stand of the Soviet Government was also expressed at the Moscow session of the Foreign Ministers' Council itself.

Finally such a stand is borne out also by the outcome itself, which shows that the Soviet Government indeed renounced support of the Yugoslav claims when it once achieved agreement on the question of German assets in Austria.

Stalin's Letter to Renner

The Yugoslav Government could not but link up such a Soviet stand with a letter which Premier Stalin sent in May, 1945, to the Chancellor of Austria, Herr Renner, and which contains a promise of the immutability of Austrian frontiers.

The Soviet Government did not deem it necessary to inform the Yugoslav Government about the contents of said letter, despite the fact the Yugoslav Government, as the Government of an Allied country, could have expected this.

Such a letter contained precisely those things which the Soviet Government terms lies and slanders—namely, the promise of every assistance for the integrity of the Austro-Yugoslav frontier. [This] can readily be grasped by anyone if he also bears in mind the circumstance that the Western powers also held the same view.

Accordingly, for the Yugoslav Government, the statements representatives of the U.S.S.R. Molotov and Vishinsky made to the Yugoslav delegation in Moscow could mean nothing less than the readiness of the Soviet Government to keep its word given to the Austrian Chancellor Renner in the above cited letter; that is, the readiness of the Soviet Government to concur with the attitude of the Western powers, with the attitude that the frontier between Yugoslavia and Austria should not be rectified and that Slovene Carinthia should be left inside Austria.

Minimum Claims Defined

In such situations the Yugoslav delegation in Moscow tried in talks with representatives of the Soviet Union Molotov and Vishinsky to enlist the aid of the Soviet delegation in an endeavor at least to achieve a compromise solution.

The Soviet representatives asked the Yugoslav delegation to prepare also a written proposal continuing several variants of the minimum claims, which the Yugoslav delegation actually did in the letter of E. Kardelj to A. Vishinsky of April 20, 1947.

At the same time Mr. Molotov advised M. Kardelj that the Yugoslav delegation should intervene with representatives of the other big powers in the direction of a compromise solution.

In the light of such a state of affairs, the attempt of the Soviet Government note to depict M. Kardelj's letter to Mr. Vishinsky of April, 1947, as a renunciation by the Yugoslav Government of the incorporation of Slovene Carinthia into Yugoslavia is a distortion.

The public knows that the Yugoslav Government never renounced nor ceased to fight for the incorporation of Slovene Carinthia to Yugoslavia, that it was prepared to concede only because that was requested by the Soviet Government and because the Yugoslav Government had no other way out.

Assertion Held Absurd

The absurdity of the assertion that the Kardelj letter meant renouncing Carinthia is proved also by the fact that Soviet representatives, for two whole years after this letter, supported Yugoslavia's request for incorporation of Slovene Carinthia up to the moment when they abandoned this request, having reached a favorable solution of the question of German assets in Austria in favor of the Soviet Union.

The Soviet Government's note also asserts that it was "subsequently" proven that the Yugoslav Government "behind the back" of the Soviet Government conducted negotiations with Great Britain's representatives on renouncement of Slovene Carinthia.

The fact remains that it was precisely the Soviet representatives, asserting that there were no prospects for the liberation of the Carinthian Slovene, who asked the Yugoslav delegation to intervene directly with the Western powers so that the latter might abandon the principle of the immutability of the Austrian frontiers and agree to a compromise solution.

The Soviet Government note asserts that the Government of Yugoslavia did not want publicly to take upon itself responsibility for ceding on the question of Slovene Carinthia because it wished to deceive the Yugoslav people into thinking it was allegedly defending their interest and to shift responsibility for this to the Soviet Government.

U.S.S.R. Labeled Hostile

How [illegible] this assertion is can be seen from the fact that the Soviet Government was the first "to cede" and what is more to cede to end the question of Carinthia without the knowledge of the Yugoslav Government.

These are facts which best show who was and who was not consistent in the struggle for the national democratic rights of the Carinthian Slovenes and who "behind backs" concluded pacts with the Western powers on this question.

In this light, the deliberate assertion of the Soviet Government that Yugoslavia is aligning in the front of the imperialistic countries acquires special significance.

This assertion should conceal precisely the contrary fact—namely, that the Soviet Government, on the question of Slovene Carinthia and, for that matter, also on the other questions of the Austrian treaty relating to the interests of Yugoslavia, was opposing the interests of the Yugoslav peoples, that it is the Soviet Government which is hostile toward Yugoslavia and not the Yugoslav Government toward the Soviet Government.

MT. ARARAT RELICS FOUND

Russians Report Man Lived There Before Noah

London, Aug. 21 (AP).—The Russians, who get nervous when foreigners head for Biblical Mount Ararat just across the border in Turkey, made known tonight one of their scientists has been digging close to it.

Tass, the official Soviet news agency, in a dispatch from Erevan in Soviet Armenia, said the scientist has unearthed evidence stone age men lived near Ararat. This presumably was long before Noah's Ark is supposed to have landed on the mountain after the flood.

A party of Americans recently received permission of the Turkish Government to search Mount Ararat for possible traces of the Ark. The Soviet press and radio have charged the Americans are representatives of United States military intelligence trying to spy on the neighboring Soviets.

Digs For Six Years

Tass said the Russian scientist, identified as one Sardaryan, has just finished six years of excavations on the southwestern slopes of Mount Ararat and in a near-by valley. The dispatch said he had found stone tools "representing all epochs of the paleolithic" or old stone age. This age, during which man used more or less crude stone implements, ended about 10,000 B.C. and is estimated to have lasted anywhere from 500,000 to 1,500,000 years.

Railway Strike in Rome

ROME, Aug. 21 (AP).—The Communist - dominated Chamber of Labor has called a half-day strike of railroad employees at Rome at noon tomorrow. The strikers seek from the state-operated railways a forty-eight-hour week, a twenty-six day yearly vacation and pay increases.

U. S., Ireland Reach Free Visa Agreement

DUBLIN, Aug. 21 (AP).—A free visa agreement between the Irish government and the United States was announced today. It went into effect Aug. 1.

Under the arrangement, American citizens with valid passports may enter Ireland without visas. In turn, effective Sept. 1, the United States will grant free visas to Irish citizens other than emigrants.

AMG CHARGES RUSSIANS POSE

Views Berlin Friendliness As Mask For Conquest Aims

Berlin, Aug. 21 (AP)—A special report by the United States Military Government for Berlin said today the Russians' current air of friendliness here was a pose to mask the real goal of the Kremlin-Communist domination of all Germany.

The report was submitted to Maj. Gen. Maxwell D. Taylor, who will succeed Brig. Gen. Frank Howley as commandant of the American sector of Berlin next month, and to John J. McCloy, United States military governor.

It has been made available also to State Department units that deal with American policies in Germany. The document was drawn up by the military government's Headquarters Division.

Part of the report deals with the staff needs facing General Taylor, who will serve as troop commander as well as commandant. He also will have frequent dealings with the Russians on four-power matters.

Major Problem Listed

The section outlining tasks ahead indicates the authors consider the Russians have put aside the "cold war" as an instrument of policy in Berlin only for the moment.

The Headquarters Division listed as its major problem: "Constant political and economic conflict with the Soviet military administration, whose objective is communistic control of Berlin and eventual political and economic control of Germany."

This conclusion was dated August 11—long after the Russian blockade was lifted and long after Russia, the United States, Britain and France were supposed to be establishing a "live and let live" philosophy here.

The four commanders have failed in frequent meetings to reach a single major agreement on normalizing life in the split city. The West has made proposals which hang in the air and the Russians answered them only by submitting some of their own.

The official military government newspaper *Die Neue Zeitung* said editorially Washington circles already considered the four-power talks in Berlin as bogged down in failure.

"The old Soviet delaying tricks are cropping up in any discussions designed to straighten out Berlin's economic and political mixup," it said. "There are Communist and anti-Communist city governments, two currencies and two political philosophies clashing daily.

"For the Russians, Berlin . . . disturbs them as a show window into their own methods."

McCloy Names Cabinet Aides

Frankfurt, Germany, Aug. 21 (AP). John J. McCloy today appointed six members of the eight-member Cabinet that will replace the American Military Government organization when the West German federal republic is formed next month.

McCloy, who is now United States military governor, will become civilian high commissioner in American zone with the changeover.

The Cabinet members named today were:

CHESTER A. MCCLAIN, of Washington, general counsel.

HARVEY W. BROWN, of University Park, Md., director of the Office of Labor Affairs and labor adviser to the Economic Cooperation Administration (ECA) mission in Germany.

JAMES W. RIDDLEBERGER, of Washington, director of the Office of Political Affairs.

GLENN G. WOLFE, of Washington, director of the Office of Administration.

MAJ. GEN. JAMES P. HODGES, of Oakley, Md., United States commissioner of the Military Security Board.

30.24- 5179

RALPH NICHOLSON, of New Orleans, director of the Office of Public Affairs.

Economic and intelligence chiefs are yet to be appointed.

Executive Secretary Named

McCloy named James E. King, Jr., of Leesburg, Fla., executive secretary. This is a non-Cabinet post. King joined the military government in January, 1947, serving as secretary-general and later as deputy chief of staff at Nuernberg and Bad Nauheim.

McClain is now general counsel of the World Bank.

Brown was president of the International Association of Machinists from 1940 to last July. From 1940 to 1943 he was also vice president and a member of the executive council of the American Federation of Labor.

Riddleberger came to Germany as director of the political affairs office in October, 1947. Last March he was appointed acting political adviser to the United States military governor. A career diplomat, he served in the American Embassy in Berlin from 1936 to 1941.

Chief Of Korean Mission

Wolfe joined the State Department early in 1947 and served his first year in Rio de Janeiro. He organized the joint administrative services for the American mission for aid to Greece. Then he was named chief of the state-army-ECA mission to Seoul, Korea.

General Hodges has been director of the Armed Forces Division of the AMG and United States commissioner on the three-power Military Security Board in West Germany since October, 1948.

Nicholson is vice president and co-owner of the Tampa (Fla.) *Times*. He recently sold the New Orleans *Item*.

HOFFMAN IN FRANKFORT

ECA Chief Arrives From Athens as Harriman Joins Him

FRANKFORT, Germany, Aug. 21 (AP)—Paul G. Hoffman, Economic Cooperation Administrator, and W. Averell Harriman, roving Marshall Plan ambassador, arrived today to confer with Western officials on economic developments in Western Germany. Mr. Hoffman came by plane from Greece. Mr. Harriman flew in from Paris.

German Coalition's Stand On Free Enterprise Basis

Rhoendorf, Germany, Aug. 21 (AP) — Leaders of the Christian Democratic party, which won top place in last Sunday's parliamentary elections, said today the new West German Republic will have a right-wing coalition government committed to free enterprise and western ideals.

With this lineup, the Social Democrats (Socialists) will constitute the main opposition party. They were second in the parliamentary vote.

Regional Leaders In Caucus

A caucus of regional Christian Democratic chieftains promised to preserve free enterprise as opposed to a Socialist economy advocated by the social democrats. Dr. Konrad Adenauer, Christian Democratic chairman, presided.

The Christian Democrats had a closed session at the home here of Dr. Adenauer, who is expected to be the first chancellor (premier) of the new republic. After the meeting they issued a communiqué declaring the August 14 elections "were an impressive indorsement of Christian Democratic conceptions of state and society and a clear indorsement of the free market economy as opposed to the Socialist planed economy."

The party leaders said they are "obligated to abide by this attitude when forming the federal government."

This means that they will turn to the rightwing Free Democratic party, an advocate of free enterprise, in forming a coalition government.

Two Hold 191 Seats

In the voting the Christian Democrats received 31 per cent of the popular vote and 139 out of the 402 seats in the parliament. The Free Democrats were third in the election, receiving 11.95 per cent of the vote and 52 parliamentary seats.

The Christian and Free Democrats will lack only eleven seats of having a clear majority in parliament. They can easily pick these up by inviting one or more of the small right-wing parties to join the coalition.

After today's Christian Democratic meeting, Dr. Ludwig Erhard, economics director for the combined British and American occupation zones, said "there will be no contact with the Social Democrats."

Franz Strauss, a regional leader of the party in Bavaria, said the Social Democrats now have a great chance as a constructive opposition.

The Christian Democratic leaders declined to comment on the possible composition of the cabinet. However, it was considered certain they had discussed possible appointees.

Communist Charges In Finland

TEDDY ROSENTHAL

Helsinki, Finland, Aug. 21 (AP)—The Communists' official newspaper charged today that Finnish police action against Communist-led strikers is aimed at preparing for war against the Soviet Union.

The charge was made by the party organ, *Tykansan Sanomat*. This followed up the party's call yesterday for anti-Government rallies to protest against the "terror, violence and murders" which Communists said attended efforts of the Government to end the strikes.

Only Major Clash

The strike front was obviously weakening. The only major clash announced was the brush Thursday between strikers and police at the lumbering town of Kemi, where one man was killed and nine injured.

The walkouts, which Premier Karl August Fagerholm's Social Democratic government charged were aimed at laying the groundwork for a Communist coup, lost potency under back-to-work orders by Finland's Central Trade Union Federation.

Anti-Communist newspapers reported unanimously that the strike lines were showing great gaps and more workers were returning to their jobs.

Fresh bread was available in satisfying quantities. Practically all bakeries were expected to be back in operation Monday morning.

Brewery Work Resumed

From 90 to 95 per cent of the brewery strikers resumed work.

Lumbermen and log floaters in all except one district were back on the job and dockers resumed work at several ports.

The Communists had hoped to pull out at least 100,000 fo Finland's 300,000 unionized workers in a day-by-day strike movement, but the peak figure was estimated in mid-week at 45,000.

The Government, which has promised to "inflict a crushing defeat on the Communists," came under heavier attack from the Communist press.

[Pravada and other Moscow newspapers said the Finnish strike "is widening and embracing new enterprises" and what it will continue to expand despite all efforts of the Government to break it.]

Charges Treaty Violation

Communist newspapers followed up the theme of the party executive committee, which notified President Juho K. Paasikivi yesterday that the anti-strike measures of the government "openly violate provisions of the peace treaty" which Finland signed with Russia and Britain in 1944.

[This treaty provides that disputes over interpretations shall be settled by Britain and Russia with the aid of some other nation if the two are unable to agree.]

Tykansan Sanomat said "the police terror" aimed at crushing peace-loving elements in order to prepare the way for war against Russia. The paper said it is generally stated in Stockholm, capital of neighboring Sweden, that the "terrorist policy" is part of Anglo-American imperialistic activity and is used in an attempt to strengthen the North Atlantic alliance. It called the alliance a war union.

Quote Moscow Press

Both *Tykansan Sanomat* and *Vapaa Sana*, organ of the Communist-allied popular democrats, carried articles telling how the Moscow press reported the actions against Finish workers.

The papers said the Moscow press also reported that the Finnish Communist party had asked for punishment of those responsible. It should be noted in Sweden, the two papers said, how the Moscow papers reacted.

Both stories were distributed by the Democratic News Service, described by social democrats as a Communist propaganda center in Helsinki.

AUG 22 1949

Romanian Celebration

Ana Pauker Credits Reds Alone For Saving Nation From Nazis

BUCHAREST, Aug. 21 (AP).—Foreign Minister Ana Pauker gave to Communists and the Soviet Army today all the credit for liberating Romania from Nazism. Writing in the Communist newspaper "Scanteia," she said also that the Reds "saved Romania from Anglo-American imperialism."

Her article set the keynote for a fifth anniversary observance of the coup which took this country out of the Axis line-up and into the Allied ranks on Aug. 23, 1944.

The same theme was stressed in a thirty-page booklet issued by the Communist party for an anniversary celebration next Tuesday.

Chinese Report Recapture Of Town In Canton Defenses

Canton, *Monday*, Aug. 22 (AP) — The Nationalists reported today an important comeback against a Communist drive on Leiyang, a key point in the defense of Canton.

The Communist attempt to sever the Canton-Hankow railway at Leiyang not only has been beaten back, the Nationalists asserted, but Anjen has been retaken. Anjen, 30 miles northeast of Leiyang, safeguards the eastern flank of Government defense operations in Hunan province.

Recapture of Anjen, the Nationalists said, was accomplished by a counterattack that pushed back one division of the Communist 45th army and wiped out two of its regiments.

Leiyang is on the railway 230 miles north of Canton. Its fall would have cut off from the capital the large forces based on Hengyang, 35 miles farther north.

Heavy Casualties

The reds were asserted to have suffered 1,000 casualties and lost 200 machine guns and 400 rifles.

Fifty miles northwest of Hengyang the nationalists laid claim to another victory involving much larger numbers but possibly of less immediate tactical importance.

Gen. Pai Chung-hsi's nationalist defense army was credited with total destruction of the red 51st Army of Gen. Lin Piao.

One division of this red army has been reported wiped out three days earlier, and this was confirmed by reliable private sources. Today the nationalists said the remaining two divisions have been smashed. (This would represent a total loss to the reds of possibly 30,000 men if the divisions were at full strength.)

Such a victory should relieve at least temporarily the pressure on Pai's western flank and leave open his possible retreat route southwest into his native Kwangsi province.

Fierce Fighting Reported

On the eastern flank, the nationalists reported fierce fighting around Sinfeng, 180 miles northeast of Canton. They denied private reports that the reds had captured Sinfeng. The town is 55 miles east of communist-held Tayu, which is 170 miles from Canton and the nearest approach yet made by the red regulars to this capital.

On the far northwestern front in Kansu Province, news was less favorable to the nationalists. Foreign travelers said the reds were firing into the airfield three miles outside the walls of Lanchow, provincial capital.

They said Gen. Ma Pu-fang, nationalist commander of the whole northwest region, had ordered abandonment of Lanchow. He had to take a truck instead of a plane to get to Tsining, capital of Tsinghai province, 110 miles west of Lanchow.

Knowland to Visit Japan

TOKYO, Aug. 21 (AP).—General of the Army Douglas MacArthur's headquarters reported today that approval had been given to an application from Senator William F. Knowland, Republican, of California, to visit Japan. Mr. Knowland is one of a group of Senators who have been trying to get MacArthur to return to Washington and testify on the foreign arms aid program. General MacArthur's office quoted him as saying that "Senator Knowland is welcome here at any time."

AUG 22 1949

INDONESIA TALKS TO OPEN

Bennett files

Dutch Parliament Viewed As Sovereignty Obstacle

Batavia, Java, Aug. 21 (AP)—Indonesia's leaders have gone to The Hague round table with improved hopes of getting unconditional sovereignty this year for their people from the Dutch, who have ruled them three and a half centuries.

They want undisputed control over lands richer than any other in Asia or the great and small neighbor islands.

The bargaining in Holland over the future status of the old Dutch East Indies starts Tuesday.

Sovereignty Promised

The Dutch have promised to yield sovereignty to the 60,000,000 to 70,000,000 islanders, but want to keep them in a union with Holland and other possessions under the crown.

The United States of Indonesia, under that plan, would be an equal partner with the rest of the Dutch empire.

Among the more optimistic, the only question remaining is how strong or loose the tie may be. Among the pessimists there is a feeling that any deal made at the round table will have a high hurdle to jump when it reached the Dutch Parliament for approval—a parliament showing signs of stuborn resistance to the idea of giving away large pieces of Queen Juliana's empire.

Leaders of the Indonesian Republic—the prime mover for independence—and head men from fifteen other states outside Republican territory of the Indies, met to settle differences among themselves before going to Holland. They quickly closed ranks to present a solid front for sovereignty in the talks with the Dutch.

Settlements On Paper

Past settlements of the Dutch-Indonesian conflict have been made on paper and then failed in operation. But the current talks seem to have an infinitely better chance of success.

The present phase began with a United Nations Security Council directive last March to its Indonesian commission. The American-Australian-Belgian commission prodded both sides and plodded ahead. It watched over the restoration of the Republican regime in its capital at Jogjakarta, put a cease-fire into effect and promoted the round-table talks.

The commission said it is confident an overall settlement now will be made quickly. Chances are better, at least, than at any time since the Dutch tried to wipe out the Republic with "police action" last December.

Premier Mohamed Hatta made it clear the Indonesians want economic as well as political independence from Holland. He stated this position at an inter-Indonesian conference recently.

Refers To Communism

Referring to communism without naming it, Hatta said that being economically independent was the only way for this part of Asia to keep free from an "ideological trend that tends to control the world from one center."

H. J. Van Royen, former chairman of the Dutch delegation to the United Nations Security Council and lately to the United Nations commission here, said the Dutch are prepared to yield complete and unconditional sovereignty to Indonesia, and should be able to do it by the end of this year.

It is believed here such views may conflict sharply with influential political and business standpoints in Holland. Some parliamentary opposition has arisen already against the government going as far as it has.

Indonesian nationalists don't hide their belief that the highest remaining hurdle probably will be the Dutch Parliament.

FOUR SENATORS DEMAND ARMS AID FOR CHINA

AUG 22 1949

Bridges, Wherry, Knowland, McCarran Assail White Paper Stand

Chinese claim recapture of town north of Canton.....*Page 4*

Washington, Aug. 21 (AP)—Four ranking senators bitterly denounced today the State Department's white paper on China as a "whitewash of a wishful, do-nothing policy."

They demanded "immediate and adequate military aid" for the Chinese Government.

The four, Senators Bridges (R., N.H.), McCarran (D., Nev.), Wherry (R., Neb.) and Knowland (R., Cal.), said in a joint statement that "instead of facing facts in China and admitting its error, the State Department still buries its head in the sand and issues a white paper." They directed strong personal criticism at the Secretary of State, Dean Acheson.

White Paper Centered Blame

The white paper, issued August 5, blamed China's long series of reverses at the hands of Chinese Communists on asserted political, economic and military ineptitude of Generalissimo Chiang Kai-shek's Natonalist Government. The State Department, in addition, turned thumbs down on any further aid to the Government pending the developing of a new long-range policy.

The four senators rejected flatly this position. They contended that "our own welfare no less than China's" demands a halt to what they called a "master plan of Soviet conquest" in Asia. It is high time, they said, to bolster free areas of China and unify neighboring countries for defense.

"China still has not succumbed," the four senators declared, adding:

"The Chinese Government still holds a greater area of the country than it did after the first year of war with Japan.

Sources Of Communist Arms

"What the Chinese Army lacks more than anything else are the weapons which the State Department dangerously advises be withheld from its armies.

"Against the Government troops, deprived of arms and equipment by this shortsighted State Department policy, the Communists fight with a wealth of weapons.

"Most of these—as the White Paper points out—were surrendered by the Japanese to the Russians. What the White Paper has neglected to state, however, is that reports indicate that some of the Communists' United States-manufactured weapons have been diverted to them out of the United States' wartime $11,000,000,000 lend-lease to Soviet Russia.

"For propaganda purposes, Communists have claimed to have captured it all from the Nationalist Government."

White-Paper Contention

The protesting senators also said "The White Paper says China lost huge quantities of munitions sent from the United States.

"What it does not say," they commented, "is that China has suffered from an embargo on United States military aid."

AUG 22 1949

The White Paper says "much of the equipment furnished by the United States to China prior to and after V-J day has fallen into the hands of the Communists."

The State Department document also said that until the military collapse of the Nationalist Government in the Fall of 1948, the Chinese held fifteen major arsenals and five subarsenals producing small arms and ammunition "adequate to sustain normal operations of the Chinese Army."

General Asian Significance

"The (Nationalist) Government also had access to arms markets in foreign countries other than the United States and in the years following V-J day purchased considerable quantities of military matériel through such sources," the White Paper added.

The Communist crisis in China is not just her domestic problem as "apparently the White Paper assumes," the senators said, continuing:

"If China should fall completely into the hands of the Communists, it would mean the eventual end of progress toward democracy in all Asia. . . .

"We are spending millions to fight a cold war against communism throughout the rest of the world and approximately one per cent in the important Pacific area. In China there is a hot war. The Chinese Government must have immediate and adequate military aid."

Four In Important Posts

Two of the senators—Knowland and Bridges—are members of the Senate Armed Services Committee, which will meet Tuesday with the Senate Foreign Relations Committee to begin drafting a foreign-arms bill. Wherry is GOP floor leader and McCarran the chairman of the joint Senate-House foreign spending "watch-dog" committee.

Knowland already has submitted an amendment to the arms bill which would earmark $173,000,000 of the authorization for China. But he faces an uphill battle to get the $173,000,000, or any smaller amount, approved.

Both Senator Connally (D., Texas), chairman of the Foreign Relations committee, and Senator Tydings, chairman of the Armed Services committee, are opposed to China's inclusion in the proposed $1,450,000,000 program.

Their stand was buttressed by the House Friday when it rejected an amendment to tag $100,000,000 in the bill for China and southeast Asia.

But the China fight, heated as it undoubtedly will be, will play a secondary role to the struggle of the Administration to get the Senate to offset another House action.

Connally For Full Sum

The House in approving an arms bill Friday, cut in half the $1,160,990,000 which the Administration sought for military aid for Atlantic pact nations. The House left intact the Administration figures of $211,370,000 for Greece and Turkey, and $27,640,000 for Iran, Korea and the Philippines.

Connally has announced he will fight to have the Senate committees approve the full amount requested by Acheson and military leaders. Tydings today said the Senate "should restore some of the cut, at least."

The Senate's two principal GOP foreign-policy spokesmen, Senators Vandenberg (R., Mich.) and Dulles (R., N.Y.) have proposed trimming the North Atlantic figure to $1,000,000,000. Dulles is not a member of either committee.

But three Southern Democrats who are members of eight Foreign Relations or Armed Services, all have expressed pleasure over the House action. They are Senators George (Ga.), Russell (Ga.) and Byrd (Va.).

Both Tasks Seen Hard

In view of this, Connally seems to face just as tough a job to get the full $1,450,000,000 approved as Knowland and Bridges do to get any help for China.

The latter in their joint statement with Wherry and McCarran criticized Acheson for "vacillating when the situation cries aloud for decisive forthright action to retrieve losses already sustained." The statement added:

"There is no publicly revealed evidence that Secretary Acheson is making any forthright efforts for unifying China's neighbors against the oncoming Red armies.

"Scapegoat" For Washington

"His efforts to make Chiang Kai-shek a scapegoat for the blunders of present and past administrations in Washington is shallow. It has been rejected by every competent observer of the tragic record of betrayal of China running back years."

The senators said that if it is the United States policy to "contain Communism the world over," then there can be no justification for the State Department's ignoring China's plight and "discontinuing the relative importance of the entire Far East."

They said the United States "wisely adopts" a military-assistance program for Europe and joins a North Atlantic pact, but added:

"That does not justify neglecting China and the Far East nor brushing off the crisis there with a long apologia for State Department errors."

SENATE GROUP STUDIES NEW FREEZER DATA

Information Is Obtained From Bennett At Chicago Home

AUG 22 1949

Washington, Aug. 21 (AP)—Boring into the motive for the gift of home freezers to Washington higher-ups, Senate investigators today studied new information obtained from the head of the perfume firm which footed the bill.

The special Senate subcommittee conducting the inquiry sent a man to Chicago, it was learned, to question ailing David Bennett, wealthy president of the Albert Verley Company.

The questioning of Bennett, a committee source said, took place last week, a few days after the Senate probers quizzed Harry Hoffman, Milwaukee advertising man, behind closed doors in Washington. The investigators declined to discuss what Bennett had to say.

May End Probe This Week

Bennett and Hoffman have been named as the donors of the freezers by Maj. Gen. Harry H. Vaughan, President Truman's army aide. Vaughan said they gave the units to him in 1945 out of friendship, and that he in turn had them sent to prominent Washingtonians. One went to the summer White House in Independence, Mo. Hoffman, whose firm handles the Verley advertising, said he obtained the freezers for Bennett's company.

The committee expects to conclude this week its public inquiry into whether improper influence has figured in handling of Government business. Hearings will be resumed Tuesday.

Besides Vaughan, who is expected to testify Wednesday or Thursday, the committee plans to call:

Maj. Gen. Herman Feldman, suspended Quartermaster General of the Army.

John Maragon, fast-talking former shoeshiner who once had a pass to the White House.

Hunt Also May Appear

And, health permitting, James V. Hunt, Washington management counselor who collects big fees for

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help in getting Government contracts for others. If Hunt is unable to take the stand, he probably will submit an affidavit, comittee members said.

Other witnesses have testified that Hunt boasted an inside track to the White House through friendship with Vaughan.

The committee also plans to return to the home-freezer episode. Hoffman's secret testimony dealing with the freezers and other matters was made public last Thursday. The committee put it out after Mr. Truman implied that the Senate group was withholding information favorable to Vaughan and that at the same time "leaking" derogatory data about his aide to the press.

Contradicts Vaughan

Vaughan said a week ago that Hoffman told him the freezers were experimental models which had no commercial market value. Hoffman's testimony behind closed doors was that he never made such a statement to Vaughan.

The committee has been inquiring whether there was any link between the gift of the freezers and Government clearance for a 1945 business trip to Paris in an army plane by Hoffman, Maragon and a third agent of the Verley Company.

Hoffman testified there was no connection between the two incidents. He told the committee that the Verley firm paid for all the freezers; that the first one was sent to the summer White House after Hoffman overheard Vaughan saying that one was needed there; and that Bennett later decided he wanted to send similar units to other Capital notables. He described Bennett as a free spender who "just wanted to do it."

Bennett Too Ill To Attend

At the time Hoffman was questioned, a letter from Bennett saying he had left all the arrangements to Hoffman was read into the record. That did not satisfy the investigators so they arranged to question Bennett in Chicago.

Bennett's doctor has certified, a committee member said, that Bennett is ill and unable to appear at the public hearing.

WCTU Speaker Says Drink Brought Disasters in War

Charges Drunkenness at Pearl Harbor, Invasion Date Bared at Party

PHILADELPHIA, Aug. 21—(AP) The Woman's Christian Temperance Union was told tonight that drinking brought on a host of "disasters and near-disasters to the allied armies" in World War Two.

In an address at WCTU's 75th national convention, H. Cecil Heath of London, general secretary of the United Kingdom (Temperance) Alliance, asserted:

"Authorities are trying to obscure the part played by alcohol during World War Two in all sections of the armed forces of every belligerent state."

"The unpleasant truth," Heath said, "can be discovered from court martial records and other official archives."

And said Heath:

Cites Pearl Harbor

"It is unnecessary to remind an American audience of the part drink played in the Pearl Harbor episode, nor to enlarge on the fact that an American major general was reduced to the rank of lieutenant colonel and sent home from Europe for disclosing the date of the invasion at a cocktail party.

"He had been one of the commanders of the American Air Force in Britain."

Heath did not elaborate on either incident in his address, but told a reporter that the incident of the dismissal of the major general is available on official records, as is his identity.

He said announcement of the incident was made by supreme headquarters, allied expeditionary forces, on June 7, 1944. General Dwight D. Eisenhower ordered the general's dismissal and reduction in rank, Heath related.

As to Pearl Harbor, the British temperance leader said "it is common knowledge that there was widespread drunkenness there the night of Dec. 6, 1941."

He quoted Christopher J. Benny as telling a House committee investigating the Japanese sneak attack that "liquor was everywhere" and that "the streets were jammed by soldiers and sailors staggering from one bar to another."

Heath said some sources reported that about 55 per cent of the 841 places licensed to sell liquor were operated by persons of Japanese ancestry. One, Heath said, was less than 100 yards from the U. S. military installation at Schofield barracks.

Heath asserted that the Germans "used alcohol as a means to undermine French resistance" in overrunning France. He quoted a 1941 Vichy dispatch as saying that "alcohol was the chief cause of the moral collapse of the French army."

Leaders of the French underground have informed him, Heath said, that they had to entrust important missions to abstainers.

Heath concluded that:

"Early demolition of the drink traffic and the drink habit is necessary if the tasks of peace are to be successful accomplished.

"Unfortunately, alcohol is a drug of addiction and habits, which contracted in wartime, cannot be easily abandoned.

"The situation is made more difficult, because in certain countries there has been official and deliberate encouragement of the drink habit."

Heath said Great Britain has used the liquor industry as a "buffer to ward off inflation" by maintaining production at prewar levels despite a general cutback in other industries.

"Britain's drink bill," he said, "has thus risen from $1,400,000,000 in 1938 to $3,200,000,000 in 1949."

"Disease" Claim Assailed

In another address, Bishop Wilbur E. Hammaker, executive vice president of the board of temperance of the Methodist Church, said calling alcoholism a disease "is a red herring" to divert the public's attention "from the real cause of drunkenness."

He said the medical campagin is directed against those who "can't handle their liquor" with an admission that some can drink without ill effect.

And, said Bishop Hammaker:

"Youg people are beset by subtler sins. They may not prove allergic to alcohol. They may continue after that first glass to drink with what they deem to be good taste and good sense. They only want to 'feel good,' as they say.

"What happens? Inhibitions of modesty are suspended. That is a sinful step to take—a dangerous one."

Mrs. D. Leigh Colvin, WCTU president, urged a thorough investigation of the report that Maj. Harry H. Vaughan interceded for distillers to have grain rationing regulations relaxed.

Mrs. Colvin called attention of the convention to the statement by Senator Mundt (R.-S. D.) that an inquiry is underway into reports General Vaughan, the President's military aide, acted to get grain for distillers and brewers during the shortage of 1946.

"With millions of people starving in the world," Mrs. Colvin said, "the Department of Agriculture (which Vaughan was said to have contacted) has consistently 'coddled' the booze makers since the war, by seeing to it that they got grain when the starving world did not get enough."

General Vaughan's name has appeared repeatedly in the current investigation of "five percenters."

VFW CONVENTION OPENS IN MIAMI

MIAMI, Fla., Aug. 21 — (AP) Veterans of Foreign Wars opened their golden jubilee convention tonight with memorial services in Miami's Bayfront Park.

Rear Adm. W. N. Thomas, chief of chaplains, U. S. Navy, gave the memorial address before several thousand of the 25,000 delegates and their wives here for the annual conclave.

"This is the hour when we call the roll of our honored dead," he said. "It is one of the most sacred acts known to civilized men—the act of paying grateful tribute to comrades who gave their lives for our beloved country.

"Though our heroic dead were white and black, Catholics, Protestants and Jews, they died as Americans, united in a common cause.

"It is high time that we Americans stopped some of the quarreling among ourselves about things that matter little when our sons and brothers lie buried in the faraway places of the globe and in the bottom of the sea—men who died that we might have the freedom to quibble."

The convention swings into full stride tomorrow when President Truman arrives for an address scheduled for 11:30 a.m. (EST).

The annual parade will begin at 6:30 p.m. Tuesday.

Formal joint opening of the VFW conclave and the 36th national convention, ladies auxiliary, is scheduled for 10 a.m. tomorrow in the Dinner Key Auditorium.

The convention continues through Friday.

ZIONISTS GET ASSURANCES

Head Says United States Denies Pressure On 2 Issues

New York, Aug. 21 (AP)—The head of the Zionist Organization of America said today he has been assured the United States will not bring pressure on Israel to admit a specified number of Arab refugees.

He also said he got assurances from a high State Department officer that the United States will not bring pressure on Israel to give up any part of the Negeb area.

Daniel Frisch, president of the organization, identified the State Department official as George McGhee, head of the Near East and Africa division of the department.

Reports Cause Parley

Frisch said he talked to McGhee last Friday in Washington because of reports that "Washington was demanding the admission of 250,000 Arab refugees into Israel plus the surrender of the southern Negeb in exchange for the Gaza strip now held by the Egyptians."

Frisch said the Israeli Government has committed itself to admit 100,000 Arabs.

Frisch's report of his conversation with McGhee was made in a formal statement issued at a joint meeting of the national administrative council and national executive committee.

He quoted McGhee as denying the State Department attempted to establish any figure for admission of Arab refugees.

McGhee, he said, told him the State Department thought it was up to Israel to "offer a figure."

800 IN 45 STATES OPPOSE ARMS AID

Emily Green Balch, 8 Others, Initiate Letter To Senators

New York, Aug. 21 (AP)—A letter from more than 800 persons in 45 states, 572 of them religious leaders, urges all senators to defeat President Truman's arms-for-Europe program.

Initiated by Emily Green Balch, Nobel Peace Prize winner, and eight religious leaders and educators, the letter is to be delivered today to all senators.

The letter predicted the arms program would "lead to an armaments race which will soon take us into war."

It charged that "the American people cannot afford more arms when their own incomes are declining."

"Nothing could be more tragic for world peace at this time than sending these arms," the letter said. "Nothing will more surely divide the world into two warring camps."

Paris Conference Cited

The letter added:

"We believe that peace is possible; that war between the United States and the Soviet Union is not inevitable; that through conferences and discussions, as at the recent four-power Paris conference, differences between our country and the Soviet Union can find a just and honorable solution."

Citing the recent report by the American Friends (Quakers) Service Committee, urging reliance on the United Nations to settle East-West differences, the letter said there was evidence from many sides that negotiations "will prove more and more fruitful."

"But the arms program and the alarmist war atmosphere now being developed to justify this program will nullify any efforts to break down the barriers between East and West through continued peaceful negotiations," the letter stated.

Chief Of Protocol Heeds Pope, Quits Post In Warsaw

New York, Aug. 21 (AP)—Adam Gubrinowicz, chief of protocol for the Polish Government, has resigned because as a Catholic he cannot continue to serve his Communist-dominated country.

Arthur Bliss Lane, one-time ambassador to Poland, said today Gubrinowicz told him of the resignation in a cablegram.

Lane said Gubrinowicz cabled:

"As a Catholic and in view of the Vatican's excommunication decree, it is impossible for me now to continue my work as director of protocol."

The cablegram originated in Switzerland, but Lane did not know whether the protocol chief had fled Poland. Lane said the resignation was significant since it was the second such action by a Polish Government official in the last few days. Dr. J. T. Rakowski recently resigned as Poland's consul general in Montreal.

Pastor Niemoeller Sure Communists Will Fail

New York, Aug. 21 (AP)—The Rev. Martin Niemoeller, German cleric imprisoned by the Nazis during the last war, said today he does not believe the Communist drive against religion will succeed.

The churches in Germany and eastern Europe are standing "very solidly" against the Reds' anti-religious tactics, he said at La Guardia field.

He and his wife, Else, boarded a plane for San Francisco, en route to Sydney, Australia. They arrived here yesterday from Frankfurt, Germany.

U.N. NEEDS GO UP $605,295

Trygve Lie Puts Operations Budget At $44,314,398

Lake Success, N.Y., Aug. 21 (AP). Trygve Lie estimated tonight it will cost $44,314,398 to operate the United Nations next year. This is $605,295 more than the United Nations appropriated for 1949.

Deducting $5,106,525 expected in miscellaneous income, the organization's Secretary-General set the net cost at $39,297,873. He said a carryover from last year would acount for something over $1,000,000 more.

About $38,000,000 finally will be required in assessments from the 59 member nations of the world organization, his aides said, to finance the Lake Success headquarters, the European office at Geneva, Switzerland, and the General Assembly for the year.

U.S. Biggest Contributor

The United States is the biggest contributor under the system of assessments, based on ability to pay. Its share of the 1949 appropriations total was about $17,000,000, aside from contributions to specialized agencies not covered in the general budget.

Lie's estimates, a 250-page book, and an accompanying critical survey by the United Nations' advisory committee on administrative and budgetary questions, will be submitted to the fourth annual session of the General Assembly opening in New York September 20.

Grand Total Of $75,000,000

The advisory committee, a paid group of experts from various countries, recommended reductions totaling $1,786,750, largely in expenditures on staff, services and equipment at Lake Success headquarters.

The advisory committee noted that the general budget, together with those of big specialized agencies such as the United Nations Educational, Scientific and Cultural Organization and the World Health Organization, would make a grand total of about $75,000,000 to be assessed against members.

This would be about $5,000,000 more than for the current year, the experts noted.

Lie emphasized in a foreword that every effort had been made to stabilize costs, and that new items accounted for most of the increase.

Chief of these is provision of $533,768 for liquidation of credits due certain member states as a result of transfer of the assets of the old League of Nations to the United Nations.

NEVERTHELESS MARSHAL TITO HAS BEEN REPORTED SHIFTING HIS TROOPS IN MACEDONIA--BETWEEN TWO COMINFORM ALLIES, BULGARIA AND ALBANIA--AND HE HAS PUBLICLY WARNED THAT HIS ARMY WAS PREPARED TO FIGHT ANY INVADER.

RUSSIA'S BLAST AGAINST TREATMENT ACCORDED HER CITIZENS FOLLOWED THE ANNOUNCEMENT AUG.12 BY THE YUGOSLAV TRANSPORT MINISTER THAT HE WAS LIQUIDATING THE JOINT RUSSIAN-YUGOSLAV YUSPAD CORPORATION FOR CONTROL AND DEVELOPMENT OF DANUBE SHIPPING IN YUGOSLAVIA.

THE ANNOUNCEMENT SAID THE COMPANY WAS ACTING LIKE ANY OTHER "CAPITALISTIC" FOREIGN ENTERPRISE IN THE OLD YUGOSLAVIA AND THAT YUGOSLAVIA WAS TAKING IT OVER.

IT WAS THE EXISTENCE OF SUCH JOINT COMPANIES WHICH KEPT THE WESTERN POWERS FROM AGREEING TO THE DANUBE SHIPPING CONVENTION DRAFTED IN BELGRADE A YEAR AGO. THE WESTERN POWERS HAD INSISTED ON A CONVENTION GIVING GUARANTEES FOR FREE COMMERCE ON THE DANUBE.

MOSCOW DISPATCHES TODAY SAID RUSSIA'S LATEST COMMUNICATION TO THE BELGRADE GOVERNMENT WAS BROADCAST IN FULL SEVERAL TIMES BY THE MOSCOW RADIO AND PRINTED IN FULL IN ALL SOVIET PAPERS.

IN ADDITION, NUMEROUS ARTICLES APPEARED IN THE SOVIET PRESS ACUSING TITO OF BEING A FASCIST IN COMMUNIST DISGUISE. THEY COMPARED HIM WITH FRANCO, HITLER, MUSSOLINI AND GREEK FOREIGN MINISTER CONSTANTIN TSALDARIS, AND CHARGED HIM WITH "SYCOPHANCY BEFORE THE ANGLO-AMERICAN IMPERIALISTS."

LS132PED

AUG 22 1949

"WESTERN EUROPEAN BOURGEOIS SCIENTISTS HAVE BEEN PREACHING A FALSE THEORY TO THE EFFECT THAT ARMENIA AND TRANSCAUCASUS COULD NOT HAVE BEEN INHABITED IN THE PALEOLITHIC ERA X X X," THE DISPATCH SAID. "SARDARYAN HAS FINALLY DISPELLED THE MYTH THAT ARMENIA WAS POPULATED LATE AND HAS PROVED THIS COUNTRY WAS INHABITED BY MAN, WHO HAD BEEN CREATING HIS CULTURE SINCE THE VERY DAWN OF THE HISTORY OF MANKIND."

TASS SAID THE FINDS IN THE AREA WERE THE "MOST ANCIENT CULTURAL RELICS SO FAR KNOWN ON SOVIET TERRITORY."

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AUG 22 1949

PARIS, AUG. 21-(AP)-OFFICIALS OF THE ECONOMIC COOPERATION ADMINISTRATION (MARSHALL PLAN) HERE HAVE ISSUED A BOOKLET COMPARING THE PURCHASING POWER OF THE AMERICAN WORKINGMAN WITH HIS COUNTERPART IN THE SOVIET UNION.

THE U.S. WORKINGMAN COMES OFF MUCH BETTER IN TERMS OF WORKING TIME REQUIRED TO BUY NEEDED COMMODITIES ON THE BASIS OF THE BOOKLET'S FIGURES.

ECA OFFICIALS SAID THE BOOKLET IS BASED ON THE FINDINGS OF TWO DELEGATIONS FROM THE NORWEGIAN GENERAL FEDERATION OF TRADE UNIONS WHICH VISITED BOTH THE UNITED STATES AND RUSSIA.

THE BOOKLET GAVE THE AVERAGE U.S. HOURLY WAGE IN INDUSTRY AS $1.36.

IT SAID THAT IN SOME SOVIET FACTORIES IN THE IRON INDUSTRY THE AVERAGE WAGE PER MONTH WAS 800 TO 850 RUBLES. IN A FOOD FACTORY IT WAS 600 RUBLES. SIMILAR FIGURES WERE GIVEN IN CASES OF OTHER FACTORIES. SAID THE BOOKLET:

"A COMPARISON OF COSTS AND WAGES SHOWS THAT A SOVIET WORKER IN THE STEEL AND FOOD FACTORIES MENTIONED WOULD HAVE TO WORK A HALF DAY

OR MORE TO PAY FOR A KILOGRAM OF RYE BREAD (SLIGHTLY MORE THAN TWO LOAVES), TWO DAYS FOR A KILOGRAM (2.2 POUNDS) OF BEEF, TWO MONTHS WAGES WOULD BE REQUIRED TO BUY A MAN'S HALF WOOL SUIT OR A DAY AND A HALF TO PAY FOR A PACK OF CIGARETTES."

THE AMERICAN WORKER WHO BUYS A LOAF OF BREAD WITH FIVE MINUTES, A POUND OF MEAT WITH A HALF HOUR, A POUND OF BUTTER WITH 40 MINUTES, A WOOLEN DRESS WITH 13 HOURS AND A MAN'S WOOLEN SUIT WITH 25 HOURS OF WORK.

"THE BEST GAUGE OF THE PURCHASING POWER OF WAGES," THE BOOKLET SAID, "IS THE AMOUNT OF WORKING TIME WHICH IS REQUIRED TO BUY A CERTAIN AMOUNT OF A COMMODITY."

THE BOOKLET SAID THE NORWEGIAN LABOR FEDERATION VISITED THE SOVIET UNION IN AUGUST AND SEPTEMBER OF LAST YEAR. ANOTHER DELEGATION HEADED BY

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EDWARD STOCKLEY, PRESIDENT OF THE NORWEGIAN PAPER INDUSTRIAL WORKERS UNION, SPENT THREE WEEKS IN THE UNITED STATES LAST JANUARY. THE FEDERATION IS AVOWEDLY MARXIST THOUGH NOT COMMUNIST.

THE BOOKLET QUOTED THE NORWEGIANS AS REPORTING ON THE RUSSIAN STANDARD OF LIVING:

"IT IS CLEAR THAT THE AVERAGE WAGE IS ONLY SUFFICIENT FOR PURCHASING THE ABSOLUTE NECESSITIES FOR THE MAINTENANCE OF LIFE. IN ADDITION TO THIS, PART OF THE CONSUMER GOODS REQUIRED ARE NOT AVAILABLE IN SUFFICIENT QUANTITIES.

"THE ORDINARY FAMILY CAN HARDLY LIVE ON WAGE EARNINGS OF THE HUSBAND ALONE, AND THE WOMEN ARE DRIVEN INTO OCCUPATIONAL LIFE TO AN EXTENT THAT IS ENTIRELY UNACCUSTOMED TO US. THEY CAN BE SEEN IN LARGE GROUPS ENGAGED IN STREET AND CONSTRUCTION WORK, AS HEAVY WORKERS ON BUILDING SITES, AS DOCK HANDS AND IN FACTORIES."

A142

"THE POPULATION MUST ENDURE HARD WORK AND BAD LIVING WHILE RECONSTRUCTION IS IN PROGRESS. IT HAS NO OPPORTUNITY TO MAKE DEMANDS FOR A HIGHER STANDARD OF LIVING UNTIL RECONSTRUCTION IS COMPLETED," THE REPORT ADDED.

"THERE IS HARDLY ANY COUNTRY WHERE THE GOVERNMENT SO CONSCIOUSLY KEEPS THE STANDARD OF LIVING DOWN IN ORDER TO ENSURE A SPEEDY RECONSTRUCTION AS IN THE SOVIET UNION."

THE NORWEGIANS SAID, HOWEVER, THEY WERE IMPRESSED WITH RUSSIAN RECONSTRUCTION WORK, THE INTEREST IN VARIOUS BRANCHES OF ART, AND VACATION FACILITIES FOR EXPERT WORKERS.

THE NORWEGIANS WHO VISITED THE UNITED STATES SAID THEIR VISIT GAVE THEM "GREATER CONFIDENCE IN THE ABILITY OF DEMOCRACY TO SOLVE ITS PROBLEMS."

"THE COUNTRY IS STILL WRESTLING WITH MANY AND GREAT PROBLEMS," THEY SAID. "ITS ECONOMIC LIFE IS UNSTABLE. ITS SOCIAL LIFE IS COMPLICATED BY RACIAL PREJUDICES AND FRICTIONS BETWEEN CITIZENS OF MANY NATIONALITIES. THE COUNTRY IS STILL IN THE MELTING POT. BUT IT IS MOVING FORWARD CULTURALLY, SOCIALLY AND ECONOMICALLY."

THEY FOUND AMERICAN SOCIAL SECURITY INADEQUATE, ESPECIALLY IN THE MATTER OF HEALTH INSURANCE, AND SAID CERTAIN AREAS WERE LACKING IN SOCIAL AND ECONOMIC DEVELOPMENT.

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AUG 22 1949

AMSTERDAM, AUG.21-(AP)-MORE THAN 200 WORLD STUDENT FEDERALISTS FROM 30 COUNTRIES ATTENDED THE OPENING CEREMONY OF THEIR THIRD ANNUAL CONGRESS IN THE VOSSIUS GYMNASIUM IN AMSTERDAM TODAY.

"IT IS RIGHT THAT YOU YOUNG PEOPLE SHOULD DISCUSS THE PROBLEMS AFFECTING ALL MANKIND," SAID LORD JOHN BOYD ORR, PRESIDENT OF THE WORLD MOVEMENT FOR WORLD FEDERAL GOVERNMENT. "YOU MUST BUILD THE NEW AND BETTER WORLD OF PEACE AND FREEDOM AND INTERNATIONAL FRIENDSHIP."

THE WORLD STUDENT FEDERALISTS MOVEMENT WAS FOUNDED IN MONTREUX, SWITZERLAND, IN 1947. THE SECOND ANNUAL CONGRESS WAS IN HASTINGS, ENG.

THE CHAIRMAN OF THE MOVEMENT IS JOE C.WHEELER OF CONCORD, MASS.

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THE NEWSPAPER SAID BERLIN'S CLAIM TO BECOME THE CAPITAL OF GERMANY AGAIN IS FAR FROM ACCOMPLISHMENT, BUT THE CITY HAS "GREAT MORAL CREDIT" AND HOLDS THE INTEREST OF WORLD OPINION.

EASTERN GERMAN COMMUNISTS KEPT UP A DRUMFIRE OF CRITICISM AGAINST THE WEST GERMAN REPUBLIC, WHICH COMES INTO BEING WITH AN AVOWED ANTI-LEFTIST PROGRAM IN LESS THAN THREE WEEKS.

THEIR LEADER, WILHELM PIECK TOLD THE BRITISH-LICENSED NEWSPAPER WELT AM SONNTAG THAT THE WESTERN DECISION "MAY HAVE FATAL CONSEQUENCES SIMILAR TO THOSE OF THE 1932 ELECTIONS."

ESTABLISHED GERMAN PARTIES FAILED TO WIN A MAJORITY IN 1932 AND HITLER'S NAZIS FORMED A COALITION THAT EVENTUALLY SEIZED POWER.

COALITION TALKS ARE IN THE AIR AT BONN, THE WEST GERMAN CAPITAL. THE CHRISTIAN DEMOCRATS NEED SUPPORT OF SOME OTHER PARTIES TO ORGANIZE THE GOVERNMENT, HAVING FAILED TO OBTAIN A CLEAR CUT MAJORITY OVER THE SOCIALISTS IN PARLIAMENTARY ELECTIONS LAST SUNDAY.

PIECK SAID THE EASTERN GERMANS WILL "WAIT FOR DEVELOPMENTS IN BONN BEFORE GOING AHEAD WITH ANY PLANS TO SET UP A SOVIET ZONE COUNTER GOVERNMENT," BUT THE MACHINERY FOR IT IS AT HAND.

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AUG 22 1949

BY THOMAS A.REEDY

BERLIN, AUG.21-(AP)-A SPECIAL REPORT BY THE U.S. MILITARY GOVERNMENT FOR BERLIN SAID TODAY THE RUSSIANS' CURRENT AIR OF FRIENDLINESS HERE IS A POSE TO MASK THE REAL GOAL OF THE KREMLIN--COMMUNIST DOMINATION OF ALL GERMANY.

THE REPORT WAS SUBMITTED TO MAJ.GEN.MAXWELL D.TAYLOR, WHO WILL SUCCEED BRIG.GEN.FRANK ROWLEY AS COMMANDANT OF THE AMERICAN SECTOR OF BERLIN NEXT MONTH, AND TO U.S. MILITARY GOVERNOR JOHN J.MCCLOY.

IT HAS BEEN MADE AVAILABLE ALSO TO STATE DEPARTMENT UNITS THAT DEAL WITH AMERICAN POLICIES IN GERMANY. THE DOCUMENT WAS DRAWN UP BY THE MILITARY GOVERNMENT'S HEADQUARTERS DIVISION.

PART OF THE REPORT DEALS WITH THE STAFF NEEDS FACING GEN.TAYLOR, WHO WILL SERVE AS TROOP COMMANDER AS WELL AS COMMANDANT. HE WILL ALSO HAVE FREQUENT DEALINGMLWCTITH RUSSIANS ON

WHO WILL SERVE AS TROOP COMMANDER AS WELL AS COMMANDANT. HE WILL ALSO HAVE FREQUENT DEALINGS WITH THE RUSSIANS ON FOUR-POWER MATTERS.

THE SECTION OUTLINING TASKS AHEAD INDICATES THE AUTHORS CONSIDER THE RUSSIANS HAVE PUT ASIDE THE "COLD WAR" AS AN INSTRUMENT OF POLICY IN BERLIN ONLY FOR THE MOMENT.

THE HEADQUARTERS DIVISION LISTED AS ITS MAJOR PROBLEM: "CONSTANT POLITICAL AND ECONOMIC CONFLICT WITH THE SOVIET MILITARY ADMINISTRATION, WHOSE OBJECTIVE IS COMMUNISTIC CONTROL OF BERLIN AND EVENTUAL POLITICAL AND ECONOMIC CONTROL OF GERMANY."

THIS CONCLUSION WAS DATED AUG.11--LONG AFTER THE RUSSIAN BLOCKADE WAS LIFTED AND LONG AFTER RUSSIA, THE UNITED STATES, BRITAIN AND FRANCE WERE SUPPOSED TO BE ESTABLISHING A "LIVE AND LET LIVE" PHILOSOPHY HERE.

THE FOUR COMMANDERS HAVE FAILED IN FREQUENT MEETINGS TO REACH A SINGLE MAJOR AGREEMENT ON NORMALIZING LIFE IN THE SPLIT CITY. THE WEST HAS MADE PROPOSALS WHICH HANG IN THE AIR AND THE RUSSIANS ANSWERED THEM ONLY BY SUBMITTING SOME OF THEIR OWN.

THE OFFICIAL MILITARY GOVERNMENT NEWSPAPER, DIE NEUE ZEITUNG, SAID EDITORIALLY WASHINGTON CIRCLES ALREADY CONSIDER THE FOUR-POWER TALKS IN BERLIN AS BOGGED DOWN IN FAILURE.

"THE OLD SOVIET DELAYING TRICKS ARE CROPPING UP IN ANY DISCUSSIONS DESIGNED TO STRAIGHTEN OUT BERLIN'S ECONOMIC AND POLITICAL MIXUP," IT SAID. "THERE ARE COMMUNIST AND ANTI-COMMUNIST CITY GOVERNMENTS, TWO CURRENCIES AND TWO POLITICAL PHILOSOPHIES CLASHING DAILY. "FOR THE RUSSIANS, BERLIN XXX DISTURBS THEM AS A SHOW WINDOW INTO THEIR OWN METHODS."

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AUG 22 1949

AUG 22 1949

HAMBURG, GERMANY, AUG.21-(AP)-A MINIATURE NUERNBERG HAS BEEN SET UP HERE FOR THE TRIAL OF FORMER GERMAN FIELD MARSHAL ERICH VON MANSTEIN.

THE HEARING OF THE 17 WAR CRIMES CHARGES AGAINST THE OFFICER BEGINS TUESDAY.

A FORMER CONCERT HALL HAS BEEN TURNED INTO A COURT ROOM. IT HAS BEEN FITTED WITH SIMULTANEOUS TRANSLATION EQUIPMENT FORMERLY USED AT THE INTERNATIONAL TRIBUNAL AT NUERNBERG WHICH TRIED THE TOP NAZIS. THIS WILL ENABLE THE COURT, COUNSEL, PRESS AND SPECTATORS TO LISTEN TO THE PROCEEDINGS IN EITHER GERMAN OR ENGLISH.

VON MANSTEIN IS CONFINED UNDER GUARD IN THE BRITISH MILITARY HOSPITAL.

TUESDAY WILL BE THE END OF A LONG WAIT FOR VON MANSTEIN. HE WAS OUT OF THE ARMY--SACKED BY HITLER, SOME SAY--AT THE END OF THE WAR.

AFTER GERMANY'S SURRENDER VON MANSTEIN WAS SHIPPED TO A PRISONER OF WAR CAMP IN BRITAIN. THERE HE SHARED CAPTIVITY WITH HIS WAR-TIME BOSS, FORMER FIELD MARSHAL GERD VON RUNDSTEDT.

THE PAIR WERE BROUGHT BACK TO GERMANY IN SEPTEMBER LAST YEAR TO FACE TRIAL.

A MEDICAL BOARD LAST MAY RULED VON RUNDSTEDT, AND ANOTHER GERMAN, COL.GEN.ADOLF STRAUSS, UNFIT TO STAND TRIAL. BOTH WERE DISCHARGED AND NOW ARE IN GERMAN HOSPITALS.

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BUCHAREST, ROMANIA, AUG. 21-(AP)-ROMANIA'S DANUBE-BLACK SEA CANAL AND SWAMP CLEARANCE PROJECT WAS PLAYED UP BY THE PRESS TODAY IN MAP-ILLUSTRATED ACCOUNTS OF THIS COUNTRY'S MOST AMBITIOUS PUBLIC WORKS PLANNING.

DETAILS HAD BEEN KEPT SECRET PREVIOUSLY, BUT NO STRATEGIC MILITARY SIGNIFICANCE WAS ATTACHED TO THE PROJECT.

THE MAPS TRACE THE WINDING COURSE OF THE PROJECTED CANAL EASTWARD FROM A POINT NORTH OF CERNAVORDA, AN INLAND PORT WHICH HAS THE ONLY RAILWAY BRIDGE ACROSS THE DANUBE EAST OF BELGRADE, YUGOSLAVIA.

THE SEA OUTLET WAS PLACED BETWEEN LAKE PASAUL AND CAPE MIDIA, AND THE ROUTE WOULD CONSIDERABLY SHORT-CUT WATER TRAVEL THAT NOW MAKES ALL THE TWISTS AND BENDS IN THE RIVER.

THE CANAL PROJECT, COUPLED WITH DRAINING OF MARSHLANDS IT WILL CROSS ALONG THE CARAS VALLEY, WILL REQUIRE DIGGING OUT MORE THAN 50,000,000 (M) CUBIC YARDS OF ROCK AND SOIL. WORK IS SCHEDULED TO BEGIN NEXT SPRING, THE PRESS REPORTED. HARD-SURFACE HIGHWAY CONSTRUCTION AND LABOR CAMPS CONNECTED WITH IT ALONG THE WAY ARE BEING COMPLETED NOW.

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AUG 22 1949

BUCHAREST, ROMANIA, AUG. 21-(AP)-ROMANIA'S NO. 1 COMMUNIST, FOREIGN MINISTER ANA PAUKER, SET A KEYNOTE TODAY FOR THE FIFTH ANNIVERSARY OBSERVANCE OF THE COUP WHICH TOOK THIS COUNTRY OUT OF HITLER'S AXIS LINEUP AND INTO THE ALLIED RANKS AUG. 23, 1944.

UNDER A BANNER HEADLINE IN THE COMMUNIST ORGAN SCANTEIA, SHE WROTE A LONG PIECE GIVING COMMUNISTS AND THE RED ARMY ALL THE CREDIT FOR LIBERATING ROMANIA FROM NAZISM AND SAID THEY, AT THE SAME TIME, "SAVED ROMANIA FROM ANGLO-AMERICAN IMPERIALISM."

THE SAME THEME WAS PLAYED IN A 30-PAGE BOOKLET ISSUED BY THE COMMUNIST PARTY FOR THE ANNIVERSARY CELEBRATION TUESDAY.

ALL BUCHAREST NEWSPAPERS ATTACKED FORMER OPPOSITION PARTIES, BUT DID NOT MENTION EX-KING MIHAI.

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CANTON, AUG. 21-(AP)-THE AIRFIELD AT LANCHOW, BESIEGED CAPITAL OF STRATEGIC KANSU PROVINCE, WAS REPORTED UNDER CHINESE COMMUNIST SHELL-FIRE TONIGHT.

THE AIRFIELD IS THREE AND A HALF MILES FROM THE CITY WALLS. PLANES FROM THE CIVIL AIR TRANSPORT, OPERATED BY CLAIRE CHENNAULT OF FLYING TIGERS FAME, MADE THE LAST FLIGHTS FROM THERE FRIDAY.

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HONG KONG, AUG.21-(AP)-MORE THAN 1,000 ADDITIONAL REINFORCEMENTS FOR THIS BRITISH COLONY DEBARKED TODAY FROM THE TROOPSHIP DEVONSHIRE. THEY INCLUDED THE MAIN BODY OF THE FIRST BATTALION OF THE KING'S OWN BORDERERS, PART OF THE THIRD ROYAL TANK REGIMENT, AND AN ADVANCE BODY OF THE 40TH INFANTRY DIVISION.
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AUG 22 1949

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TEL AVIV, ISRAEL, AUG. 21-(AP)-AN OFFICIAL STATEMENT SAID TONIGHT THE ISRAELI GOVERNMENT HAD RELEASED 260 ARAB WAR PRISONERS. ALL WERE PALESTINIAN ARABS FROM THE NORTHERN PART OF THE COUNTRY.
THE STATEMENT SAID THEY WERE GIVEN IDENTITY CARDS PRIOR TO THEIR RELEASE AT ACRE, NORTH OF HAIFA.
THE STATEMENT ADDED THAT A NUMBER OF ARAB WAR PRISONERS FROM SYRIA, HASHEMITE JORDAN, LEBANON AND EGYPT HAD REFUSED TO RETURN FROM ISRAEL TO THEIR COUNTRIES OF ORIGIN. ARRANGEMENTS ARE BEING MADE TO "RELEASE THEM AT SOME FUTURE DATE AND DISTRIBUTE THEM AMONG ARAB VILLAGES IN ISRAEL," THE STATEMENT ADDED. NO FIGURE WAS GIVEN.
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B23KX
HAIFA, ISRAEL, AUG 21-(AP)-THE YACHT CAROSTELLA, DONATED BY NEW YORK'S "MATERIAL FOR ISRAEL FUND," ARRIVED HERE TODAY. THE BOAT, A GIFT TO ISRAEL, LEFT NEW YORK JULY 2.
SEVEN AMERICANS VOLUNTEERED TO SAI TH 10-HORSEPOWER, D

SEVEN AMERICANS VOLUNTEERED TO SAIL THE 150-HORSEPOWER, DISEL-DRIVEN BOAT, AFTER IT WAS FOUND IMPOSSIBLE TO LOAD HER ON A FREIGHTER. THEY SAID THEY ENCOUNTERED ROUGH SEAS ON THE VOYAGE AND PUT INTO HARBOR THREE TIMES, AT THE AZORES, ALGIERS AND BENGAZI.
THE YACHT WAS CAPTAINED BY SEAMAN JOHN RYAN OF NEW YORK. THE CREW OF SIX WERE ROBERT ALLEN OF ARIZONA, SAM ROSENBERG OF NEW YORK BEN HALPERN, LIONEL COGAN, EMANUEL WEINSTEIN AND SERGEI ZELENOV. (OTHER ADDRESSES UNGIVEN)
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AUG 22 1949

CHINA-TRADE(550)
BY JOHN M.HIGHTOWER
WASHINGTON,AUG.21-(AP)-AMERICANS ARE FINDING OUT THEY CAN'T DO BUSINESS WITH THE CHINESE COMMUNISTS.
SLOWLY BUT SURELY, AMERICAN OFFICIALS AND BUSINESS MEN ARE PULLING OUT OF THE GREAT CENTERS.
WITH THEM IS GOING THE PROSPECT FOR ANY IMPORTANT TRADE BETWEEN THE UNITED STATES AND COMMUNIST CHINA.
YET IT IS APPARENT THAT THE REDS MUST TURN TO THIS COUNTRY IF THEY ARE TO OBTAIN MANY OF THE THINGS THEY NEED TO FILL THE HOLES IN CHINA'S SUFFERING ECONOMY.
IN A SHORT TIME, OFFICIAL AND PRIVATE AMERICAN REPRESENTATION THROUGHOUT CHINA MAY BE REDUCED TO THE LOWEST POINT IN A CENTURY.

SECRETARY OF STATE ACHESON AND OTHER AMERICAN OFFICIALS ARE BURNED UP ABOUT THE WAY AMERICAN OFFICIALS AND PRIVATE CITIZENS HAVE BEEN TREATED IN COMMUNIST-RULED CITIES, ESPECIALLY SHANGHAI.
THEY OBVIOUSLY HAVE COME TO THE CONCLUSION THAT NOTHING CAN BE ACCOMPLISHED BY MAINTAINING LARGE CONSULATE STAFFS IN THOSE CITIES. MANY PRIVATE FIRMS AND INDIVIDUALS ARE REPORTED TO HAVE REACHED THE SAME CONCLUSION, AFTER WEEKS OF TRYING TO COME TO TERMS WITH THE COMMUNISTS.
THIS MARKS A BIG CHANGE IN THE SITUATION FROM WHAT IT WAS A FEW MONTHS AGO. IN THE SPRING, STATE DEPARTMENT OFFICIALS APPEARED FAIRLY SURE OF TWO DEVELOPMENTS BY THE END OF THIS YEAR.
FIRST, IT WAS EXPECTED THAT THE AMERICAN GOVERNMENT WOULD SHOW WILLINGNESS EVENTUALLY TO OPEN DIPLOMATIC RELATIONS WITH A CHINESE RED REGIME.
SECOND, IT WAS BELIEVED THAT THE COMMUNISTS WOULD WANT TO BUY SUBSTANTIAL QUANTITIES OF GOODS FROM THE UNITED STATS AND THAT THIS COUNTRY SHOULD SELL THEM--BARRING WAR MATERIALS--ON A CASH BASIS.
THE IDEA OF DOING BUSINESS WITH THE COMMUNISTS, HOWEVER, PRESUPPOSED THAT THE COMMUNISTS WANTED TO DO BUSINESS--THAT THEY WOULD HAVE TO LOOK TO THE WEST RATHER THAN RUSSIA FOR IMPORTS TO MEET CHINA'S CRITICAL ECONOMIC NEEDS.
OFFICIALS AND BUSINESS MEN WHO THOUGHT IT WOULD WORK OUT THAT WAY EXPECTED THAT AS THE COMMUNISTS POURED INTO SHANGHAI AND OTHER COASTAL POINTS THEY WOULD TAKE A LIVE-AND-LET-LIVE ATTITUDE TOWARD THE AMERICANS.

AUG 22 1949

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THE RECORD IS THAT THEY HAVE NOT DONE SO. AMERICAN EMPLOYERS HAVE BEEN SUBJECT TO WAGE DEMANDS BY CHINESE WORKERS WHICH OFFICIALS HERE CONSIDERED EXORBITANT; DIPLOMATS HAVE BEEN RESTRAINED IN THEIR DUTIES; ACHESON HAS WARNED AMERICANS TO GET OUT OR RISK BEING TREATED BY THE COMMUNISTS AS HOSTAGES.
THERE ARE NOW ABOUT 4,000 AMERICANS IN CHINA (NOT INCLUDING BRITISH HONGKONG) AND REPORTS TO THE STATE DEPARTMENT SHOW THAT MANY HUNDREDS WANT TO LEAVE AS SOON AS POSSIBLE.
CONSULATE STAFFS REMAIN IN PEIPING, TIENTSIN AND SHANGHAI, ALTHOUGH THE ONE IN MUKDEN WAS ORDERED CLOSED AFTER MONTHS OF ISOLATION. THE PROSPECT IS THAT THOSE WHICH REMAIN WILL BE CUT DOWN AS THE NUMBER OF AMERICANS THEY MUST TRY TO LOOK AFTER IS REDUCED.
YESTERDAY, AS COMMUNIST ARMIES DROVE TOWARD THE APPROACHES TO CANTON, THE AMERICAN EMBASSY OFFICE IN THAT NATIONALIST CAPITAL WAS CLOSED. PERSONNEL WITHDREW TO HONGKONG. THE CONSULATE OFFICE HAD BEEN CLOSED FRIDAY.
THE BRITISH, FRENCH, DUTCH AND PORTUGUESE PLANNED TO STAY ON FOR THE EXPECTED COMMUNIST OCCUPATION OF THE CITY. THE AMERICAN GOVERNMENT EVIDENTLY SAW NOTHING TO BE GAINED FROM THAT.
THE STATE DEPARTMENT'S CONCERN NOW IS TO GET OUT OF CHINA ALL THE AMERICANS WHO ARE WILLING TO LEAVE. THIS ATTITUDE RESULTS FROM COMMUNIST TREATMENT OF AMERICANS, OFFICIALS SAY, BUT IT ALMOST CERTAINLY WILL ALSO BE THE START OF A TOUGH POLICY TOWARD TRADE WITH THE COMMUNISTS.
IF AND WHEN MOST AMERICAN BUSINESS MEN HAVE CLEARED OUT AND AMERICAN CONSULATES ARE CLOSED, THE COMMUNISTS WILL FIND IT EXTREMELY HARD TO

BUY WHAT THEY WANT FROM AMERICAN SELLERS. MOREOVER, THE UNITED STATES WANTS TO COORDINATE ITS TRADE POLICIES WITH THOSE OF BRITAIN AND OTHER WESTERN NATIONS.

THE BRITISH WITH BIGGER STAKES IN CHINA, ESPECIALLY AT HONGKONG, HAVE BEEN MORE RELUCTANT THAN THE UNITED STATES TO GIVE UP HOPES OF DOING BUSINESS WITH THE COMMUNISTS. REPORTS RECENTLY REACHING HERE, HOWEVER, SAY THAT BRITISH BUSINESS MEN HAVE BEEN SUBJECT TO THE SAME SQUEEZES AS AMERICANS AND HAVE BECOME EQUALLY DISILLUSIONED ABOUT FUTURE PROSPECTS.

THE PROBLEM IS ONE THAT ACHESON AND FOREIGN MINISTER BEVIN ARE EXPECTED TO TAKE UP WHEN THEY MEET IN WASHINGTON SEPTEMBER 6 IN CONNECTION WITH BRITAIN'S ECONOMIC CRISIS.

AUG 22 1949

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BRITISH CRISIS (350)

(ADVANCE)-WASHINGTON,AUG 21-(AP)-SENATOR WHERRY OF NEBRASKA, SENATE MINORITY FLOOR LEADER, TOLD THE ADMINISTRATION TODAY NOT TO TRY ANY "NEW ATTEMPTS" TO BY-PASS CONGRESS IN THE COMING BRITISH-CANADIAN-AMERICAN FINANCIAL TALKS.

HE SAID IN A STATEMENT THAT CONGRESS WILL HAVE THE FINAL SAY ON ANY AGREEMENTS REACHED. A PROPOSAL THAT WOULD WEAKEN THE AMERICAN ECONOMY AND LOWER OUR STANDARD OF LIVING "WILL CERTAINLY BE REJECTED" BY THE LAWMAKERS, HE PREDICTED.

HE CITED THE ACTION OF CONGRESS IN REDUCING MARSHALL PLAN FUNDS AND OF THE HOUSE IN SLASHING IN HALF THE ADMINISTRATION ARMS AID PROGRAM FOR W

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AND OF THE HOUSE IN SLASHING IN HALF THE ADMINISTRATION ARMS AID PROGRAM FOR WESTERN EUROPE AS A "WARNING" TO ALL PARTIES TO THE IMPENDING DISCUSSIONS.

THE TALKS ARE SET TO START SEPT. 6 OR 7 TO STUDY THE BRITISH ECONOMIC CRISIS. SECRETARY OF THE TREASURY SNYDER WILL HEAD THE AMERICAN DELEGATION. THE BRITISH ARE SENDING FOREIGN MINISTER ERNEST BEVIN AND SIR STAFFORD CRIPPS, CHANCELLOR OF THE EXCHEQUER. CANADA'S FOREIGN MINISTER, LESER B.PEARSON, WILL ATTEND ALONG WITH THE FINANCE MINISTER, DOUGLAS ABBOTT.

WHERRY ACCUSED THE ADMINISTRATION OF STRETCHING THE CONSTITUTIONAL LIMITATIONS ON THE PRESIDENT'S POWER IN FOREIGN AFFAIRS IN THE PAST. HE SAID IT HAD BY-PASSED CONGRESS BY COMMITTING THIS COUNTRY TO THE FIXING OF POST-WAR NATIONAL BOUNDARIES; THAT IT HAD "OBVIOUSLY" PROMISED TO SUPPLY ARMS TO WESTERN EUROPE AS A PART OF THE NORTH ATLANTIC PACT.

"USUALLY THESE PROPOSITIONS ARE ACCOMPANIED BY THE HULLABALOO OF ANOTHER CRISIS," HE SAID, ADDING:

"AND NOW GREAT BRITAIN IS CONFRONTED BY ANOTHER CRISIS. THE DOLLAR SHORTAGE IS A SYMPTOM AND NOT THE CAUSE OF BRITAIN'S AILMENT. THE PRIMARY CAUSE IN THE OPINION OF COMPETENT OBSERVERS IS BRITAIN'S FAILURE TO PRICE HER GOODS LOW ENOUGH TO CAPTURE WORLD MARKETS.

"GREAT BRITAIN, LIKE THE UNITED STATES, IS AFFLICTED BY EXTRAVAGANT EXPENDITURES. THAT IS THE CUSTOMARY BY-PRODUCT OF SOCIALISM WHEREVER IT HAS BEEN TRIED AND THE EFFORTS OF THE TRUMAN ADMINISTRATION TO LEAD THIS COUNTRY INTO SOCIALISM IS HAVING THE SAME RESULT.

"WHEN BRITAIN WINS WORLD MARKETS THROUGH EFFICIENCY, QUALITY AND COMPETITIVE PRICES HER DOLLAR SHORTAGE WILL DISAPPEAR. UNTIL HER PROBLEM IS ATTACKED ALONG THAT LINE THERE IS NO SENSE IN POURING THE AMERICAN TAXPAYERS' MONEY INTO A BOTTOMLESS PIT."

WHERRY SAID THAT FRIENDSHIP FOR THE BRITISH PEOPLE AND A REGARD FOR SELF-INTEREST ENCOURAGE THE HOPE THAT WAYS WILL BE FOUND TO GET BRITAIN ON HER FEET SO THAT SHE CAN GO IT ALONE.

"BUT PRUDENCE DICTATES," HE ADDED, "THAT THE UNITED STATES REMAIN STRONG OF IT IS TO BE AN ANCHOR FOR WORLD PEACE."

HE DECLARED SOMETHING BETTER THAN THE "GIVE-AWAY SHOWS OF THE PAST IS NEEDED NOW IN THE INTEREST OF BRITISH RECOVERY AND MAINTENANCE OF THE PROSPERITY AND SECURITY OF THE UNITED STATES."

(END ADVANCE FOR USE AT 6 P.M.,EASTERN STANDARD TIME,TODAY,SUNDAY, AUG. 21)

GG534PED NM

AUG 22 1949

B54UX Q

WASHINGTON,AUG 21-(AP)-TRACY S.VOORHEES, WHO WILL BECOME UNDER-SECRETARY OF THE ARMY TOMORROW, WILL LEAVE WASHINGTON THE FOLLOWING DAY FOR A TWO-WEEKS VISIT TO JAPAN.

VOORHEES IS DUE TO BE SWORN IN AS UNDERSECRETARY MONDAY MORNING. HE HAS BEEN SERVING AS ASSISTANT SECRETARY OF THE ARMY. IN THAT CAPACITY HE HAS BEEN IN CHARGE OF MATTERS RELATING TO THE OCCUPIED AREAS SINCE MARCH 1.

DURING HIS TOKYO VISIT, VOORHEES WILL CONFER WITH GEN.DOUGLAS MACARTHUR, SUPREME COMMANDER FOR THE ALLIED POWERS AND OTHER OFFICIALS.

VOORHEES WILL BE ACCOMPANIED BY DR.RALPH W.REID AND CAPT.EDLOE DONNAN, BOTH OF THE DEPARTMENT OF THE ARMY.

GG1052PED

AUG 22 1949

PHILADELPHIA, AUG.21-(AP)-THE REV.DR.RALPH E.DIFFENDORFER, DIRECTOR OF OVERSEAS MISSIONARY WORK FOR THE METHODIST CHURCH, DISCLOSED PLANS TODAY FOR OPENING THE NEW INTERNATIONAL CHRISTIAN UNIVERSITY NEAR TOKYO.

DR.DIFFENDORFER, WHO RETURNED TO THIS COUNTRY LAST WEEK AFTER THREE MONTHS IN JAPAN WHERE HE HELPED ESTABLISH THE UNIVERSITY, SAID THE COLLEGE IS ABOUT 17 MILES FROM THE CENTER OF TOKYO.

DR.HACHIRO YUASA, FORMER PRESIDENT OF DOSHISHA COLLEGE, KYOTO, OLDEST CHRISTIAN COLLEGE IN JAPAN, HAS BEEN SELECTED AS PRESIDENT OF THE NEW UNIVERSITY, DR.DIFFENDORFER SAID.

THE METHODIST MISSIONARY DIRECTOR SAID THAT DURING THE LAST SIX MONTHS, THE JAPANESE PEOPLE RAISED 150,000,000 YEN AND PURCHASED 400 ACRES FOR THE SITE OF THE UNIVERSITY. HISATO ICHIMAMDA, GOVERNOR OF THE BAK OF JAPAN, WAS CHAIRMAN OF THE FUND-RAISING DRIVE.

DR.DIFFENDORFER SAID 90 PER CENT OF THE MONEY RAISED BY THE JAPANESE PEOPLE CAME FROM NON-CHRISTIANS "WHO DID THIS BECAUSE THEY WANTED TO BE SURE THEIR NEW DEMOCRACY WAS BASED ON CHRISTIAN

BE SURE THEIR NEW DEMOCRACY WAS BASED ON CHRISTIAN PRINCIPLES AND ETHICS."

THE EMPEROR AND EMPRESS OF JAPAN CONTRIBUTED 100,000 YEN THIS MONTH, DR.DIFFENDORFER REPORTED, EXPLAINING THAT THIS MARKED THE FIRST TIME THAT THE IMPERIAL FAMILY GAVE TO A CHRISTIAN PROJECT.

THE METHODIST LEADER SAID THE NEW INTERNATIONAL CHRISTIAN UNIVERSITY, WHICH IS EXPECTED TO OPEN APRIL 1, 1951, WILL START WITH A SMALL FOUR YEAR LIBERAL ARTS COLLEGE. HOWEVER, HE ADDED, IT WILL MAINLY BE A POSTGRADUATE SCHOOL. IT ALSO WILL BE THE FIRST SCHOOL OF EDUCATION IN JAPAN FOR THE TRAINING OF COLLEGE TEACHERS, DR.DIFFENDORFER SAID.

GEN. DOUGLAS MACARTHUR IS HONORARY CHAIRMAN OF THE COMMITTEE OF THE JAPAN CHRISTIAN UNIVERSITY FOUNDATION WHICH IS SPONSORING THE NEW UNIVERSITY.

DR.DIFFENDORFER SAID GENERAL MACARTHUR TOLD HIM RECENTLY THE PLANNED UNIVERSITY "FITS IN VERY WELL WITH MY THEORY OF OCCUPATION."

JM1137PED NM

A86WX

WASHINGTON,AUG 21-(AP)-THE ECONOMIC COOPERATION ADMINISTRATION REPORTED TODAY IT HAS AUTHORIZED A TOTAL OF $6,421,656,000 IN THE EUROPEAN RECOVERY PROGRAM.

GG702PED

AUG 22 1949

(ADVANCE FOR USE AT 6 P.M. (EST) TONIGHT, SUNDAY, AUG.21)

(ADVANCE) NEW YORK--FIRST ADD ARMS AID LETTER (TOP AYE) X X X

STATED.

INITIATORS OF THE LETTER, IN ADDITION TO MISS BALCH, WHO IS HONORARY CHAIRMAN OF THE WOMEN'S INTERNATIONAL LEAGUE FOR PEACE AND FREEDOM, WERE:

DR. ABRAHAM CRONBACH, HEBREW UNION COLLEGE, CINCINNATI, O.; DR. MARK A. DAWBERG, HOME MISSIONS COUNCIL OF NORTH AMERICA, NEW YORK; PROF. KERMIT EBY, UNIVERSITY OF CHICAGO; THE REV. R. FARLEY FISHER, GENERAL SECRETARY OF THE AFRICAN METHODIST EPISCOPAL ZION CHURCH, WASHINGTON, D.C.; DR. HALFORD E.LUCCOCK, YALE UNIVERSITY DIVINITY SCHOOL; DR. ALBERT W.PALMER, FORMER MODERATOR, CONGREGATIONAL-CHRISTIAN CHURCH, ALTADENA, CALIF.; THE REV.FRANKLIN I. SHEEDER, EXECUTIVE SECRETARY, BOARD OF CHRISTIAN PUBLICATIONS, REFORMED AND EVANGELICAL CHURCH, PHILADELPHIA; AND THE REV. JOHN B. THOMPSON, DEAN, ROCKEFELLER MEMORIAL CHAPEL, UNIVERSITY OF CHICAGO.

BESIDES LEADERS OF A MAJORITY OF RELIGIOUS FAITHS IN THE COUNTRY AND NUMEROUS EDUCATORS, AND CIVIC LEADERS, THE LIST OF SIGNERS INCLUDES WRITERS, ARTISTS, LAWYERS, DOCTORS, LABOR LEADERS, ARCHITECTS, CONCERT MUSICIANS, NEWSPAPER EDITORS, ACTORS, AND SEVERAL MANUFACTURERS.

THE ANNOUNCEMENT STATED THAT ALL SIGNERS WERE ACTING AS INDIVIDUALS, WITH ORGANIZATIONS LISTED ONLY FOR IDENTIFICATION.

AUG 22 1949

(END ADVANCE FOR USE AT 6P.M. EASTERN STANDARD TIME TONIGHT, SUNDAY, AUG. 21)

DY606PED

A81 (400)

NEW YORK, AUG. 21-(AP)-THE HEAD OF THE ZIONIST ORGANIZATION OF AMERICA SAID TODAY HE HAS BEEN ASSURED THE UNITED STATES WILL NOT BRING PRESSURE ON ISRAEL TO ADMIT A SPECIFIED NUMBER OF ARAB REFUGEES.

HE ALSO SAID HE GOT ASSURANCES FROM A HIGH STATE DEPARTMENT OFFICER THAT THE U.S. WILL NOT PRESSURE ISRAEL TO GIVE UP ANY PART OF THE NEGEV AREA.

DANIEL FRISCH, ZOA PRESIDENT, IDENTIFIED THE STATE DEPARTMENT OFFICIAL AS GEORGE MCGHEE, HEAD OF THE NEAR EAST AND AFRICA DIVISION OF THE DEPARTMENT.

FRISCH SAID HE TALKED TO MCGHEE LAST FRIDAY IN WASHINGTON BECAUSE OF REPORTS THAT "WASHINGTON WAS DEMANDING THE ADMISSION OF 250,000 ARAB REFUGEES INTO ISRAEL PLUS THE SURRENDER OF THE SOUTHERN NEGEV IN EXCHANGE FOR THE GAZA STRIP NOW HELD BY THE EGYPTIANS."

FRISCH SAID THE ISRAELI GOVERNMENT HAS COMMITTED ITSELF TO ADMIT 100,000 ARABS.

DUP

FRISCH'S REPORT OF HIS CONVERSATION WITH MCGHEE WAS MADE IN A FORMAL STATEMENT ISSUED AT A JOINT MEETING OF THE ZOA NATIONAL ADMINISTRATIVE COUNCIL AND NATIONAL EXECUTIVE COMMITTEE.

HE QUOTED MCGHEE AS DENYING THE STATE DEPARTMENT ATTEMPTED TO ESTABLISH ANY FIGURE FOR ADMISSION OF ARAB REFUGEES.

MCGHEE, HE SAID, TOLD HIM THE STATE DEPARTMENT THOUGHT IT WAS UP TO ISRAEL TO "OFFER A FIGURE."

MCGHEE'S STATEMENT, HE SAID, WAS "REASSURING" AND WAS "PERFECTLY SATISFACTORY" TO THE ZOA.

AT A PRESS CONFERENCE AFTER THE MEETING FRISCH SAID "I HOPE SO" WHEN ASKED IF HE CONSIDERED MCGHEE'S STATEMENT A CLARIFICATION OF AMERICAN POLICY. HE ADDED:

"WE WANT THE STATE DEPARTMENT TO FEEL THAT WE TAKE THEIR ASSURANCES AT FACE VALUE BECAUSE IT IS INCONCEIVABLE TO ME THAT PRESIDENT TRUMAN OR THE STATE DEPARTMENT WOULD MAKE DEMANDS, WHICH, IF ENFORCED, WOULD SPELL THE VERY OPPOSITE OF WHAT THE ISRAELIS WERE TRYING TO CREATE. TAKING IN 250,000 ARABS OR TAKING AWAY PART OF THE NEGEV WOULD MAKE ISRAEL A STATE IN NAME ONLY."

FRISCH RECENTLY RETURNED FROM A FOUR-WEEK MISSION TO ISRAEL WHERE HE TALKED WITH TOP GOVERNMENT OFFICIALS.

FRISCH SAID MCGHEE TOOK THE POSITION THAT THE STATE DEPARTMENT'S ROLE WAS THAT OF "HONEST BROKER" AND ITS SOLE INTEREST WAS TO BRING ISRAEL AND THE ARAB STATES TOGETHER "IN A SPIRIT OF CONCILIATION."

MCGHEE, HE SAID, DENIED THAT "SPECIAL INTEREST IS BEING BROUGHT TO BEAR ON ISRAEL X X X ASSERTING THAT AN ALTOGETHER DIFFERENT PICTURE WOULD BE CREATED IF IT WERE POSSIBLE TO TELL OF ALL THE EFFORTS THE AMERICAN GOVERNMENT WAS MAKING TO INDUCE ITARAB STAT

AMERICAN GOVERNMENT WAS MAKING TO INDUCE THE ARAB STATES TO BE REASONABLE."

AMERICAN GOVERNMENT WAS MAKING TO INDUCE THE ARAB STATES TO BE REASONABLE."

AUG 22 1949

FRISCH'S STATEMENT ALSO QUOTED MCGHEE AS DENYING CATEGORICALLY THAT THE U.S. HAD BROUGHT IN THE PAST ANY PRESSURE FOR ADMISSION OF 250,000 ARABS OR FOR ISRAEL TO GIVE UP PART OF THE NEGEV.

SN642PED

NEW YORK, AUG. 21-(AP)-LI MAUNG, FOREIGN MINISTER OF BURMA, SAID TONIGHT COMMUNIST VICTORIES IN CHINA PLACE HIS COUNTRY IN NO IMMEDIATE DANGER.

MAUNG, LEAVING BY PLANE FOR LONDON, SAID HE HAD "A THOROUGH DISCUSSION WITH THE STATE DEPARTMENT ON COMMUNISM."

"I DON'T THINK THAT THERE IS ANY IMMEDIATE DANGER IN BURMA BECAUSE OF THE COMMUNIST VICTORIES IN CHINA, BUT IT IS WELL TO BE PREPARED FOR ALL EVENTUALITIES," HE SAID.

"THE PRIME PURPOSE OF MY VISIT WAS TO CEMENT OLD FRIENDSHIPS WITH THE UNITED STATES," HE ADDED, "AND TO EXPLAIN THE POLICY OF THE BURMESE GOVERNMENT REGULATIONS FOR THE INVESTMENT OF FOREIGN CAPITAL."

HE SAID HE ALSO "EXPLORED THE POSSIBILITY OF GETTING TECHNICAL ASSISTANCE FROM THE U.S. TO COMBAT DISEASES IN BURMA, PRIMARILY, TUBERCULOSIS."

MAUNG SAID HE WOULD CONFER WITH BRITISH OFFICIALS BEFORE RETURNING TO BURMA.

WB914PED

AUG 22 1949

(ADVANCE FOR USE AT 6 P.M., EASTERN STANDARD TIME, TODAY, SUNDAY, AUG.21)

(ADVANCE)..NEW YORK, AUG.21-(AP)-FIVE DEFENSE LAWYERS IN THE COMMUNIST CONSPIRACY TRIAL CHARGED TODAY THAT FORMER ATTORNEY GENERAL TOM CLARK HAS TRIED TO INTIMIDATE AMERICAN LAWYERS INTO ABANDONING "THE PROTECTION OF THE LIBERTIES OF OUR PEOPLE."

THE LAWYERS WROTE AN OPEN LETTER TO LOOK MAGAZINE IN ANSWER TO A LOOK ARTICLE BY CLARK.

THE LETTER WAS SIGNED BY GEORGE W.CROCKETT, JR., OF DETROIT; RICHARD GLADSTEIN, OF SAN FRANCISCO; ABRAHAM J.ISSERMAN, OF NEWARK, N.J.; LOUIS F.MCCABE, OF PHILADELPHIA, AND HARRY SACHER, OF NEW YORK.

THEY ARE COUNSEL FOR 11 TOP COMMUNIST LEADERS ON TRIAL IN FEDERAL COURT ON CHARGES OF CONSPIRACY TO ADVOCATE VIOLENT OVERTHROW OF THE GOVERNMENT.

THE LAWYERS' LETTER TOOK PARTICULAR EXCEPTION TO THIS DECLARATION IN LAST WEEK'S ARTICLE BY CLARK, WHO IS NOW WAITING TO BE SWORN IN AS A SUPREME COURT JUSTICE:

"LAWYERS WHO ARE NOT PROVABLY (CORRECT) CARD-CARRYING COMMUNISTS, BUT WHO ACT LIKE COMMUNISTS AND CARRY OUT COMMUNIST MISSIONS IN OFFENSIVES AGAINST THE DIGNITY AND ORDER OF OUR COURTS, SHOULD BE SCRUTINIZED BY GRIEVANCE COMMITTEES OF THE BAR AND THE COURTS."

FEDERAL JUDGE HAROLD R.MEDINA, PRESIDING AT THE SEVEN-MONTH-OLD CONSPIRACY TRIAL, HAS REBUKED DEFENSE LAWYERS REPEATEDLY FOR THEIR TACTICS IN COURT. HE ALSO HAS INTIMATED POSSIBLE ACTION AGAINST THEM AFTER THE TRIAL IS OVER.

AUG 22 1949

THE DEFENSE LAWYERS' ANSWER TO CLARK SAID IN PART:

"REFERRING TO THE DEFENSE IN OUR COURTS OF PERSONS WHO ARE COMMUNISTS ACTUALLY OR ALLEGEDLY, HE SUGGESTS THE DISBARMENT OF THE DEFENSE LAWYERS. INDEED, HE SHOWS THAT HE HAS ALREADY TAKEN STEPS DIRECTED TOWARD THIS END. X X X

"IT WOULD BE DEPLORABLE COMMENTARY UPON THE STATE OF THE PUBLIC MIND X X X IF THE EFFORTS OF DEFENSE ATTORNEYS TO PRESENT THE CONTENTIONS OF THEIR CLIENTS WERE DEEMED TO BE 'DESTRUCTIVE TACTICS.'

"CLARK'S OBVIOUS EXPECTATION OF THE PUBLIC ACCEPTANCE OF HIS VIEWS CAN BE EXPLAINED ONLY BY THE EXISTENCE OF A WIDESPREAD HYSTERIA WHICH HE HAS DONE SO MUCH TO CREATE."

(END ADVANCE FOR USE AT 6 P.M., EST, TODAY, SUNDAY, AUG.21)

LS111APED

Lake Success UNITED NATIONS.

LIE'S BUDGET ALSO CONTAINS AN ITEM OF $607,000 FOR TECHNICAL ASSISTANCE BY THE U.N. TO BACKWARD COUNTRIES, AGAINST $307,000 FOR THE SAME PURPOSE LAST YEAR. THE U.N. LAUNCHED ITS LIMITED-SCALE PROGRAM PRIOR TO PRESIDENT TRUMAN'S "POINT FOUR" STATEMENT OF SIMILAR U.S. AIMS LAST JANUARY, AND IS PREPARING TO COOPERATE IN THE U.S. PROGRAM THROUGH ITS ECONOMIC AND SOCIAL COUNCIL.

THE BUDGET ESTIMATES CALL FOR $28,161,850 FOR LAKE SUCCESS HEADQUARTERS; $4,312,600 FOR THE GENEVA OFFICE AND $1,086,000 FOR OTHER REGIONAL OFFICES; $2,373,130 FOR THE GENERAL ASSEMBLY AND ITS COUNCILS, COMMISSIONS AND COMMITTEES; $1,324,400 FOR TECHNICAL PROGRAMS AND $627,350 FOR THE INTERNATIONAL COURT OF JUSTICE AT THE HAGUE.

LIE SET AN ARBITRARY FIGURE OF $5,000,000 FOR SPECIAL U.N. COMMISSIONS SUCH AS THOSE NOW OPERATING FOR INDONESIA, PALESTINE AND KASHMIR.

THE SECRETARY-GENERAL SAID HIS FIGURES ENVISAGED HOLDING ALL MEETINGS POSSIBLE AT HEADQUARTERS HERE. APPARENTLY COMMENTING ON RECURRENT RUMORS THE NEXT GENERAL ASSEMBLY MAY MOVE TO RIO DE JANEIRO, BUENOS AIRES OR ELSEWHERE, AS THE 1947 ASSEMBLY MOVED TO PARIS, HE WROTE:

"THE SECRETARIAT CANNOT BE HELD RESPONSIBLE IF THE GENERAL ASSEMBLY APPROPRIATES MONEYS FOR ROTATING MEETING PLACES, IN THE FACE OF ITS OWN RECOMMENDATIONS."

AUG 22 1949

(END ADVANCE FOR USE AT 6 P.M., EST TODAY, SUNDAY, AUG. 21).

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AUG. 21, 1949

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Diplomats Voice Fears Over Mounting Tension Between Tito, Stalin

TALK OF 'ACTION' BY RUSSIA STIRS BELGRADE CIRCLES

Soviet, Romanian Spokesmen Join in Calling Tito a 'Traitor'

ALEX H. SINGLETON

NEW MOVES WAITED

'Rebel' Communist Group in Germany Pledges Support to Yugoslavia

BELGRADE, Yugoslavia, Aug. 22 —(AP) The hardboiled struggle between Yugoslavia and Russia appeared today to be reaching beyond the name calling stage to a threat of war.

Coming to the fore is the dynamite-laden question: What would the United States do if Josef Stalin sent the Soviet army to overthrow Yugoslavia's independent Communist, Marshal Tito.

No one knows for sure—outside the Kremlin—what is coming next. But the effort which began 14 months ago to unseat Tito when the cominform read him out of the party developed long ago into frequent shootings along the satellite borders.

Diplomats Worried

The situation has the diplomatic corps here wondering and worrying.

As an example of the jitters one embassy thought it had a sound inside tip of an "invasion" date recently and hustled its staff off to northern Yugoslavia.

Other diplomatic missions are studying a flood of rumors—most of them from unresponsible sources —about troop movements beyond the Yugoslav borders.

Such rumors are not unusual in the Balkans. But they are not set at rest by the threat voiced in a note from Moscow Saturday night to take "more effective measures" against Tito for protection of Soviet citizens who allegedly are being mistreated here.

(British newspapers Monday said the Russian note sounded like the worst threat of war since 1939.

(British officials in London said they believed the Russian threat was only part of a war of nerves, however, and ruled out the likelihood of a shooting war. Their views apparently were based on a discussion of the note which British Ambassador Sir Charles Peake had with Yugoslav Deputy Foreign Minister Ales Bebler at Belgrade Sunday. The American ambassador, Cavendish Cannon, took part in the discussion.

Hitler Pattern Recalled

(The conservative Daily Telegraph said the threat was "the very language of Hitler's exhausted patience." The conservative Daily Mail also recalled Hitler's word, "my patience is exhausted, I must march to restore order" and commented that the Russian threats "fall upon our ears like a sinister echo across a decade." The conservative Yorkshire Post said it had "the ring of Nazi propaganda just before Hitler marched into Poland."

(In Bucharest, Mrs. Anna Pauker, Romanian foreign minister, wrote in a newspaper article that "the time is not far off when this gang (the Tito government) will have to give an account for its crimes to the people of Yugoslavia."

(Prague dispatches said Czech Communists have been openly urging the Yugoslav people to revolt and promised at least moral support to a revolution.)

The government newspaper Borba, commented on one statement in the Moscow note which said "there can be no talk of any people's authority or any democratic socialist character of the state order in Yugoslavia."

Raps Russian Spies

Borba said this conclusion was aimed at "legalizing and justifying" any further undemocratic steps planned against the Yugoslav government. Borba said the Russian citizens, of whose treatment Moscow complained, had been spying.

There are several factors involved in the reasoning of some diplomatic observers that if Russia decides on a policy of active intervention in Yugoslavia she must move soon or not at all.

First of all is the possibility of a big loan from the World Bank which would bolster Tito's position at home and credit aboard and counteract the almost complete economic boycott set up by the cominform countries. A special commission of the bank arrived last week to investigate the possibility of a loan of about $280,000,000 which Yugoslavia is asking. Already the United States has granted permission for Yugoslavia to import American materials for a new $3,000,000 steel mill.

The actual dollars—and the stuff they would buy—would not become available for almost six months.

This estimate sets a tentative date before which Russia might be expected to start trouble—internal or external—in the opinion of some diplomatic observers.

Speculate on Showdown

Here are other signs contributing to the belief a showdown may be close:

1. Russia has blacklisted the Yugoslav government as an "enemy," not only of the Soviet Union but of all communist parties throughout the world. In the note Saturday night she called the Tito government fascist.

2. There is a possibility that Russia may be determined to make an example of Tito to prevent Chinese communists from adopting similar independent policies.

3. The action of a splinter group in Germany forming a free communist party and associating themselves with Tito against "imperialist Bolshevism" may activate Russia into steps to put out the fire of revolt before it spreads further in the communist camp.

4. The economic pressure and campaign of villification against the Tito regime appears to have had scant success.

5. The harvest season is over. Frequently this is the time that wars and invasions start in Europe.

Most observers think that the Yugoslav army singlehanded could lick any one of the neighbor satellites and perhaps all of them together. But taking on the Soviet army would be something else.

Romanian Vice Premier Says Yugoslav Works With Tsaldaris

Bucharest, Romania, Aug. 22 (AP). A Soviet marshal and a Romanian Vice Premier joined today in publicly charging Premier Marshal Tito with being a "traitor" and "plotting to set ablaze the Balkan powder keg."

Marshal Klementi Voroshilov, one of the Soviet Union's top military men and a member of the Politburo, assailed Tito as a "traitor who has become the most bitter enemy of the Soviet Union and the people's democracies."

Gheorghe Gheorghiu-Dej, Vice Premier and a leader in the Romanian Communist party, accused Tito and Constantin Tsaldaris, Vice Premier of Greece, with plotting to start war in the Balkans. The Communists spoke at an open rally attended by some 8,000 "select" Romanian Communists.

Would "Restore Fascism"

The Communists had gathered in "Liberty Arena" on the eve of the fifth anniversary of Romania's liberation. Voroshilov came here as head of the Soviet delegation to the anniversary celebration.

Voroshilov charged Tito was trying to liquidate socialism in Yugoslavia and attempting to "restore fascism." He also accused Tito of secretly negotiating with the western powers "behind the backs of the Soviet Union and the peoples' democracies."

He added "but the Yugoslav people, who know their true friends, will know how to prevent this."

The Soviet marshal did not threaten any direct armed intervention against Tito.

Sad Fate Of Turncoats

Most of Voroshilov's speech dwelt on Romanian achievements in postwar years. It was when he touched on international affairs that he assailed Tito.

He deplored the "sad fate of those turncoats" who, like Tito, have "betrayed the Socialist camp and have become tools of imperialism."

Gheorghiu-Dej undertook a long review of the Romanian national and international position. He accused Tito and Tsaldaris of plotting to "set ablaze again the Balkan powder keg."

"But," he continued, "the Balkan peoples have no differences in interests. Their common experiences have shown them they have one common enemy, and that is imperialism. The peace front knows no defeat.

North American Plot Charged

"The fighting front of the huge Socialist forces stretches right into imperialist countries, ready to move in order to wreck right at the start the warlike scheming of North American imperialism."

Gheorghiu-Dej also warned that Romania's internal enemies of communism would be crushed "ruthlessly." He announced the country will continue pushing its Communist economic plans, including farm collectivization.

He said a ruthless campaign will be waged against Romanian *kulaks* (rich farmers). He charged that they, "together with other enemies of the working class, all agents of American-British imperialism, had demonstrated an unwillingness to co-operate which sometimes went as far as murder."

TITO CHARGES REDS SEND SPIES TO YUGOSLAVIA

Soviet Threat to Protect Citizens Brings Hot Reply From Belgrade.

LAYS DOUBLE-CROSS TO STALIN

Tito Answer to Russian Note Goes Into Yugoslav Claims for Austrian Territory.

London, Aug. 22 (A. P.).—The white-hot war of words between Yugoslavia and Russia grew more intense today as Marshal Tito's supporters hurled defiant countercharges at the Soviets.

In answer to a Russian threat to take "effective measures" to protect Russian citizens in Yugoslavia, the Yugoslav Communist organ Borba accused the Soviet of using these citizens as spies.

Borba, mouthpiece of Tito's government, said the Russian note was full of "vile language, insults and threats" and was delivered in an insulting fashion. The Russian protest was delivered to a doorman at the Yugoslav Foreign Ministry.

Yugoslavia also replied yesterday to a Soviet note of August 11 which said Yugoslavia was an enemy of the Soviet Union.

The Yugoslav reply to her erstwhile Cominform mentor accused Russia of a double-cross in dropping her support of Yugoslav claims for Austrian territory.

The feud between the Russians and Tito dates back to June, 1948, when the Yugoslav Reds were thrown out of the Cominform (Communist International Information Bureau) for deviation from Moscow-type Marxism. The Yugoslavs were charged with anti-Soviet nationalism.

Seeks Help From West

The split has widened perceptibly since Tito, subjected to an economic boycott by the Cominform, has made overtures to the West for help.

Russia, meanwhile, has used Tito's bids to the West as the basis for charges that Yugoslavia was aligning herself with Western "imperialists." The most recent Russian note compared Tito's regime with that of Generalissimo Franco in Spain.

Tito has refused to knuckle under to the Kremlin and has warned that his army is prepared to fight.

The latest Yugoslav retort to Moscow and the *Borba* editorial were made public here by Tanjug, the official Yugoslav news agency.

Reds Sold Out, Tito Says

The note said the Kremlin had sold out Yugoslav claims to Carinthia, a part of southern Austria which has a large Slovene population, in order to get the Western powers to agree to Russian claims to German assets in Austria.

Saturday's Russian note on alleged mistreatment of Soviet citizens in Yugoslavia said the Soviet citizens had been subjected to "unlawful arrests and beatings" because they were friendly to the U.S.S.R.

Spying Charged

Some Russians in Yugoslavia, however, *Borba* said, "were inveigled for Soviet intelligence service against Socialist Yugoslavia."

The Soviet note had charged Russian citizens were arrested for spreading the Cominform resolution denouncing Yugoslav Communist leaders and urging that they be overthrown.

Borba said these Russians had been arrested for sabotage against Yugoslavia, incited by the Cominform resolution.

Slavs See Distortion

Tito's semi-official Belgrade newspaper *Politika* said today the Soviet Union would have to "renounce its incorrect foreign policy" if it wanted Yugoslavia for a friend. The paper's editorial was distributed in London by Tanjug, official Yugoslav news agency.

Politika described Russian notes to Yugoslavia as "unsuccessful attempts to distort the truth." The notes, the newspaper said, "confirm the hostility of the Soviet Government toward the Socialist construction of our country."

Red M. P. Bitter Toward America

Says Britain Prefers Communism to Being Kicked Around by Money Magnates.

London, Aug. 22 (A. P.)—A Labor Member of Parliament said tonight that Britain would prefer Communism to "being kicked around by the unlettered, pot-bellied money magnates of the United States." He accused American big business of "conspiring to overthrow the Labor government."

Tom O'Brien, union leader and member of the House of Commons, made the statement in a political speech in London's Finchley district.

"What the Americans do not realize," he said, "is that the British Labor government and not their dollars is the only effective bulwark against the Communist domination of Europe. The freedom-loving people of Britain, if the ghastly choice were before them, might be tempted to prefer the tyranny and poverty of the East rather than abject subservience to the opulent vulgarity and offensiveness of the West."

British newspapers and Labor party officials have grown increasingly sensitive to United States criticism in the last two weeks.

O'Brien is a member of the General Council of the Trades Union Congress which provides the Labor party with much of its strength at the polls. T. U. C. member unions speak for 8,000,000 British workers.

"The almighty dollar mentality of the American industrialists," O'Brien said, "will not seduce the Europeans to jettison their traditions of culture and civilization in the face of the Communist menace."

Malta's Navy Base Versus Aid

London, Aug. 22 (AP)—Malta has threatened to throw the British out of Valletta and offer that strategic Mediterranean port to the United States as a naval base unless it gets a slice of Britain's European recovery funds.

This was disclosed today by high Maltese and British officials as talks on the island colony's tough economic situation reached a critical phase. They gave this account:

Maltese negotiators, led by Premier Dr. Paul Boffa, made the threat weeks back but backed down a week ago. The British Government had refused to continue the talks unless the threat was withdrawn. At this, Boffa's deputy, Don Mintoff, and the Maltese commissioner general in London, Edward Ellul, resigned in protest.

Proposes Referendum

The informants said the Maltese government had threatened that unless given economic aid it would organize a public referendum on whether it should let Valetta to the United States as a naval base.

A self-governing colony, Malta runs its own internal affairs. Constitutionally it is not allowed to negotiate directly with any foreign power.

Malta had asked Britain for the right to apply directly for ERP help. Failing that, it wanted a slice of Britain's own Marshall aid allocation. Maltese leaders have said unemployment and hunger will stalk their island unless they get help soon.

Negotiations still are going on.

Threat To Fire Workers

The row was touched off by an Admiralty decision to fire 1,200 Maltese dock workers at the British navy's establishments on the island.

Boffa said today he had asked that this decision be rescinded. He said he had also made certain other suggestions. He did not say what they were.

"Unless they are accepted I quit as premier," he added.

The next move is up to the British Government, Boffa said.

The island's 370,000 people depend for their livelihood mainly on the work they do for Britain's army, navy and air force establishments.

Bevin Postpones Sailing For U.S.

London, Aug. 22 (AP)—Ernest Bevin, Foreign Secretary, today postponed his departure for the Washington dollar talks.

Both Bevin and Sir Stafford Cripps, Chancellor of the Exchequer, had planned to sail on the Queen Elizabteh next Saturday.

Cripps postponed his sailing to permit four days additional rest. He recently returned from Switzerland where he was treated for a digestive complaint.

The two government leaders will now sail on the Mauretania August 31. The talks, in which Britain, the United States and Canada will take part, are scheduled to open on September 7.

Siberian Miners Get Pay Raise, Russia Says

London, Aug. 22 (AP)—The Moscow radio said tonight wages are going up in the Siberian coal mines—but didn't specify how much.

The radio said that for "highly productive labor" many miners now make an average of from 5,000 to 7,000 rubles (from $1,000 to $1,400) a month. The radio did not say what the average wage is in the mines, but added that the amount cited did not take into account social insurance, free schooling and training and free medical service, "which still further raises the real wages of Soviet workers."

British Press Sees War Threat In Russ Note

London, Aug. 22 (AP)—British newspapers said today the new Russian note to Marshal Tito sounds like the worst threat of war since 1939.

To the conservative *Daily Telegraph* the Soviet assertion that it may take "more effective measures" to protect its citizens in Yugoslavia was "the very language of Hitler's exhausted patience."

The conservative *Daily Mail* wrote:

"'My patience is exhausted. I must march to restore order.' Russia's words fall upon our ears like a sinister echo across a decade."

Ring Of Nazism

The Laborite *Daily Herald's* diplomatic correspondent said the note "is nearer a threat of war than anything since Hitler."

The Conservative Yorkshire *Post* said it "has the ring of Nazi propaganda just before Hitler marched into Poland."

The *Daily Mail* said the "acute hostility between the regimes of these two countries has reached such a pitch that an outbreak of war would not be astonishing."

It added: "The American House of Representatives has certainly chosen a bad moment to cut military aid to Europe."

The *Daily Telegraph* thought the words of the note "are capable of bearing any meaning up to the extreme of war."

U.S. Workers Better Off Than Russ, Norway Told

Paris, Aug. 22 (AP)—The American working man is much better off than his Russian counterpart, according to a neutral Norwegian survey.

The Economic Cooperation Administration (Marshall plan) issued a booklet yesterday giving the results of fact-finding trips to the United States and Russia by separate delegations of the Norwegian General Federation of Trade Unions.

It showed:

An average American worker earns a loaf of bread with five minutes' work; it takes a Russian two hours.

An American buys a pound of meat with half an hour of labor; a Russian needs a day.

An American can buy a woolen suit after 25 hours of work; a Russian needs two months to earn the requisite rubles.

The Norwegians said their visit to the United States gave them "greater confidence in the ability of democracy to solve its problems."

U.S. Moves Ahead

They said:

"The country is still wrestling with many and great problems. Its economic life is unstable. Its social life is complicated by racial prejudices and frictions between citizens of many nationalities. The country is still in the melting pot. But it is moving forward culturally, socially and economically."

One Norwegian delegation visited Russia in August and September, 1948. The other toured the United States for three weeks last January.

World Bank Considers 'More Modest' Slav Loan

Paris, Aug. 22 (AP)—Eugene Black, Jr., president of the World Bank, said today the bank is considering a "much more modest" loan to Yugoslavia than the $250,000,000 she has asked.

[Belgrade dispatches have reported the figure to be $280,000,000].

Black explained that $250,000,000 is "the sum of a number of projects" that the Yugoslavs would like to have the bank finance. He did not specify what the projects are.

Black is on a week's trip to France and England, he said, to go over matters to be discussed when the bank's governors meet in Washington September 13. Maurice Petsche, French Finance Minister, will be in the chair. Black had a talk wth Petsche here today.

HUMAN RIGHTS BID MADE

Strasbourg Parley to Vote Soon on Committee Proposal

STRASBOURG, France, Aug. 22 (AP)—A committee of the European Consultative Assembly proposed today that the twelve member nations join in a collective guarantee of human rights.

The action was announced by the chairman of the Human Rights Committee, Sir David Maxwell-Fyfe, British prosecutor at the Nuremberg war crimes trial.

The Assembly will vote on the resolution within two weeks.

Sir David said the committee had not discussed the recommendation of Winston Churchill that the member states set up a human rights court to guarantee protection of fundamental privileges in member countries. The committee will meet again Thursday.

30.24- 5191

10 More War Criminals Are Released by Italy

ROME, Aug. 22 (AP).—Italy has released ten more Italian war criminals condemned by British courts, and has slashed the life sentences of six others. The Foreign Office announced tonight the action was taken after talks with the British.

The lifers' sentences were reduced to terms of five, ten or fifteen years' imprisonment. The Foreign Ministry said these terms may subsequently be reduced by a third. Of the ten released, five received complete freedom. The others were freed because of illness and will be subject to police controls, the ministry said.

The Italian press has been waging a campaign on behalf of the war criminals held on the Island of Procida near Naples.

U. S. SHIPS TO VISIT SPAIN

Call by Navy Units Will Be First Since Franco Took Power

MADRID, Aug. 22 (AP)—United States warships will visit Spain next month for the first time since Generalissimo Francisco Franco took power a decade ago.

The Spanish leader is expected to receive Admiral Richard L. Conolly, Commander in Chief of United States naval forces in the Eastern Atlantic and Mediterranean, while the American naval vessels are at Spain's El Ferrol naval base Sept. 3 to Sept. 8.

Admiral Conolly will be aboard the heaxy cruiser Columbus. That vessel will be accompanied by the anti-aircraft cruiser Juneau and the destroyers Bordelon and Stribling.

After the Spanish visit, the Columbus will return to Plymouth, England. The other ships will join the United States forces in the Mediterranean.

It was the first report of a German Communist revolt against Soviet domination similar to the breakaway last year of Marshal Tito in Yugoslavia.

Scholz said the Free Communist party (FKP), like Tito's Communists, will continue to support Marxian communism, but resist any dictation from the Kremlin.

Yugoslavia's Experience

Yugoslavia was expelled from the Cominform (Communist International Information Bureau) last summer for "nationalistic" deviations from the line laid [illegible] by Russia.

Scholz, jailed by the Nazis in 1933 as a suspect in the historic Reichstag fire case, said Soviet sector authorities have put a price of 10,000 East marks (about $700) on his head. He lives in a French sector apartment, with steel reinforced doors and barred windows.

The rebellious Communist said FKP leaders were hiding guns and ammunition in the Soviet zone of Germany for armed resistance to the Russians.

with the party initials. A semi-weekly newspaper *Die Rote Fahne* (The Red Flag) will be published.

This was the name of the Communist organ during the days of the Weimar Republic.

Spokesmen indicated to the Western press that the new party would be in about the same position as Marshal Tito's regime in Yugoslavia—following the tenets of communism but not the dictates of Moscow.

Another Crack Appears

Two veteran German Communists were elevated to leadership of the group — former Communist Chairman Karl Heinz Scholz and Paul Szymanski, a top man in the Socialist Unity (SED) party which was formed out of the Soviet-inspired merger of Communists and Socialists in 1946.

In the meantime, a crack also appeared in the united front the Western parties presented against the East during Berlin's cold war.

The Free Democrats hinted strongly that the time may be here for them to stop co-operating with the Socialists in the West Berlin city government.

Are Free Enterprisers

Chairman Carl Hubert Schwennicke, writing in the party newspaper, indicated that the developments in the West zonal elections dictate a new course.

The Free Democrats rose to third position in the voting and probably will join with the Christian Democrats in organizing the new Bonn Republic. Both plump for free enterprise as opposed to the Socialists program of state control.

the Russians and smuggling weapons for the party.

Scholz, a wartime anti-Nazi underground fighter who had been imprisoned four years as a Reichstag fire suspect in the 1930's, lives in the French sector behind steel doors and barred windows which make a fortress of his third-floor flat.

Soviet sector authorities have outlawed him and put a price of equal to about $700 on his head. By profession he is an engineer.

The other leaders elected at the party's organization meeting is Paul Szymanski, a head man in the Socialist Unity party formed in 1946 by a Soviet-dictated merger of Communists and Socialists.

Semi-Weekly Paper

They said the Free Communist Party is laid out on the pattern of the original German Communist party of the early 1920's. It began publishing today a semi-weekly newspaper *Die Rote Rahne* (the red flag), using the name of the Communist organ circulated in the days of the Weimar Republic.

The first issue was a mimeographed sheet with a red flag drawn by crayon.

The Free Communists joined Tito's bitter anti-Cominform feud with the Kremlin by sending a telegram to Belgrade carrying assurances of sympathy and support.

The Kremlin considers both ideological heretics; both proclaim devotion to communism and independence from Moscow dictatorship.

"Always Will Be Communists"

"We are Communists, always have been Communists and always will be Communists," Scholz said in proclaiming the new party.

"We have formed to fight imperialist bolshevism. The so-called internationalism of Soviet Russia is a fraud. We reject any plans for dictatorship of the people because it inevitably becomes a dictatorship over the people," Scholz said. He is noted for his oratory.

"We are expanding all the time," he declared. "Soon the party will have branches in all the western zones."

Western zone authorities, however, have refused to license the Free Communists as a political party. The Socialist Unity party calls it an outlaw organization.

Arrested By Gestapo

Being outlawed politically is not new to Scholz. He was arrested by the Nazi Gestapo in 1933 when Hitler's regime was trying to pin the blame for the Reichstag fire on Communists led by the late Georgi Dimitrov, who became Comintern director and post-war Premier of Bulgaria. Anti-Nazis contended Hitler's people themselves burned the Reichstag so as to have a pretext for cracking down on Communists.

Arrested along with the highest of Comintern society, the then 25-year-old Scholz was held in jail four years as a suspected conspirator in the fire and freed without being tried. He was jailed again a few months later for spreading Communist propaganda in Hitler's Reich. When he got out he went underground in Berlin to fight the Nazi war effort.

5-Point Platform

The Free Communist charter meeting was attended by 50 former members of the old Communist and Socialist Unity parties in a traditionally strong Communist quarter of the French sector. It was the first such open break in Communist ranks since the Russians clamped their brand of communism on eastern Germany.

The Free Communist party hopes to woo great numbers of German Marxists who hate Russia and will go for Tito-type Communist nationalism. Its slogan is "union of all German Communists rejecting Soviet imperialism."

The platform adopted by the new party contains five points:

1. A peace treaty for all Germany.
2. Return to Germany of the Saar and parts of Germany given to Poland and abolition of international control over the Ruhr.
3. Put all German industries into the hands of workers' co-operatives without state ownership.
4. Abolish all Russian zone concentration camps and release all German prisoners of war.
5. Establish a democratic republic for all Germany based on the federal system (as the newly formed west German government is organized.)

Prepared For Revolution

"We have sure and definite knowledge from our underground sources," Scholz said, "that Russia is planning to proclaim an east German government during the September meeting of the Big Four foreign ministers" (scheduled to be held in New York).

Moscow Predicts Tito-Vatican Tie

Trieste, Aug. 22 (AP)—A Moscow broadcast recorded by the Italian news agency Astra declared today negotiations are under way for an eventual accord between Premier Marshal Tito and the Vatican.

Such an agreement, the radio said, is the purpose of the Rome visit of the Most Rev. Joseph Patrick Hurley, apostolic nuncio in Belgrade.

Hurley, who is also bishop of St. Augustine, Fla., arrived in Rome about a week ago. He has visited the Vatican secretariat of state, but all details of his talks have been secret.

Swiss Heads Health Group

GENEVA, Aug. 22 (AP)—Dr. André Repond of Switzerland, director of the European Committee on Mental Health for the past ten years, was elected president of the World Federation for Mental Health today.

Red 'Splinter' Unit Formed In Russ German Zone

THOS. A. REEDY

Berlin, Aug. 22 (AP)—German Communists who hate Russia formed a new splinter party today and promptly sent Yugoslav Premier Marshal Tito a message of support.

A spokesman for the group claimed 4,000 active members in the Russian zone of Germany and another 600 in the Western sectors of Berlin.

Fifty former members of the Communist party and Socialist Unity party (SED) announced they had broken away at a meeting in the French sector of Berlin and were forming a "Free Communist party."

Fraudulent Internationalism

Karl-Heinz Scholz, 41-year-old engineer and veteran German Communist underground campaigner, said in an iterview:

"We have formed to fight imperialist Bolshevism. The so-called internationalism of Soviet Russia is a fraud. We reject any plans for a dictatorship over the people."

Hears Of Russ German State

He declared he had "sure and definite information from our underground sources" that Russia is planning to proclaim a Soviet-dominated East German state in September.

"When that happens," he added, "only a revolution can then bring about unification of Germany. We will be prepared for that necessity."

Would Be Major Party

The group said it hoped to branch out and become a major party by appealing to Germans who favor communism but reject Russian domination.

The adopted slogan is "a union of all German Communists rejecting Soviet imperialism."

The West Berlin city government will be asked to grant a license.

From 1920 Model

The "FKP" would be modeled after the original Communist party of the early 1920's in Germany. The delegates adopted a red flag

German Communist Faction Forms A New Pro-Tito Party

Carter F. Lawrence

Berlin, Aug. 22 (AP)—A German Communist faction formed a new party today and quickly leagued itself with Yugoslavia's Marshal Tito "to fight the imperialist bolshevism" of Russia.

Its leaders said they already were collecting guns to resist arrest by Russian forces in eastern Germany if necessary.

The chief-spokesman and co-leader, 41-year-old Karl-Heinz Scholz, claimed his Free Communist party has a growing membership now counted at 4,000 in the Soviet sector of Berlin and 600 in the western sectors.

Spying On Russians

Scholz said a well-organized underground operation is spying on

when that happens." Scholz went on, "only a revolution can bring about unification of Germany. We will be prepared for that necessity.

"The might of the Red Army is strong. We are working underground and we will resist arrest by our own weapons."

Reich Coalition Lineup Reported

Bonn, Germany, Aug. 22 (AP)—Plans for a coalition of three conservative and right-wing parties to form West Germany's first federal government were announced here today.

Negotiations between the three parties will begin soon, according to a news conference announcement by Dr. Fritz Oellers, chairman of the Free Democratic party in Schleswig-Holstein.

Dr. Oellers said the negotiating parties will be the Christian Democrats, a conservative party which led all others in the August 14 parliamentary election; the rightist Free Democrats, who ranked third, and the extreme right-wing German party, which ranked fourth.

All are anti-Socialist.

Could Muster 6-Vote Margin

Together they could muster a six-vote majority in the Parliament, with 208 out of 402 seats.

That would make an opposition minority of the Social Democrats, who ranked second in the election with their socialistic program.

The Christian Democrats yesterday rejected the idea of inviting the Social Democrats into coalition partnership.

Already, a Cabinet was beginning to take shape in political speculation here.

Possible Lineup

Here is the lineup most commonly mentioned:

President—Prof. Theodor Heuss, Free Democratic chairman.

Chancellor (Premier)—Dr. Konrad Adenauer, chairman of the Christian Democrats.

Minister of Interior—Dr. Robert Lehr, Christian Democrat.

Minister of Economics—Dr. Ludwig Erhard, Christian Democrat.

Minister of Finance—Dr. Franz Bluecher, Free Democrat.

German Cities Issue Stamps

BERLIN, Aug. 22 (AP).—The Russian zone broke out in a rash of new postage stamps today. Eight cities issued special stamps in observance of the "Peace Day" to be celebrated Sept. 1. The stamps were printed by Dresden, Goerlitz, Eisenach, Erfurt, Chemnitz, Leipzig, Potsdam and Schwerin. Leipsig also issued a new stamp for its fall fair.

Says Reds Hold U. S. Youths

Army Hears Two Americans Missing on Bike Tour in Germany Were Arrested in Soviet Zone.

Frankfurt, Aug. 22 (A. P.).—The United States Army said today that two American youths who had disappeared recently on a bicycle tour in Germany were reported arrested by Soviet zone police. A German was quoted as the informant.

The two are Warren Oelsner, 20, of Oyster Bay, L. I., and Peter Sellers, 18, of Philadelphia.

The Army's provost marshal division has been conducting an intensive search for the youths at the request of John J. McCloy, United States military governor.

The Army announcement said the German informant had stated that Oelsner and Sellers were arrested in the Soviet zone town of Doitzenburg for taking pictures. Doitzenburg is near the British-Soviet zone border. The German said they were arrested on August 4 or 5.

"Provost marshal officials said that the latest report is creditable, although earlier reports placed the youths in the British and American zones of Germany as late as August 12 and 13," the announcement said.

The Army said the German informant told a British public safety officer he had been informed of the arrest of the youths by a Soviet zone policeman.

Provost Marshal officials said the information did not check with previous reports placing the pair outside the Russian zone at Goettingen, 130 miles south of Boitzenburg, as late as Aug. 12 or 13, but said the newest report was "creditable."

The missing youths are Warren Oelsner, twenty, of Oyster Bay, Long Island, N. Y., and Peter Sellers, eighteen, of Philadelphia.

The American Provost Marshal Division has been trying to trace them on orders of John J. McCloy, American Military Governor. The American Express Company has been asked to look for travelers' checks they may have cashed along the way.

The Army announcement pointed out that none of the reports positively identified the youths as Oelsner and Sellers, and that all reports were merely of young men fitting the descriptions of the two Americans. It said the informant came to Western Germany from the Russian zone and told a British public safety officer he had got the report on the two youths from a Soviet zone police officer.

2 U. S. Cyclists Reported Held In Soviet Zone

German Says Missing Youths Were Seized by Reds for Taking Pictures on Tour

FRANKFURT, Aug. 22 (AP).—A German informant said today that two young American bicycle tourists were arrested by Russian zone police on Aug. 4 or 5 for taking pictures at Boitzenburg, near the British-Soviet zone border, thirty miles East of Hamburg.

Devaluation Not Only Need, Hoffman Says

Frankfurt, Germany, Aug. 22 (AP). ECA Administrator Paul G. Hoffman declared today currency devaluation alone will not solve Europe's basic problems.

Hoffman's statement came at a news conference in which he also asserted the issue of dismantling German factories "should be buried."

"The great inclination is to look on devaluation as a cure-all for everything," Hoffman said. "The important thing is to get the underlying conditions sound, such as bringing up production.

Urges Sound Steps

"Until these sound conditions exist, devaluation won't solve Europe's basic problems."

Hoffman's statement came amid talk that Britian might reduce the value of the pound sterling, now held at $4.03, in an effort to boost exports.

Hoffman is touring western Europe to study economic conditions in relation to the European Recovery Program.

At Joint Conference

He appeared at a joint news conference with United States Military Governor John J. McCloy and ECA Ambassador-at-large W. Averell Harriman.

Hoffman was asked if he planned a further review of West German plants scheduled for removal under the Allied dismantling program.

"The important thing, in my opinion," he replied, "is not to revive that as an issue. You've got to look at the overall picture. The Humphrey Committee (which made a survey last year of German plants scheduled for dismantling) recommended that 167 plants should be removed from the dismantling list.

159 Retained

"The State Department got Britain and France to agree to retain 159 plants. The fact that 159 of 167 were retained should be remembered. I wish someone would mention this fact."

He ended his comments on dismantling with:

"Let's bury it."

On other subjects, Hoffman said:

1. "We feel the governments of Europe must create conditions that will encourage manufacturers and traders to do business with the Western Hemisphere."

2. Except for military items, "we are encouraging the largest possible expansion of trade between East and West—and all points on the compass."

3. McCloy "has taken a strong position that Berlin must be included in the ECA program for Germany. The precise method by which this can be done has not been decided—but we'll have to find the method."

Jail 6 German Counterfeiters

FRANKFURT, Aug. 22 (AP).—A United States Military Government court today convicted six Germans arrested in a drive to smash an international counterfeiting ring. The Germans were found guilty of possessing fake German 100-mark notes and $5 United States Army scrip bills printed in Paris. Their sentences ranged from two months to three and a half years.

4,000 D. P.s Sailing for U. S.

FRANKFURT, Aug. 22 (AP).—More than 4,000 displaced persons will sail from Germany this week as emigrants to the United States. The Army transport General Haan sailed from Bremerhaven today for New York with 884 D. P.s. The General Howze will sail tomorrow for New Orleans with 1,357. The General Stewart will leave for New York Wednesday with 816.

British Guard Manstein Against Suicide Attempt

HAMBURG, Aug. 22 (AP).—Anti-suicide measures were tightened tonight over former German Field Marshal Erich von Manstein, whose trial before a British war-crimes court opens tomorrow.

A British officer now accompanies the sixty-one-year-old officer everywhere he goes in the special block of the military hospital which has been his prison for eleven months. His routine is strictly watched.

During his long wait he was allowed comfortable quarters and daily walks in the hospital grounds on which guards followed at ten yards. His wife was allowed to come and go as she pleased.

The seventeen charges in the indictment concern alleged atrocities against Polish civilians and prisoners of war by troops of the army group of which Manstein was chief of staff under Field Marshal Gerd von Rundstedt. He is charged with mass extermination of Jews, forcibly employing Russian prisoners of war on work connected with military operations and forcibly recruiting them to fight their fellow countrymen.

Part of Manstein's defense expense is being paid from a fund raised in England to which Winston Churchill contributed.

Romania to Redeem Derelicts

BUCHAREST, Romania, Aug. 22 (AP).—A government decree today provides that tramps, beggars and prostitutes are to go to special re-education centers for a year's compulsory vocational training. They will be sent to the centers at their own request or at the request of the militia, the prosecutor's office or social organizations.

RED STRIKE FRONT WEAKENING FAST IN FINNISH CRISIS

TEDDY ROSENTHAL

HELSINKI, Finland, Aug. 22—(AP) The communist strike front showed new cracks today.

A walkout of transport workers, called for today, made little impression on the country.

The shoe, leather and rubber workers union notified the trade union federation and employes that their strike, scheduled to begin Tuesday, had been postponed.

Strike Front Cracks

These were the sixth and seventh walkouts called in a strike offensive which the government has charged was intended to set the stage for a communist coup in Finland.

To Await Vote Outcome.

The executive council of the Textile Workers Union announced late tonight that a strike set for Wednesday had been postponed. Council leaders said they had decided to await the outcome of a vote on the strike question.

Executives of the workers' co-operative stores and the wood-working industry announced they would be considered open shops, since the Trade Union Federation had declared the strikes illegal.

This was the day that strikers were to have numbered 100,000, according to communist calculation. But employers estimated the idle had dwindled to 27,000 from a peak of 45,000.

No official figures were available, however, either on total strikers or those engaged in the transport walkout. A private source said perhaps 2,000 truck drivers, gas station, garage and warehouse workers in the entire country stayed off the job. Labor sources said there were about 6,000 organized workers in these groups.

Interurban and rural bus traffic was running without interruption and most gas stations were open.

Employers admitted, however, that some business houses were hampered by lack of truck drivers. Union officials said 90 per cent of the delivery truck drivers were out.

The action of the shoe, leather and rubber workers in postponing their strike was seen as a result of

30.24- 5193

the order of the trade union federation for unions to cancel strike calls or face expulsion.

Port Situation Complex

The port situation was complex, with Helsinki and Turku completely tied up by a dockers' strike, and work still going on at Hamina.

At Hango, where the government declared the strike illegal in order to keep imports and exports moving, 250 volunteer dockers were on the job. They had unloaded only one small Swedish ship, however, and authorities said they needed 500 or 600 men.

A 52-year-old woman died last night as the result of the clash at Kemi last Thursday between striking lumbermen and troops. This brought the casualties to two dead.

The communist charged "police terror" in this incident was a violation of Finland's peace treaty with Russia, and that suppression of strikers was aimed at preparing for war with the Soviet Union.

Reports from saw mills, plywood factories and automobile body factories said the first day of the wood workers' strike also fell short of success for the communists.

The employers' central union said only one sawmill in the whole country was idle. But 25 per cent of the plywood factories were shut down.

Strikes Wane In Finland

Helsinki, Finland, Aug. 22 (AP)—The Communist strike offensive against the Finnish Government lost momentum again today as workers apparently remained deaf to Red pleas for further walkouts.

Although the Transport Workers Union called a strike for this morning, traffic was normal on Helsinki's streets.

The Communist plan had called for more than 100,000 of Finland's 300,000 unionized workers to be on strike today in what the Government charged was an attempt to prepare for a communist coup.

27,000 Estimated Idle

The Government has not yet been able to compile an official report on the number who actually have left work, but employer estimates gave the total at 27,000.

Woodworkers also scheduled a walkout for today, but the effectiveness of that strike was not known immediately.

The strike threat generally appeared to have been overcome by the combined efforts of the Social Democratic (Socialist) Government of Premier Karl A. Fagerholm and the loyal Central Trade Union Federation.

Strikers in many industries were reported streaming back to work, including bakers, brewery workers, dock workers, lumberman and log floaters.

Pravda Plays Up Reactions To Slav Note

Moscow, Aug. 22 (AP)—The Soviet press and radio devoted much space and time today to foreign reactions to the latest Soviet note to Yugoslavia.

Half of *Pravda*'s foreign news page was taken up with dispatches from abroad on the subject. Sample headlines in the official Communist party newspaper were:

"Tito's clique conducting secret negotiations with Vatican."

"Traitorious deal of the Tito clique with Greek Monarchist-Fascists."

A "Colonel Chekich of the Yugoslav General Staff" was quoted as saying "The Tito clique increases terror in Yugoslavia."

Chinese Report New Victories Near Canton

Canton, Aug. 22 (AP)—The Nationalists claimed more success today on the Central China front north of this Communist-threatened refugee capital.

The Government said a Red thrust to cut the Canton-Hankow railway and isolate the Hunan province defense bastion of Hengyang had been thrown back.

The Nationalists said they beat back Red General Lin Piao's attempt to take Leiyang, 230 miles north of Canton, after his forces had bypassed Pai's Central China defense headquarters at Hengyang, 35 miles farther north.

Anjen Recaptured

The counterattack carried 30 miles northeast of Leiyang to recapture Anjen, which guards Pai's eastern flank, it was reported.

This operation put one division of Lin's 45th Red Army into retreat and two regiments were wiped out, the Nationalists said.

The Government also claimed a victory 50 miles northwest of Hengyang where it said Lin's entire 51st Army was wiped out.

[This would be a total of about 30,000 men if the army's three divisions were at full strength.]

Weapons Reported Russ Made

The Ministry of National Defense said most machine guns and rifles taken from the Red 51st were Russian made.

Destruction of the 51st should relieve the pressure on Pai's western flank and retain his possible escape hatch to his native Kwangsi province to the southwest.

In Kiangsi province, the Nationalists reported heavy fighting around Sinfeng, 180 miles northwest of Canton. This town is 55 miles east of Tayu, where the Communists have made their closest penetration to Canton—170 miles away.

Lanchow Battle Heavy

Far to the northwest in Kansu province, the battle for Lanchow, the capital, was reported in full swing. The National Defense Ministry said two divisions of Red Gen. Peng Teh-huai's 3d Army had been wiped out in the southern outskirts of the city.

Peng's 50th Army, attacking Lanchow from the east, also was reported thrown back. The Red assault was said here to include six Red armies, which would mean 120,000 to 150,000 men.

Reds Reported Beaten on Rail Line to Canton

Nationalists Say Sinhwa Is Retaken; Advance Along East Flank Also Claimed

CANTON, Aug. 22 (AP).—Nationalists reported fresh gains on both flanks of the rail route to Canton today, prolonging this city's life as the provisional capital of China.

General Chang Yi-ting, Nationalist Army spokesman, announced recapture from the Communists of Sinhwa, 340 miles northwest of Canton and ninety-five miles northwest of the important rail junction of Hengyang.

On the east side of the railway that leads south from Hengyang to Canton, he announced, the Nationalists were striking toward Yuhsien, 270 miles north of Canton and twenty-five miles north of newly regained Anjen.

The Central China commander, General Pai Chung-hsi, was visibly elated as he flew to Canton today to confer with Premier Yen Hsi-shan. As a gift to the Canton zoo, he brought along a tiger his troops had caught north of Hengyang.

The Army spokesman said there was no change on the front 170 miles northeast of Canton, where the Reds have made their nearest approach to this city.

On the distant northwestern front in Kansu Province, he reported heavy clashes on the outskirts of Lanchow, the provincial capital. The Defense Ministry said the defenders had destroyed two Communist divisions on the southern outskirts of Lanchow and Red attackers had been thrown back on the east. It estimated, however, that 120,000 to 150,000 Reds were participating in the drive.

Nationalists Give Liner Safe Conduct

Shanghai, Aug. 22 (AP)—The Shanghai office of the American President Lines said today the liner General Gordon had been granted safe conduct into Shanghai by the blockading Nationalist Government.

The vessel is scheduled to call at Shanghai September 15 to pick up about 1,000 foreigners for evacuation. Most of them are Americans and Britons.

Plans call for the General Gordon to sail to Manila, Hong Kong, Shanghai, Kobe and Yokohama.

So far, only a few hundred foreigners have been given exit permits by the Communists in Shanghai.

Mock Bombs Clean Up; Now 'Victims' Have To

Tokyo, Aug. 22 (AP)—During Air Force training exercises over the Tokyo area today, a B-59 bomber swooped over the Misawa airbase and dropped leaflets all over the place. It was quite a litter.

Ground crews who rushed out found that one side of each leaflet read: "Anti-personnel bomb; you are dead," while the other read: "This is cleanup week."

Australia Defense Talks On

SYDNEY, Australia, Aug. 22 (AP).—Secret talks on defense of the Southwest Pacific began in Melbourne today among representatives of Britain, Australia and New Zealand. The talks will continue until the end of the week. A "Sydney Sun" dispatch from Melbourne said: "The talks hinge on a decision to develop Australia as the main base for the area. Standardization of organization and joint use of war potential to facilitate defense is being considered."

Rivera Visa in Doubt

Painter Seeks Entry Into U. S. to Attend Los Angeles Dinner

MEXICO CITY, Aug. 22 (AP).—Diego Rivera, Left-wing Mexican painter, encountered difficulties today in seeking a visa for the United States. He told the United States Embassy he wanted to go to Los Angeles for a dinner planned for him by admirers of his work. He made no written application, but in answer to questions he was informed that his admission could be authorized only by the United States Attorney General.

Mr. Rivera has said he formerly belonged to the Communist party and sought reinstatement after his membership was canceled. There was no discussion of his ideas at the Embassy, as both he and the Embassy took for granted that his views are publicly known.

U.S. Atom Aides Confer With Canadian Experts

Ottawa, Aug. 22 (AP)—The External Affairs Department today disclosed that five United States atomic energy officials spent Saturday and Sunday in conferences with Canadian experts at the Chalk River atomic project.

While no reference was made to the forthcoming trination atomic talks in Washington early next month, the visit by the Americans appeared to be linked with those talks.

The announcement said the Americans paid a "courtesy call" on Chalk River, where an atomic pile has been set up. They were Senator W. F. Knowland, (R., Cal.), and Representative Henry M. Jackson (D., Wash.), members of the United States congressional joint committee on atomic energy; H. Bergman, deputy director for the joint committee; E. L. Heller, of the committee staff, and Jesse Johnson, deputy director of the United States Atomic Energy Commission's raw-materials division.

TRUMAN PLEADS FOR ARMS AID AS 'PRICE OF PEACE'

Protection Against Aggression Can't Be Bought Cheaply, He Says

SPEAKS TO VFW

Charges Communism 'Lures Men to Slavery by False Promises'

MIAMI, Fla., Aug. 22—(AP) President Truman took to the people today his plea for $1,450,000,000 to arm this country's allies against Russian aggression as "part of the price of peace."

He declared that peace with freedom and justice "cannot be bought cheaply" as he spearheaded the administration Senate drive to restore a $580,405,000 cut voted by the House.

AUG 21 1949

The President, flew 930 miles from Washington to lay his case before the Golden Jubilee convention of the Veterans of Foreign Wars in gaily-decorated Dinner Key Auditorium.

Voices Arms Aid Plea

He called for approval of the program of military assistance to North Atlantic Pact signers and other friendly nations "without delay."

"The cost of such a program is considerable," he conceded, "but it represents an investment in security that will be worth many times its cost. It is part of the price of peace.

"Peace with freedom and justice can not be bought cheaply. No single program can bring it about, nor can any single nation. It can only be assured by the combined efforts of the multitudes of people throughout the world who want a secure peace."

He said most of the assistance would go to Atlantic Pact countries. "Security is important to world peace."

Truman's Address to V. F. W. Convention

MIAMI, Aug. 22 (AP)—The complete text of President Truman's address at the convention of the Veterans of Foreign Wars today follows:

Mr. Commander in Chief, distinguished guests, fellow-members of the Veterans of Foreign Wars:

I am happy to be in Miami today to help celebrate the Golden Jubilee anniversary of our organization.

I am proud to be a member of the oldest active veterans' organization in the nation. For fifty years the V. F. W. has been serving not only the interests of the men who have fought for our country in foreign lands, but also the interests of our whole nation.

I have watched the splendid humanitarian work which our organization carries on. I have also been gratified by the record of the V F. W. in other fields, and particularly in the field of international policy. I recall the United Nations rally in 1942, at our forty-third national encampment in Cincinnati, to which fourteen Allied nations sent representatives. I remember the victory conference in 1945 at our Chicago encampment, where representatives from twenty-one Allied nations met to discuss the value of cooperation in war and the importance of continuing international co-operation in time of peace. The V. F. W. has continued this fine record by its strong support of the North Atlantic treaty.

I am particularly pleased that you have asked me to be here on the day the V. F. W. is honoring distinguished representatives from other countries which have joined in the North Atlantic treaty. The presence of veterans from most of the treaty countries, meeting with our own veterans, is deeply symbolic of the spirit that binds together the free nations of the world.

Cost of Wars Learned

All the countries that signed the treaty have learned the tragic cost of war. All of us have learned how weakness invited aggression—how democratic countries, unless they stand together, can be taken over one by one. And now, all of us are determined that, by joint efforts and a common defense, we shall become strong enough to prevent another terrible conflict.

Four years ago, when the war ended, the world entered a new phase of human history. There were many who believed that the world would quickly return to its old ways. Many believed that the countries of the world would work their way, peacefully and in co-operation, back to conditions of stability and prosperity.

But the effects of this last war were too far-reaching to permit such an easy adjustment. The destruction had been too great to allow a quick recovery. The accumulated wealth of generations had been poured out and lost in the conflict. Conditions of world trade had been fundamentally altered. As a result of the upheaval, many peoples demanded new rights and new responsibilities. Men who had lived for centuries in economic servitude asked for independence and a fair share of the good things of life.

The war against tyranny was sustained by belief in the Four Freedoms. Men refused to yield to dictatorship because they desired and believed they could secure conditions of material and spiritual freedom. When the war ended, they demanded to be treated as free men. They demanded a world in which they could attain security and liberty.

Demand Offers Challenge

This demand cannot be suppressed. It must not be frustrated. It presents a challenge to us and to the values of our civilization which will require all our energies and wisdom to satisfy.

One pretended answer to this demand of mankind is offered by organized Communism. But that answer is a false one. Communism claims to satisfy the universal desire for a better life. But, in fact, it lures men by false promises back to tyranny and slavery—and more and more people all over the world, are learning that fact.

The free nations of the world offer a different answer to the demand of mankind for security and liberty. Our answer is based upon voluntary association among free nations, mutual adjustment of our common problems and combined economic effort. We are convinced that through these means the world can achieve economic progress and at the same time maintain and expand democratic freedoms. We are convinced that our answer will prevail.

The people of the United States have been meeting this challenge. In four short years they have done more in the cause of world peace and world recovery than any nation has ever before been called upon to do.

Joint Efforts Are Essential

We are not alone in this effort. Many nations which share our democratic values and our traditions are working with us. Without these allies in the cause of peace, our task would be hopeless. We can win a permanent peace only through the joint efforts of free nations striving toward the same objectives.

To achieve a better world we must prevent international violence. Unless protection against war can be secured, all efforts for the advancement of mankind will fail. One of the most important aspects of our foreign policy, therefore, is our effort to establish international order.

To this end, we have joined with other nations in creating a world organization which would outlaw aggression and establish a means of settling international order.

The principles of the United Nations are still our goal. We have undertaken to defend and preserve them. We will keep that pledge. Shortly after the end of the war, however, it became apparent that the United Nations could not live up to all our hopes for it until all nations were united in the desire for peace. It became necessary, therefore, for the free countries to take action to defend the principles of that organization and to preserve it.

Cites Greece-Turkey Aid

By an overwhelming bi-partisan vote, Congress approved my recommendation early in 1947 that the United States help Greece and Turkey resist Communist pressures. Our prompt action preserved the integrity of both countries.

By an equally overwhelming vote in 1948, the Congress approved our joint enterprise with sixteen European nations to achieve economic recovery. The European recovery program has prevented general collapse in Europe and has given hope to all countries who want to see the world resume the course of economic progress.

While we are working with our friends in Europe, we are also working with our friends and neighbors in this hemisphere. The pact of Rio de Janeiro, signed in September, 1947, binds the nations of North and South America together in a defensive alliance.

The United States and eleven other nations have now joined in the North Atlantic treaty. Like the Rio pact, this is a pledge of mutual assistance by nations which are determined to protect their independence. It is based on the principle that an armed attack on one member nation is an attack on all.

The next task is to back up this principle with military assistance to European nations, and to certain other nations, which are unable to build up their defenses without outside help.

Three Kinds of Assistance

I have recommended to the Congress that the United States supply three kinds of military assistance to friendly democratic nations in need of our help. First, we should help them increase their own military production. Second, we should transfer to them some essential items of military equipment. Third, we should send some of our experts abroad to help train and equip their military forces.

Some people who do not understand the state of the world very well have tried to make the military assistance program seem a difficult and confused issue. On the contrary, it is very simple.

The purpose of the military assistance program is to prevent aggression. Our European partners in the North Atlantic treaty are not strong enough today to defend themselves effectively. Since the end of the war they have been concentrating on rebuilding their war-torn economics. We can strengthen them, and ourselves, by transferring some military means to them, and by joining with them in a common defense plan. The military assistance program is based on the same principle of self-help and mutual aid that is the cornerstone of the European Recovery Program and the North Atlantic treaty.

We are not arming ourselves and our friends to start a fight with anybody. We are building defenses so that we won't have to fight.

No Threat to Others

Our aid will be limited to the material necessary to equip mobile defense forces. These forces will constitute no threat to the independence of other nations. The democratic nations have no desire for aggression; they only want to be able to defend their homes.

Most of our assistance under this program will go to Atlantic treaty countries, but will also help certain other nations whose security is important to world peace. We must continue our aid to Greece and Turkey. We should help Iran maintain its firm stand against Soviet pressure. And, in the Far East, two young republics—the Philippines and Korea—need military assistance if they are to maintain their national security."

Returns to Washington

The applause of the thousands of delegates to the convention—Mr. Truman is a member himself—had hardly died away before he was en route back to Washington on the White House plane, the "Independence."

Veterans of most of the Atlantic Pact countries were in the audience as Mr. Truman cautioned that unless democracies weld a strong defense structure to prevent another war they can be taken over "one by one."

The president condemned what he described as communism's "false" answer to mans' demand for "a better life."

Instead, he said, "it lures men by false promises back to tyranny and slavery—and more and more people, all over the world, are learning that fact."

Emphasizing that the arms program is aimed at aggression, Mr. Truman asserted:

"We are not arming ourselves and our friends to start a fight with anybody. We are building our defenses so that we won't have to fight."

His almost unprecedented flight here for a 15-minute address emphasized the importance he attaches to the legislation to implement the Atlantic Treaty by providing friendly nations with (1) military production aids (2) essential military equipment and (3) experts to help train and equipt their forces.

He may follow up the pressure for the program, if necessary, before the American Legion national convention at Philadelphia next Monday and the AMVETS convention at Des Moines, Iowa, on Labor Day. He has scheduled speeches before both groups.

Assails Russian Tactics

The President blamed Russian tactics for the cost of the cold war.

The Soviet Union, he declared, "has blocked every effort to establish an effective international police force and to free the world from the fear of aggression."

"For that reason," he went on, "we have had to join other friendly nations in forming regional defense pacts."

He forecast increased investments and new industries for war-torn countries once their defense is secured.

But, he said, "economic recovery will lag if the haunting fear of military aggression is widespread." He said the free countries must remove "the obstacles" to recovery created by this "fear of military aggression."

The President received two awards from the VFW during his brief Miami visit.

Just before he spoke Frank J. Tallman of Kansas City, Mo., gave him the bronze statue of a long-eared Missouri mule in fighting pose as a memento of the Golden Jubilee Convention.

Mr. Truman waved the mule aloft and beamed "I'm particularly happy to have this Missouri mule."

After the speech he received the Veterans of Foreign Wars certificate of merit in recognition of his efforts "as President of the United States for the preservation of world peace."

Mr. Truman expressed his "very sincere appreciation for the honor which I have received. I hope that I deserve it and will work sincerely to achieve all that it represents."

Philippines and Korea—need military assistance if they are to maintain their national security.

If it were possible, we would prefer that these bulwarks against aggression be established by the United States. We hope the peace of the world will some day be enforced by security forces under the control and direction of the United Nations.

We have been working for that. But the Soviet Union has blocked every effort to establish an effective international police force and to free the world from the fear of aggression. For that reason, we have had to join other friendly nations in forming regional defense pacts.

The United Nations Charter was wisely drawn to permit these regional defense pacts and other collective security arrangements which are consistent with the great principles of the charter. The military assistance program will help the United Nations to co-operate more effectively by increasing the collective as well as the individual ability of free countries to resist aggression.

Two Programs Closely Linked

The military assistance program and the European Recovery Program are part and parcel of the same policy. There is the closest relationship between economic recovery and military defense. On the one hand, economic recovery will lag if the haunting fear of military aggression is widespread. Such fear will prevent new investments from being made and new industries from being established. On the other hand, if protection against aggression is assured, economic recovery will move forward more rapidly. Sound economic recovery and adequate military defense must be carried forward together in balance. That is exactly what we propose to do.

Great progress has been made in economic recovery in Europe. The production of the Western nations of Europe has been rising steadily. To continue the momentum of this economic advance it is necessary now to remove the obstacles created by the fear of military aggression.

We should therefore undertake a program of military assistance without delay. The cost of such a program is considerable, but it represents an investment in security that will be worth many times its cost. It is part of the price of peace.

Peace with freedom and justice cannot be bought cheaply. No single program can bring it about, nor can any single nation. It can only be assured by the combined efforts of the multitudes of people throughout the world who want a secure peace. They are our friends and they are friends worth having. We must keep them our friends if the world is to be a decent place for our children and their children to live in.

Calls Isolationism Futile

We must face the fact that we have forever put behind us the false security of isolationism. We have done so because we have learned—learned the hard way—that in the world of today, isolationism is a futile and vulnerable shield. We have learned that the defense of the United States and the defense of other freedom-loving nations are indivisible. We have learned that we can serve our country best by joining in the common defense of the rights of all mankind.

The Congress of the United States in noble words has set out certain purposes of the Veterans of Foreign Wars. Our organization is pledged:

"To maintain true allegiance to the government of the United States of America, and fidelity to its Constitution and laws; to foster true patriotism; to maintain and extend the institutions of American freedom; to preserve and defend the United States from all her enemies."

In the fulfillment of those high purposes, I enlist your support to the end that we may persevere in the ways of peace with the same vigor and determination with which we fought our country's wars.

'On Way to Victory' In Cold War, Clay Says

MIAMI, Fla., Aug. 22—(AP) Gen. Lucius D. Clay said today "we are on the way to victory" in the cold war against communistic Russia.

The former United States military governor of Germany told the afternoon session of the Veterans of Foreign Wars that "many of you here today thought you had accomplished that victory, but it is still to be won."

"Now that the end is in sight we must not, we cannot lessen the effort," he warned.

The general spoke at the end of a North Atlantic Pact conference which heard addresses by representatives of eight signatory nations.

The golden jubilee convention formally opened this morning amid 80-plus temperatures and a rash of speech-making from officials ranging from the mayors of Miami and Miami Beach to President Truman.

Ten thousand delegates and spectators jammed the dinner key auditorium shortly after 10 a. m. to launch the week-long sessions of fun and serious business.

Because the President was a little behind schedule on his whirlwind visit to Miami, several addresses schedulued before the President's were postponed until after the chief executive left.

Sen. Claude Pepper (D-Fla) echoed President Truman's plea for a billion-dollar arms aid measure for allies of this country.

"We are not brandishing the big stick before the world," he said. "By our actions, we are protecting our security through mutual assistance and military aid plans."

Meanwhile, greater Miami was jammed wtih veterans from three wars. Some roamed the streets in garish "military Order of Cootie" costumes and all wore overseas caps. The 48 states, Hawaii, Alaska, Puerto Rico and the Canal Zone are represented.

Mundt Withholds Contents Of Note From Soldier

Washington, Aug. 22 (AP)—A secret letter beginning "Dear Pop" is shedding new light on the perfume oil and home freezer aspects of the five-percenter inquiry, Senator Mundt (R., S.D.) said today.

The letter was written by a former member of the armed services to his father, who turned it over to Mundt. The South Dakota lawmaker is a member of the special Senate subcommittee checking on whether improper influence has figured in the handling of Government business.

Mundt declined to discuss the contents of the letter in detail, but did describe it as a significant eyewitness account "of something which took place which appears to have an important bearing on matters we have been investigating."

Claims A Tie-In

He added:

"The letter ties in with the whole chain of events dealing with the presentation of home freezers to prominent people in Washington and the subsequent activities of representatives of the perfume company which paid for the freezers."

Mundt said the youth who wrote the letter either will be called to testify at the Senate public hearings, to be resumed tomorrow, or will be questioned privately.

Names Withheld

Mundt declined to name the boy or his father.

The committee has been told that seven home freezers presented to Maj. Gen. Harry H. Vaughan and other Washington notables in 1945 were paid for by the Albert Verley Company, a Chicago perfume-oil firm.

Vaughan, who is President Truman's military aide, will testify later this week. He has said the freezers were given to him by David Bennett, head of the Verley company, and Harry Hoffman, whose Milwaukee advertising firm handles the Verley account.

Vaughan said he kept one of the units and turned over the others to friends. One went to Mrs. Truman at the summer White House in Independence, Mo.

Paris Trip Involved

The committee also has received testimony that, likewise in 1945, Hoffman, John Maragon and a third Verley company agent got Government clearance for a business trip to Paris in an army plane. They arrived on the heels of liberating troops.

Maragon has had various Washington connections and lists Vaughan as a good friend. The official records of the Senate committee include testimony that Maragon, on his return from Paris, tried to bring through customs a quantity of valuable perfume essence disguised as four bottles of champaigne.

Wonder About Connection

The probers want to know whether there was any connection between the gift of the home freezers by the Verley company and clearance for the Paris trip.

The committee plans to question Maragon about the whole situation this week.

Mundt indicated that the "Dear Pop" letter ties into the freezer episode less directly than it does into the perfume-oil incident and the Paris trip.

5 PERCENTER CURB SOUGHT

Chief Senate Prober To Push Bill Controlling Fee Brokers

Washington, Aug. 22 (AP)—Senator Hoey (D., N.C.), chairman of a Senate investigations subcommittee, said today he wanted a law to regulate "five per centers."

Hoey made the announcement in Shelby, N.C., while his subcommittee set up its schedule of witnesses.

Maj. Gen. Herman Feldman, suspended quartermaster general who once had charge of buying food for all the armed services, will be questioned tomorrow. At the time of Feldman's suspension, Gordon Gray, Secretary of the Army, said Feldman had "furnished to a contractor's representative information under circumstances which appear irregular."

The committee said it planned to read into the record a letter which Feldman reportedly wrote James V. Hunt, Washington management counselor, giving details on the Quartermaster Corps' buying plans.

Another Deal Involved

Also up for consideration, the committee said, is a reported deal in which the Quartermaster Corps bought back a supply of D.D.T. bombs that one of Hunt's clients didn't want.

Wednesday, or later, Maj. Gen. Harry Vaughan, the President's army aide, will be heard. Vaughan's name has popped up at every hearing.

Said Senator McCarthy (R., Wis.) of Vaughan:

"He will be given every consideration, but will be asked an awful lot of questions."

One committee member said Vaughan would be on the stand Wednesday, but later it was reported it might be Thursday or Friday before he would be called.

Public Notice Sought

The committee was in recess today, but Hoey, during his Shelby visit, announced the details of a bill he plans to introduce as soon as the hearings are completed.

The Senator's plan provides that "five percenters"—men who try to land Government contracts for business men in return for a fee—would be required to give public notice that they are paid by business clients.

Every company seeking a contract with the Government would be required to register the names of persons it has hired to assist it, Hoey said. Furthermore, he said, any five per center would have to register with the Government department with which he wants to do business.

Hoey's idea is to bring the whole business out into the open. He said it would be somewhat similar to regulations already used for lobbyists. Instead of dealing with contracts, the lobbyist tries to help—or hinder—the passage of laws important to his client.

Mundt Tells Of Letter

Today Senator Mundt (R., S.D.) said he had received a letter that shed new light on the perfume-oil and home-freezer aspects of the case.

Mundt would not say much about the letter. He just said it started "Dear Pop" and was written by a member of the armed services to his father. As for its contents, Mundt said:

"The letter ties in with the whole chain of events dealing with the presentation of home freezers to prominent people in Washington and the subsequent activities of representatives of the perfume company which paid for the freezers."

Mundt said the boy who wrote the letter will be interviewed by the committee, but that the hearing may be held behind closed doors.

Mrs. Truman Got Freezer

The deep freezers, the committee has been told, were sent to Vaughan in 1945 by the Verley Perfume Company, of Chicago.

Vaughan has said he kept one of the freezers, and turned the others over to friends. One went to Mrs. Truman and the "Little White House" in Independence, Missouri.

John Maragon, man-about-Washington and a friend of Vaughan's, went abroad on an army plane in 1945 on a business mission for the perfume company. This was at a time when it was hard to get a travel permit.

Mundt has insisted that there must be some connection between the gift of the freezers and the trip, but witnesses have denied it.

Meanwhile, John Bracken, president of the Reserve Officers Association of the United States, denied that his group was spearheading a drive to get favorable publicity for Vaughan. On Saturday, Brig. Gen. E. A. Evans, the reserve officers' executive director, said of Vaughan:

"I think he has been the subject of unnecessary malignment and picking-on. I am happy to do anything I can to help him."

AIR CHIEFS DENY ANY 'INFLUENCE' IN B-36 PROGRAM

WASHINGTON, Aug. 22 — (AP) Gen. Carl Spaatz testified today that except for the existence of the American B-36 bomber and the atomic bomb, Russia's armies could overrun practically all of Europe and Asia "in a relatively short time."

American possession of these two key weapons, he said, are "the greatest forces for peace in the world" because they maintain "a balance of power."

The retired chief of the U. S. Air Force, whose bombers helped blast Germany into defeat in World War II, told the House Armed Services committee:

Denies Political Influence

1. He decided late in 1946 or early 1947 to build up a fleet of B-36s because he foresaw the potentialities of the huge six-engined bombers in the event of intercontinental warfare.

2. No outside influence, political or otherwise, swayed his decision.

Spaatz led off a parade of air force generals, past and present, in denying that any outside pressure led to favoritism toward the B-36 program, as charged by Rep. Van Zandt (R-Pa) in a House speech last May 26.

Van Zandt was absent today as the generals testified.

Besides Spaatz, the witnesses included Gen. Muir S. Fairchild, Air Force vice chief of staff; Gen. J. T. McNarney, chairman of the national defense management committee, and Lt. Gen. Harold A. Craig. The last three are members of the senior officer board which ruled on all steps taken in the B-36 expansion program.

All testified in the same vein.

Spaatz told the committee that members of the senior officer board are "invincible" against any attempts to have them play favorites among the various plane manufacturers.

Asked whether political influence might affect the board's recommendations, he replied firmly:

"That would not enter into it at all."

No Five Percenters

Chairman Vinson (D-Ga), referring to the current congressional investigation into "five percenters," asked Gen. Craig with a smile:

"Were there any five percenters hanging around?"

"I didn't see them, if they were," Craig grinned.

As the hearing recessed until tomorrow, Counsel Keenan told newsmen he "hopes" that Secretary of Defense Johnson and industrialist Floyd Odlum will be on hand to testify.

"They have been invited to appear tomorrow," Keenan said.

Odlum's name figured in a House speech by Rep. Van Zandt in which the Pennsylvania Republican said he had heard "disturbing reports" about the B-36 program.

Van Zandt said he had heard that Secretary of Air Symington planned to quit his federal post soon to head a big aircraft manufacturing combine to be organized by Odlum. Symnigton denied any such plans.

Odlum is head of the Atlas Corporation which controls Consolidated Vultee Aircraft Corp., makers of the B-36. Van Zandt said Odlum helped Johnson, then a Vultee director, raise funds for the Truman presidential campaign last year.

Two members of the House committee, Reps. Brooks (D-La) and Bates (R-Mass) said Johnson, Symington and other chiefs of the nation's air power should be cleared at once of any suspicion of irregularities in connection with the B-36 program.

U.S., England Set Preliminary Economic Sessions This Week

Washington, Aug. 22 (AP)—Preliminary American-British talks on Britain's economic crisis will open here this week.

American officials said it would require some notable feats of statesmanship to prevent the conference from hurting instead of improving British-American relations.

Among other things, the British say they take a dim view of the appointment of Secretary of the Treasury Snyder to head the American delegation for the main, second stage of the negotiations which will open September 6 or 7. They say they would have preferred Secretary of State Acheson.

View Of State Officials

State Department officials say Acheson and British Foreign Minister Bevin will probably hold the most important of the conversations—covering the whole range of United States-British relations—entirely outside the economic negotiations.

The latter will be conducted by Snyder and Britain's chancellor of the exchequer, Sir Stafford Cripps.

British officials here say no preparations have been made for Acheson-Bevin discussions paralleling the Cripps-Snyder negotiations. The British say they doubt that the meetings between the secretaries will produce definite results.

Canada Included

Canada will be a third party at the talks.

Meanwhile, lower level American and British negotiators will open the preliminary round next Saturday. Under Secretary of State James E. Webb has been named to head the American group.

The preliminary talks will disclose what proposals the British have in mind to deal with their dollar and gold shortages and what measures the United States is considering.

British Proposal On Gold

According to advance reports, the British have in mind a number of proposals, chief of which is that the American Government should raise the price of gold from about $35 to $45 an ounce (which would make Britain's gold supply worth more) and that this country should establish a stabilization fund to maintain the value of the pound if the pound is devalued.

Devaluation will be urged at some point by the Americans. United States officials say, although the British dispute it, that a pound worth less than $4.03 would instantly reduce the price of British goods in the American market and thereby increase the sales.

The British position is that the first effect would be raise the price of goods that Britain must buy.

Variety Of Schemes Urged

In addition to devaluation, Washington negotiators will again urge the British to try a variety of schemes to increase the salability of their products in the American market and to lower the cost (by means other than the devaluation move).

A warning to the American negotiators not to try to bypass Congress has been issued by Senator Wherry (R., Neb.), the Senate Republican floor leader.

Wherry said that the lawmakers want Britain to be strong but will not approve steps taken at undue expense to United States taxpayers. He argued that "when Britain wins world markets through efficiency, quality and competitive prices her dollar shortages will disappear."

refugees into its territory or that it surrender that southern Negev as part of a settlement of the territorial question.

White termed Frisch's statement "correct" but, he emphasized, this does not mean that the State Department does not want further concession both with respect to refugees and territory."

Government officials, in elaborating on White's remarks, made it plain that the State Department still believes that Israel's offer to readmit but 100,000 is "unrealistic" and that this offer should be increased.

Austria Gets $22,500,000 Aid

WASHINGTON, Aug. 22 (AP).—The Economic Co-operation Administration today approved expenditure of $22,500,000 in Marshall plan funds for industrial and agricultural development in Austria. The recovery agency said the money will come from so-called counter-part funds deposited by Austria to match American foreign aid grants.

Palestine Concessions Urged

State Department Asks Jews and Arabs to Make Fresh Compromises at Lausanne.

Washington, Aug. 22 (A. P.).—The State Department today called on Jews and Arabs to make further concessions in order to reach a general settlement of the Palestine problem.

Press Officer Lincoln White told a news conference both sides should be motivated "by a spirit of constructive compromise" if the deadlocked peace talks at Lausanne, Switzerland, are to succeed.

White made the statement in commenting on the remarks of Daniel Frisch, president of the Zionist Organization of America. Frisch said in a week end statement he had been told the State Department does not demand that Israel admit 250,000 Arab

W.C.T.U. TOLD DRINK REVOLT IS SPREADING

Leader Declares World Movement Is Stronger Than Ever

Philadelphia, Aug. 22 (AP)—A Woman's Christian Temperance Union leader declared tonight that the W.C.T.U. is stronger now than ever before.

"The revolt against drink," said Mrs. Margaret C. Munn, of Seatle, "is spreading over the world."

Mrs. Munn spoke at the temperance union's seventy-fifth national convention. She reported that 52 nations now have national organizations auxiliary to the World W.C.T.U.

This represents a gain of two countries over last year, she said.

Mrs. H. Cecil Heath, of London, honorary corresponding secretary of the world W.C.T.U., said it is "amazing" that the W.C.T.U. has made such a "healthy recovery from the severance caused by the war."

Praises German Leader

"The world's union," she added, "is being knit together in the way a damaged but healthy body may knit after a tragic accident."

Mrs. Heath singled out Frau Anna Klara Fischer, head of the German affiliate, for praise in reorganizing the W.C.T.U. on the European Continent.

"Is it any wonder," she said, "when hundreds of towns and villages have been battered to the ground by carpet bombing that our unions in Europe have in some cases been weakened almost to a point of extinction?

"Think of Italy, given as a tool into the hands of Germany by Mussolini; of France and Belgium, invaded more or less by one army after another; think of Germany, victim first of a power-craving madman and his satellites, and then of a relentless enemy, determined on extracting unconditional surrender."

Officers Re-Elected

The organization re-elected Mrs. D. Leigh Colvin, of Evanston, Ill., as its president. She has held that office since 1944.

Also re-elected were the following:

Mary B. Ervin, Columbus, vice president at large; Elizabeth A. Smart, Washington, corresponding secretary; Violet Black, Evanston, treasurer, and Mrs. Glen G. Hayes, Ransom, Kan., recording secretary.

30.24- 5197

WINS RELEASE OF GIFT DOLLS

Woman Editor Snips Red Tape Of Customs Department

Pittsburgh, Aug. 22 (AP)—Peggy Reiley came to town today and did battle with the Federal Government on a matter of principle—200 dolls in particular. And she gained at least a partial victory.

Peggy won't pay the $14.60 duty demanded by the Government for shipment of the dolls in her dolls-for-Europe campaign.

But the dutyless dolls can't be moved to Somerset, Pa., where the 29-year-old woman editor of the Somerset *American* has collected 1,500 other dolls.

Peggy will have to unpack, tag, readdress and repack the toys in the Pittsburgh customs warehouse.

A Big Job

"It's going to be a big job," she sighed.

"But I can't pay the duty.

"It's not a matter of money. It's the precedent it would set. We are expecting other shipments from Canada and I'm hoping someone in Washington will do something about this silly red tape before then."

The dolls in question were shipped from Canada by Margaret Wooding, of St. Catherine's, Ontario. Miss Wooding said today the Canadian Government had assured her the gift could be sent to the United States duty-free.

The dolls were contributed by children of St. Catherines, Ont., Canada. They have been held up by United States customs officials in Pittsburgh for duty.

Mr. Martin said he was told by customs officials here and in Pittsburgh that the action was routine. They assured him, he said, that as soon as the necessary papers were filled out the dolls would be released for reshipment.

Nearly 1,500 dolls have been collected as a result of the campaign started by Peggy Reiley, woman's editor of The Somerset American.

DOLLS TO GO TO EUROPE

Senator Says Pittsburgh Customs Will Yield Canadians' 200

WASHINGTON, Aug. 22 (AP)—Senator Edward Martin, Republican, of Pennsylvania, said he was assured by customs authorities today that some 200 Canadian dolls could pass through this country duty free on their way to Europe's toyless children.

Mr. Martin said he was informed all that must be done was for The Somerset (Pa.) American, newspaper sponsoring the shipment, to fill out some papers guaranteeing that the dolls would not be sold in this country.

Gen. Handy Leaves 4th Army

SAN ANTONIO, Tex., Aug. 22 (AP).—Thomas T. Handy, 4th Army commander for two years, said good by to officers of his headquarters today. He will leave tomorrow for Washington, en route to become commander in chief of the American forces in Europe.

G. I. in Texas Weds Girl In Germany on 2d Try

FORT WORTH, Tex., Aug. 22 (AP).—Private First Class Elmer Le Wright finally married by phone today Anna Grubmuller, twenty-two, an Austrian girl living in Germany.

They tried to get married last week, but arrangements got snarled up, and all Private Wright got was a big telephone bill. The Rev. A. B. Lightfoot officiated today in the trans-Atlantic ceremony.

Their planned marriage in Germany, where he recently was stationed, was thwarted when the soldier was transferred home. Immigration officers say proxy marriages are not recognized in quota restrictions. Private, Wright said he would seek an Army transfer back to Germany to marry his bride in the usual ceremony. Then he will try to bring her here under immigration exemptions granted spouses of American citizens.

Private Wright's bride was at Landshut Army Base in Germany for the ceremony. She was moved from Vienna after Soviet occupation there.

Witness for Tokyo Rose Admits False Statement

SAN FRANCISCO, Aug. 22 (AP).—Norman Reyes, a chief defense witness in the Tokyo Rose treason trial, under hammering cross-examination by the government today, said he had given false statements to the Federal Bureau of Investigation.

The statements were damaging to the case of Mrs. Iva Toguri D'Aquino, thirty-three, Los Angeles-born Japanese, charged with making treasonable war-time broadcasts from Radio Tokyo.

Mr. Reyes, a lieutenant during the war in the Philippine Army, was asked about statements he had given the F. B. I. last year. Mr. Reyes said he had signed them.

Prosecutor Tom De Wolfe read from one page. It quoted Mr. Reyes as saying the Japanes Army and Imperial Staff had personally complimented Mrs. D'Aquino for the way she handled her "Zero Hour" program and asked her to continue the good work. Mr. Reyes said the statement was false.

Mr. De Wolfe asked Mr. Reyes if he gave the statements voluntarily. He said, "No, sir." He said. "There was no physical coercion," but added: "I was willing to sign anything to get out from under. Everything I told them (the F.B.I.) has not appeared in the statement. Very much was left out."

L[illegible], AUG 22-(AP)-ALBANIA CHARGED TODAY YUGOSLAVIA VIOLATED HER FRONTIER FOUR TIMES IN ONE WEEK AND YUGOSLAV SOLDIERS ONCE FIRED ON AN ALBANIAN PATROL ON ITS HOME GROUND.

THE ALBANIAN TELEGRAPH AGENCY, IN AN ENGLISH BROADCAST FROM TIRANA HEARD IN LONDON, SAID ALBANIA'S FOREIGN MINISTRY HAD GIVEN YUGOSLAVIA A NOTE PROTESTING SUCH "ACTS OF PROVOCATION" ON THE LITTLE COUNTRY'S NORTHERN BORDER.

ALBANIA AND HER BIGGER NEIGHBOR HAVE BEEN FEUDING IN PUBLIC EVER SINCE THE SOVIET-LED COMMUNIST INTERNATIONAL INFORMATION BUREAU (COMINFORM) EXPELLED THE YUGOSLAV COMMUNIST PARTY IN JUNE, 1948, ON GROUNDS OF UNMARXIST NATIONALISM. YUGOSLAVIA SEVERAL TIMES HAS CHARGED ALBANIA WITH FRONTIER VIOLATIONS. ALBANIA HAS DENIED THE CHARGES.

THE NEW ALBANIAN NOTE ASKED YUGOSLAVIA TO END "ALL THESE HOSTILE ACTS WAGED WITH DELIBERATE ENDS IN VIEW BY YUGOSLAV AUTHORITIES." IT MADE THESE ACCUSATIONS:

JULY 31--TWO YUGOSLAV SOLDIERS PENETRATED 50 FEET INTO ALBANIA BUKUERRE-FORCED OUT.

JULY 31--TWO YUGOSLAV SOLDIERS PENETRATED 50 FEET INTO ALBANIA BUT WERE FORCED OUT.

AUG. 3--TWO YUGOSLAV SOLDIERS TWICE PENED MACHINEGUN AND RIFLE FIRE TOWARD THE ALBANIAN FRONTIER. THE SECOND VIOLATION ON THE SAME DAY COMES WHEN A YUGOSLAV PLANE FLEW ACROSS THE BORDER.

AUG. 4--TWO YUGOSLAV SOLDIERS PENETRATED 975 FEET INTO ALBANIA, LAY IN AMBUSH AND FIRED ON AN ALBANIAN PATROL, WHICH FIRED BACK AND FORCED A RETREAT.

DY418PED

FIRST LEAD TITO INTERPRETIVE

LONDON, AUG 22-(AP)-BRITISH DIPLOMATIC OFFICIALS SAID TODAY THE RUSSIANS WANT YUGOSLAVIA TO THINK SHE IS IN DANGER OF ATTACK. THEY EXPRESSED THE BELIEF MOSCOW IS BLUFFING.

BRITISH NEWSPAPER HAD SAID EARLIER A NEW RUSSIAN NOTE TO PREMIER MARSHAL TITO SOUNDED LIKE THE WORST THREAT OF WAR SINCE 1939. TO THE CONSERVATIVE DAILY TELEGRAPH, THE SOVIET ASSERTION THAT RUSSIA MAY TAKE "MORE EFFECTIVE MEASURES" TO PROTECT RUSSIAN CITIZENS IN YUGOSLAVIA WAS "THE VERY LANGUAGE OF HITLER'S EXHAUSTED PATIENCE."

BRITISH DIPLOMATS TOOK A CALMER VIEW. THEY RULED OUT THE LIKELIHOOD THAT THE MOSCOW-BELGRADE DISPUTE WOULD LEAD TO A SHOOTING WAR DESPITE MOUNTING TENSION INSIDE YUGOSLAVIA.

APPARENTLY THEIR VIEWS WERE BASED ON A LONG DISPATCH CABLED FOREIGN SECRETARY BEVIN BY SIR CHARLES PEAKE, BRITISH AMBASSADOR TO YUGOSLAVIA. PEAKE AND CAVENDISH CANNON, AMERICAN AMBASSADOR, CALLED ON YUGOSLAV DEPUTY FOREIGN MINISTER ALEX BEBLER AT THE YUGOSLAV FOREIGN MINISTRY YESTERDAY. BEBLER HAD INVITED THEM.

A BRITISH FOREIGN OFFICE SPOKESMEN TOLD NEWSMEN THAT THE PEAKE-BEBLER DISCUSSION IN BELGRADE WAS "ABOUT THE LATEST RUSSIAN NOTE" TO

YUGOSLAVIA. HE REFUSED TO GIVE ANY DETAILS ABOUT THE MEETING. THE BRITISH ARE IN CONSULTATION WITH THE UNITED STATES ON WESTERN RELATIONS WITH TITO.

OTHER BRITISH PAPERS BESIDES THE DAILY TELEGRAPH COMMENTED ON THE SIMILARITY OF TONE BETWEEN THE RUSSIAN NOTE AND THE WARNINGS HITLER USED TO ISSUE BEFORE HE SENT HIS TROOPS MARCHING.

THE CONSERVATIVE X X X THIRD GRAPH PREV A74

DA110PED

LONDON, AUG. 22-(AP)-FOREIGN SECRETARY ERNEST BEVIN CALLED ON KING ABDULLAH OF HASHEMITE JORDAN TODAY.

HE SPENT AN HOUR AND A HALF WITH THE BEARDED MONARCH IN THE LATTER'S LOCKED AND GUARDED 12-ROOM SUITE AT A PLUSH HYDE PARK HOTEL. BEVIN'S ONLY COMMENT WAS THAT HE HAD A "VERY CORDIAL" TALK.

EARLIER BURMESE FOREIGN MINISTER E.MAUNG CALLED ON BEVIN AT THE FOREIGN OFFICE. NEITHER WOULD COMMENT ON THEIR TALK BUT AN INFORMED SOURCE SAID THEY EXCHANGED IDEAS ON AN ANTI-COMMUNIST POLITICAL FRONT IN THE FAR EAST, THE QUESTION OF CLOSING THE BURMESE BORDER AGAINST CHINESE COMMUNISTS AND BURMA'S CIVIL WAR.

K713PED

London, Aug. 22--(AP)- Don Juan, pretender to the throne of Spain, arrived in Britain by air today from Lisbon, Portugal. He is told reporters he on a holiday and his visit has no political signific He is traveling under the name of the count of Barcelona.

AUG 23 1949

apl 23 01600 jrt 1160aed

London add ex menace

"WE WOULD RATHER TAKE THE RISK OF CIVILIZING COMMUNISM THAN BEING KICKED AROUND BY THE UNLETTERED POT-BELLIED MONEY MAGNATES OF THE UNITED STATES. DECENCY AND NOT DOLLARS WILL SAVE THE WORLD FROM COMMUNISM AND WAR.

"I HOPE BEVIN AND CRIPPS WILL KEEP THIS IN MIND IN WASHINGTON."

FOREIGN SECRETARY BEVIN AND CHANCELLOR OF THE EXCHEQUER SIR STAFFORD CRIPPS ARE TO MEET U.S. AND CANADIAN OFFICIALS THERE SEPT. 6 FOR TALKS ON BRITAIN'S DOLLAR SHORTAGE AND RELATED PROBLEMS.

K318PED

SIR DAVID ADDED THAT IT WILL THEN DISCUSS TWO METHODS PROPOSED FOR FRAMING A COLLECTIVE GUARANTEE OF HUMAN RIGHTS. THESE WERE:

1. TO COMBINE THE LAWS OF EACH COUNTRY INTO A CAREFULLY DEFINED EUROPEAN BIL OF RIGHTS. Strasbourg Add ex Thursday.

2. TO ACCEPT, FOR THE TIME BEING, HUMAN RIGHTS LAWS AS THEY STAND ON THE BOOKS OF MEMBER NATIONS AND ASK THE MEMBERS TO GUARANTEE THEY WILL BE ENFORCED. A COMMISSION, MEANWHILE, WOULD TRY TO WORK OUT A BILL OF RIGHTS ACCEPTABLE EVERYWHERE.

SJ524PED

AUG 23 1949

STRASBOURG, FRANCE, AUG.22-(AP)-THE EUROPEAN CONSULTATIVE ASSEMBLY COMPLETED ITS COMMITTEE ASSIGNMENTS TODAY. A DECISION WAS DEFERRED ON WHETHER ALTERNATE DELEGATES MAY SIT ON COMMITTEES, AS REQUESTED BY THE SMALL NATIONS WHICH HAVE LESS THAN SIX SEATS IN THE ASSEMBLY.

PRESIDENT PAUL-HENRI SPAAK ANNOUNCED THAT PROPOSALS ON EUROPEAN UNITY--WHICH IS A MAJOR AIM OF THE 12-NATION ORGANIZATION--WERE ASSIGNED TO THE GENERAL COMMITTEE. PROPOSALS TO ESTABLISH A HUMAN RIGHTS COURT WERE REFERRED TO THE ADMINISTRATIVE-LEGAL COMMITTEE.

THESE ARE THE FIRST TWO ITEMS ON THE WORK PROGRAM OF THE ASSEMBLY, WHICH WENT THROUGH THE PRELIMINARY DISCUSSION STAGE LAST WEEK.

THE ADMINISTRATIVE-LEGAL COMMITTEE ALSO GOT TWO OTHER ITEMS ON THE ASSEMBLY AGENDA--PROPOSALS TO ESTABLISH A EUROPEAN PASSPORT AND PROPOSALS TO CREATE A EUROPEAN PATENTS OFFICE.

THE ECONOMIC COMMITTEE GOT PROPOSALS DEALING WITH THE MARSHALL PLAN'(S EUROPEAN ECONOMIC COOPERATION ORGANIZATION (OEEC) AND THOSE DEALING WITH JOINT PUBLIC WORKS PROGRAMS.

PROPOSALS ON UNIFYING SOCIAL SECURITY SYSTEMS WERE ASSIGNED TO THE SOCIAL COMMITTEE. TWO ITEMS DEALING WITH CULTURAL AND SCIENTIFIC COOPERATION WERE PLACED WITH THE SCIENTIFIC-CULTURAL COMMITTEE.

JM208PED

AUG 23 1949

BY NEL SLIS

THE HAGUE, AUG.22-(AP)-THE DUTCH AND INDONESIANS SIT DOWN TOGETHER TOMORROW FOR DECISIVE TALKS ON TRANSFER OF SOVEREIGNTY TO THE 70,000,000 PEOPLE OF THE DUTCH EAST INDIES.

THEIR HISTORIC ROUND TABLE CONFERENCE WAS CALLED TO PRODUCE A CHARTER THAT WOULD KEEP HOLLAND AND INDONESIA BOUND TOGETHER AS PARTNERS FOR THEIR MUTUAL BENEFIT.

IT IS THE CLIMAX OF FOUR YEARS OF BITTER FIGHTING--BY THE INDONESIANS FOR INDEPENDENCE AND BY THE DUTCH TO KEEP THEIR EASTERN EMPIRE.

THE CONFERENCE CALENDAR INCLUDES DISCUSSION OF A PROVISIONAL CONSTITUTION FOR THE PROJECTED UNITED STATES OF INDONESIA AND ECONOMIC ARRANGEMENTS WITH THE NETHERLANDS.

THE UNITED NATIONS COMMISSION FOR INDONESIA (UNCI) WILL OBSERVE IN INDONESIA THE CARRYING OUT OF AGREEMENTS REACHED HERE. BELGIAN, AMERICAN AND AUSTRALIAN MEMBERS OF THE COMMISSION ARE HERE FOR THE CONFERENCE AND TO LEND A HAND WHEN THEY CONSIDER IT NECESSARY.

THE PARLEY WILL OPEN IN THE SEVEN-CENTURIES OLD KNIGHTSHALL

IN THE CENTER OF THE HAGUE WITH THE FOREIGN DIPLOMATIC CORPS ON HAND.

SPEAKERS WILL BE DUTCH PREMIER WILLEM DREES; J.H.VAN MAARSEVEEN, MINISTER OF OVERSEAS TERRITORIES; MOHAMED HATTA, PREMIER OF THE INDONESIAN REPUBLIC; SULTAN HAMID, REPRESENTING INDONESIAN FEDERALISTS OUTSIDE THE REPUBLIC, AND THOMAS J.CRITCHLEY, OF UNCI.

AFTER THE PUBLIC OPENING SESSION THE CONFERENCE WILL SPLIT UP INTO COMMITTEES FOR CLOSED MEETINGS.

NO ONE CONCEALS THE FACT THAT OBSTACLES WILL HAVE TO BE CLEARED BEFORE FINAL SETTLEMENT CAN BE REACHED IN THE FINANCIAL AND ECONOMIC SPHERE.

THE INDONESIANS OPPOSE A DUTCH PROPOSAL THAT THE DUTCH MILITARY ACTIONS IN THE SUMMER OF 1947 AND THE WINTER OF 1948-49 SHOULD BE PAID FOR BY THE INDONESIANS.

PREFERENTIAL TREATMENT OF DUTCH INVESTMENTS IS EXPECTED TO BE BROUGHT UP.

THE STATUS OF NEW GUINEA IS ANOTHER POINT OF CONTENTION. THE DUTCH ARGUE THAT THE YOUNG STATE OF INDONESIA CAN NOT COPE WITH ADMINISTRATION OF HIS UNDEVELOPED ISLAND; THE INDONESIANS CONTEND THE DUTCH LACK FINANCIAL POWER TO DEVELOP IT.

N449PED

(WX)-MADRID--FIRST ADD WARSHIPS-SPAIN (A167) X X X MEDITERRANEAN.

IN WASHINGTON, A STATE DEPARTMENT OFFICIAL TOLD A REPORTER THE VISIT IS THE NAVY'S IDEA AND DOES NOT REPRESENT ANY CHANGE IN THIS COUNTRY'S CHILLY ATTITUDE TOWARD SPAIN'S GENERAISSIMO FRANCO.

THE NAVY CONFIRMED THE FORTHCOMING VISIT OF THE WARSHIPS TO SPAIN. IT SAID CONOLLY IS LEAVING HIS LONDON HEADQUARTERS TUESDAY TO JOIN HIS FLAGSHIP, THE CRUISER COLUMBUS, DURING A TWO-WEEK CRUISE. THE COLUMBUS WILL TAKE PART IN EXERCISES IN THE MEDITERRANEAN.

GG427PED

AUG 23 1949

FRANKFURT, GERMANY, AUG.22-(AP)-JOHN J.MCCLOY, U.S. MILITARY GOVERNOR, ANNOUNCED YESTERDAY THE APPOINTMENT OF SIX OF THE EIGHT-MEMBER CABINET HE WILL HAVE AS HIGH COMMISSIONER WHEN THE WEST GERMAN REPUBLIC IS CREATED IN SEPTEMBER.

THE NEW SET-UP WILL REPLACE THE PRESENT AMERICAN MILITARY GOVERNMENT. THE SIX CABINET MEMBERS APPOINTED BY MCCLOY ARE:

CHESTER A.MCLAIN, OF WASHINGTON, D.C., GENERAL COUNSEL; HARVEY W.BROWN, OF UNIVERSITY PARK, MD., DIRECTOR OF THE OFFICE OF LABOR AFFAIRS AND LABOR ADVISER TO THE ECONOMIC COOPERATION ADMINISTRATION (ECA) MISSION IN GERMANY; JAMES W. RIDDLEBERGER, WASHINGTON, D.C., DIRECTOR OF THE OFFICE OF POLITICAL AFFAIRS; GLENN G.WOLFE, WASHINGTON, D.C., DIRECTOR OF THE OFFICE OF ADMINISTRATION; MAJ.GEN. JAMES P. HODGES, OAKLEY, MD., U.S.COMMISSIONER OF THE MILITARY SECURITY BOARD, AND RALPH NICHOLSON, NEW ORLEANS, DIRECTOR OF THE OFFICE OF PUBLIC AFFAIRS.

CHIEFS OF THE ECONOMIC AND INTELLIGENCE DEPARTMENTS ARE YET TO BE NAMED.

MCCLOY ALSO NAMED JAMES E.KING, JR., LEESBURG, FLA., TO THE NON-CABINET POST OF EXECUTIVE SECRETARY.

HA724AED

frankfurt, germany, aug. 22 - (AP) - army private

elmer lee wright, of fort worth,tex. and his austrian sweetheart were married

[redacted] today by transatlantic telephone, the army newspaper stars and stripes reported.

AUG 23 1949

the telephone linked wright in fortworth with leopoldine ann grubmiller, in landshut, germany. her sister crowded into a landshut telephone booth to slip the wedding ring on the bride's finger.

courtship between the two started in 1947 in passau, germany. when wright was serving in the army of occupation. red tape stymied the courtship for two years. wright went home last april before he could clear necessary permits for their marriage.

the rev. a. b. lightfoot, of sylvan heights baptist church in fort worth, officiated at that end of the line [redacted] and an army chaplain here.

RHOENDORF, GERMANY, AUG 22-(AP)-GERMANY'S CONSERVATIVES, VICTORIOUS IN LAST WEEK'S ELECTIONS, WILL SPURN ANY CO-OPERATION WITH SOCIALISM.

LEADERS OF THE FIRST-PLACE CHRISTIAN DEMOCRATS SAID THEY WERE "OBLIGATED TO ABIDE" BY THE VOTERS' "CLEAR ENDORSEMENT OF THE FREE MARKET ECONOMY AS OPPOSED TO THE SOCIALIST PLANNED ECONOMY."

THE SOCIAL DEMOCRATS (SOCIALISTS), SECOND IN THE VOTING, WILL BE THE MAIN OPPOSITION PARTY.

THE CHRISTIAN DEMOCRATS, WHO LACK A CLEAR MAJORITY, PROBABLY WILL COMBINE WITH THE RIGHT WING FREE DEMOCRATS TO FORM A CABINET.

LEADERS OF THE PARTY MET HERE TODAY AT THE HOME OF THEIR CHIEF, DR. KONRAD ADENAUER, PROBABLE CHANCELLOR (PREMIER) OF THE NEW GOVERNMENT.

THEY DECLINED TO COMMENT ON THE POSSIBLE MAKE-UP OF THE NEW CABINET.

MK755AED

AUG 23 1949

A105 (260)

VIENNA, AUG. 22-(AP)-AN AUSTRIAN CIVILIAN WAS TAKEN FROM A SOVIET JEEP TODAY BY BRITISH MILITARY POLICE AFTER THE JEEP HAD BEEN BLOCKED BY A TRUCK AND SURROUNDED BY A CROWD OF 2,000 ANGRY AUSTRIANS.

THE AUSTRIAN SAID HE HAD BEEN ACCUSED BY THE RUSSIANS OF SPYING FOR THE UNITED STATES AND BRITAIN. HE DENIED THE CHARGE. HE SAID HE HAD BEEN HELD BY THE RUSSIANS SINCE LAST TUESDAY.

POLICE SAID THE RUSSIANS HALTED THEIR JEEP IN THE BRITISH SECTOR OF VIENNA TO ASK DIRECTIONS. EYEWITNESSES SAID THE AUSTRIAN CAPTIVE SMASHED THE WINDOW OF THE JEEP, JUMPED OUT, BUT WAS RECAPTURED BY THE RUSSIANS. THEN HE CRIED OUT: "HELP, HELP, I AM DR.KARL SONDERMAN OF VIENNA, FOURTH DISTRICT."

AN AUSTRIAN TRUCK IMMEDIATELY MOVED IN FRONT OF THE JEEP, BLOCKING ITS PATH AS IT WAS ABOUT TO CROSS A BRIDGE LEADING TO THE RUSSIAN ZONE. A BRITISH MILITARY PATROL ARRIVED ON THE SCENE AND SURROUNDED THE JEEP, HOLDING BACK ABOUT 2,000 AUSTRIANS WHO HAD GATHERED. SOME IN THE CROWD SLASHED AT THE TIRES ON THE JEEP.

THE RUSSIANS AT FIRST REFUSED TO SURRENDER THEIR PRISONER, WHOSE HEAD WAS BLEEDING FROM PISTOL BUTT WOUNDS. A REINFORCEMENT OF 20 FULLY-ARMED BRITISH SOLDIERS ARRIVED AND FINALLY SECURED SONDERMAN'S RELEASE.

HE WAS TAKEN TO A FIRST AID STATION FOR TREATMENT OF HIS HEAD INJURIES AND LATER TO A BRITISH MILITARY HOSPITAL WHERE HE TOLD BRITISH ARMY AUTHORITIES HE WAS ARRESTED BY THE RUSSIANS LAST TUESDAY WHILE RETURNING FROM GERMANY.

AUG 23 1949

SONDERMAN SAID HE WAS REMOVED FROM A VIENNA-BOUND TRAIN AT A DEMARCATION CHECKPOINT AND BROUGHT TO THE LOCAL COMMANDATURA. THE RUSSIANS, HE TOLD POLICE, ACCUSED HIM OF ESPIONAGE ON BEHALF OF THE UNITED STATES AND FRANCE.

AFTER BEING QUESTIONED DAILY, HE SAID, HE WAS TOLD HE WOULD BE TAKEN TO SOVIET HEADQUARTERS AT BADEN, 20 MILES OUTSIDE OF VIENNA. HE WAS ON HIS WAY THROUGH THE BRITISH SECTOR WHEN THE JEEP WAS HALTED.

SN1153PED

Helsinki Carefloater

THE WANING STRIKE MOVEMENT DREW STRONG COMMENT FROM FINLAND'S COMMUNIST PRESS.

THE OFFICIAL RED PARTY ORGAN, TYKANSAN SANOMAT, YESTERDAY CHARGED POLICE ACTION AGAINST THE STRIKERS WAS AIMED AT PREPARING FOR WAR AGAINST THE SOVIET UNION. THIS FOLLOWED EARLIER COMMUNIST CHARGES THAT THE GOVERNMENT WAS VIOLATING THE PEACE TREAY WITH RUSSIA.

THE GOVERNMENT OFFICIALLY DENIED, MEANWHILE, REPORTS OF A HUNGER STRIKE BY A FORMER COMMUNIST POLICE OFFICER ARRESTED AT KEMI, SCENE OF A CLASH BETWEEN TROOPS AND STRIKING LUMBERMEN LAST THURSDAY.

COMMUNIST NEWSPAPERS INSISTED, HOWEVER, THAT THE FORMER OFFICER WAS ON A HUNGER STRIKE. THEY ALSO REPORTED A 52-YEAR-OLD WOMAN HAD DIED AS A RESULT OF THE FIGHTING.

THE GOVERNMENT ANNOUNCED THAT 24 PERSONS HAD BEEN DETAINED BY KEMI POLICE INVESTIGATING RESPONSIBILITY FOR THE RIOT.

SF648AED

HONG KONG, AUG. 22-(AP)-THE HONG KONG GOVERNMENT TODAY BEGAN PROTECTING ITS HARBOR AGAINST POSSIBLE SUBVERSIVE CRAFT.

TWO ANTI-SUBMARINE DEVICES WILL BE LAID ON THE BRITISH COLONY'S WESTERN HARBOR LIMITS. WORK ON THE PROJECT IS EXPECTED TO BE FINISHED WITHIN TWO MONTHS.

AUG 23

JL647APS NM

TOKYO, AUG. 22-(AP)-KYODO NEWS AGENCY REPORTED TODAY 46 LEADERS OF THE COMMUNIST DOMINATED LEAGUE OF KOREAN RESIDENTS HAD BEEN ARRESTED IN SHIMONOSEKI.

THE ARRESTS FOLLOWED SATURDAY'S ATTACK ON THE HEADQUARTERS OF THE RIGHTIST KOREAN RESIDENTS' ASSOCIATION.

MEANWHILE, UNEASINESS ROSE AS A RESULT OF REPORTS THAT SYMPATHIZERS WITH BOTH KOREAN GROUPS WERE BEING SENT INTO SHIMONOSEKI PREFECTURE FROM NEARBY TOWNS. HOROSHIMA POLICE HAVE BEEN ASKED FOR 250 REINFORCEMENTS.

SATURDAY'S BATTLE RESULTED IN SERIOUS INJURIES TO MANY KOREANS ON BOTH SIDES. FOURTEEN BUILDINGS WERE DAMAGED.

JL646APS

AUG 23 1949

MANILA,TUESDAY, AUG. 23-(AP)-EXISTENCE OF A FLOURISHING ARMS SMUGGLING RING WAS DISCLOSED TODAY BY AUTHORITIES WORKING ON THE MYSTERY MURDER OF GEORGE C. MURRAY, FORMER U. S. ARMY INTELLIGENCE AGENT.

POLICE SAID THEY HAD IDENTIFIED A NUMBER OF AMERICAN AND FILIPINO BUSINESSMEN LINKED IN ARMS TRAFFICKING. SOME SHIPMENTS WERE SAID TO HAVE BEEN MADE TO MALAYA AND AT LEAST ONE TO INDONESIA.

INVESTIGATORS SAID THEY BELIEVED OTHER ARRANGEMENTS HAD BEEN MADE IN HONG KONG FOR THE DISPOSAL OF GUNS.

NO ARRESTS HAVE BEEN MADE IN THE MURRAY CASE ALTHOUGH POLICE HAVE DECLARED THE SLAYING OF THE FORMER KANSAS CITY, MO., MANWAS AN "INSIDE JOB."

HE WAS KILLED IN HIS BED EARLY ON AUG. 13 BY SOMEONE WHO STOOD OVER HIM AND FIRED FOUR BULLETS WITH MURRAY'S OWN PISTOL.

MRS. ESTER (CORRECT) DELROSARIO MURRAY, HIW WIDOW, CLINGS TO HER ORIGINAL STORY THAT SHE WAS IN THE KITCHEN PREPARING COFFEE WHEN THE SHOTS WERE FIRED.

FJ913PCS NM

30.24- 5201

TEL AVIV,ISRAEL,AUG.22-(AP)-ISRAELI SOLDIERS TOMORROW WILL BLOW UP A BIG MINE LAID IN THE NO-MANS-LAND AREA BETWEEN THE JEWISH AND ARAB SECTIONS OF JERUSALEM, IT WAS OFFICIALLY ANNOUNCED TODAY.

THE BIG CACHE OF EXPLOSIVES, PLANTED NEAR THE DAMASCUS GATE DURING THE PALESTINE FIGHTING, HAS BECOME A CENTER OF DIPLOMATIC CONTROVERSY BECAUSE THE DETONATION MAY DAMAGE THE NEARBY CHURCH OF THE HOLY SEPULCHER AND OTHER RELIGIOUS SHRINES.

(THE HASHEMITE JORDAN GOVERNMENT, WHICH HOLDS THE ARAB SECTION OF JERUSALEM, ASKED THE UNITED NATIONS SATURDAY TO HOLD ISRAEL RESPONSIBLE FOR PLANTING THE MINE. IT CALLED ON ISRAEL TO DISMANTLE THE MINE, IF POSSIBLE.

(A BRITISH FOREIGN OFFICE SPOKESMAN RECENTLY EXPRESSED CONCERN OVER DAMAGE THAT MIGHT BE CAUSED TO RELIGIOUS SHRINES IF THE CACHE IS BLOWN UP).

ISRAELI OFFICIALS SAID REMOVAL OF THE MINE WOULD BE MORE DANGEROUS THAN DETONATION ON THE SPOT. THE BLAST, TO BE SUPERVISED BY UNITED NATIONS OBSERVERS, WAS SET FOR TUESDAY AFTERNOON. RESIDENTS IN THE AREA WERE WARNED TO LEAVE THEIR HOMES BEFORE THE EXPLOSIVES ARE TOUCHED OFF.

MJ1204PED

Tel Aviv, Aug. 22--(ap)--An official spokesman said today the Israeli foreign office has no information which would substantiate reports that Jews registered in Russia for emigration to Israel are being sent to Siberia instead.

There have been unconfirmed reports, printed in local newspapers, that persons seeking to migrate from Romania to Israel have been deported to Siberia.

AUG 23 1949

However, immigration from Romania to Israel still is continuing. Only yesterday 307 immigrants and five tourists a rrived in Haifa from Romania aboard the steamship Transylvania.

A private source told a reporter: "We do not know completely whether there are any renewed deportations inside Soviet Russia and letters arriving from there usually are inconclusive."

The same informant said there may be individual deportations from Romania and other eastern bloc countries but expressed the belief there were no mass deportations.

AUG 23 1949

apr/gottagrous 02130/4no/346p

PRECEDE DAY TEL AVIV EXPLOSIVES (170)

BY TED LURIE

JERUSALEM, AUG.22-(AP)-ISRAELI ARMY SAPPERS MADE NEW PREPARATIONS TODAY TO BLOW UP AN UNDERGROUND MUNITIONS DUMP OF THE JEWISH-ARAB WAR NEAR ANCIENT SHRINES OF THE HOLY CITY.

THE BLASTING, SCHEDULED FOR 4 P.M. TOMORROW (8 A.M., EASTERN STANDARD TIME) WILL BE WITNESSED BY U.N. ARMISTICE OBSERVERS.

THE DEMOLITION ORIGINALLY SET FOR LAST MONDAY WAS CALLED OFF WITHOUT EXPLANATION AFTER THE BRITISH FOREIGN OFFICE EXPRESSED FEARS THAT THE NEARBY CHURCH OF THE HOLY SEPULCHRE MIGHT BE DAMAGED.

A COMPLAINT WAS MADE LAST SATURDAY BY HASHEMITE JORDAN (TRANS-JORDAN) IN A MESSAGE TO THE UNITED NATIONS EXPRESSING SIMILAR CONCERN OVER THE MOSLEM MOSQUE OF OMAR.

BOTH BRITAIN AND JORDAN SAID ISRAEL WOULD HAVE TO TAKE RESPONSIBILITY FOR ANY RUIN OR DEFACEMENT OF SACRED PLACES.

AUG 23 1949

SAPPERS HAVE WARNED THAT EFFORTS TO REMOVE THE EXPLOSIVES MIGHT SET THEM OFF AND THAT THERE WAS SOME DANGER OF DETONATION EVEN IF THEY WERE LEFT ALONE IN TUNNELS NEAR THE OLD CITY'S DAMASCUS GATE.

MINE EXPERTS FROM THE UNITED STATES, FRANCE AND BELGIUM SPENT THREE WEEKS EXPLORING AND ADVISING ISRAEL ON THE SAFEST WAY TO DISPOSE OF THE DUMP.

THE ISRAELI ARMY ANNOUNCED SPECIAL PRECAUTIONS ARE BEING TAKEN.

N457PED

AUG 23 1949

JERUSALEM, AUG 22-(AP)-LEON GELLMAN, AN AMERICAN JEWISH LEADER AND EDITOR, WAS ELECTED CHAIRMAN OF THE EXECUTIVE OF THE WORLD MIZRAHI ORGANIZATION TODAY.

GELLMAN, WHO WAS EDUCATED AT ST.LOUIS UNIVERSITY, HAS BEEN PRESIDENT OF THE MIZRAHI ORGANIZATION OF THE UNITED STATES SINCE 1936. THE ORGANIZATION IS A ZIONIST PARTY REPRESENTING RELIGIOUS ELEMENTS, INCLUDING CHIEF RABBIS.

ME134PED

LAST TUESDAY THE PAINTER CALLED AT THE EMBASSY AND BEGAN HIS INQUIRIES BUT SUDDENLY LEFT SAYING HE WOULD RETURN LATER.

HE SAID NO DATE HAD BEEN FIXED FOR THE DINNER AND THAT HE DID NOT REMEMBER WHO WAS ORGANIZING IT.

THE LAW BARS FROM ENTRY TO THE UNITED STATES ANARCHISTS, COMMUNISTS AND OTHERS CONSIDERED "UNDESIRABLE."

JM929PED

Ottawa, Aug. 22--(AP)--External affairs minister L. B. Pearson said today the international trade problem won't be solved "by pulling a rabbit from a hat" in washington--or anywhere else.

AUG 23 1949

Pearson referred to the forthcoming [redacted] british-american trade conference in Washington which he will attend. He spoke at the opening of the 65th central canada exhibition.

Pearson said it was dangerous to [redacted] try to divide the trading areas of the world into dollar and sterling blocs and said it would bring pleasure only to "those patient, calculating gentlemen behind the kremlin walls and their agents throughout the world."

Pearson said that multilateral trade must be re-established throughout the world.

"Somehow or other the flow of goods multilaterally must be restored and this can only be done by a concerted effort based on the friendly understanding and working together in the part of the new world and the old.

"this will involve a re-examination of economic policy by all the countries concerned in the light of the present situation. it will also mean that any new measures taken over here which will assist European recovery must be met by measures on the side which will give the

necessary assurance tha any assistance given will be effective.

"all this may mean that immediate concessions will have to be made--all around--for the ultimate advantages of all. dollar countries will be to encourage imports by enlightened government action while countr like the united kin som will have to take the steps necessary to get into a competitive export position."

AUG 23 1949

mb/cp/65pp

FIRST LEAD DOLLS

ST.CATHARINES, ONT., AUG.22-(AP)-MARGARET WOODING OF ST.CATHARINES, WHO SHIPPED 200 DOLLS TO SOMERSET, PA., FOR EUROPE'S CHILDREN, SAID TODAY THE CANADIAN GOVERNMENT HAD ASSURED HER THE GIFT COULD BE SENT TO THE UNITED STATES DUTY-FREE.

THE DOLLS ARE BEING HELD IN A CUSTOMS WAREHOUSE AT PITTSBURGH BECAUSE THE U.S. GOVERNMENT WANTS CUSTOMS DUTY.

THE DOLLS WERE CONTRIBUTED BY CHILDREN AT A FESTIVAL SPONSORED BY THE ST.CATHARINES RECREATION COMMISSION. THE IDEA WAS PASSED ALONG TO THE COMMISSION BY MISS WOODING WHO OBTAINED IT ORIGINALLY FROM A SOCIETY REPORTER OF THE SOMERSET AMERICAN.

"THERE IS NOTHING MUCH THAT CANADIANS CAN DO NOW TO PROTECT THEIR DONATION," MISS WOODING SAID. "EXCEPT TO TRUST IN THE INFLUENCE AND MANAGEMENTS OF THE REILEYS IN SOMERSET, WHO ARE SPONSORING THE COLLECTION."

H.B.REILEY, PUBLISHER OF THE SOMERSET AMERICAN, AND HIS DAUGHTER, PEGGY, WHO FOSTERED THE IDEA OF DOLLS-FOR-EUROPE, CHARGED EARLIER THAT THE GOVERNMENT HAD RENEGED ON A PROMISE TO LET THE DOLLS ENTER THE U.S. DUTY-FREE.

GH118PED

AUG 23 1949

190) KOREA

WASHINGTON,AUG.22-(AP)-THE SENATE APPROPRIATIONS COMMITTEE WAS TOLD TODAY THE REPUBLIC OF SOUTH KOREA IS WINNING THE COLD WAR AGAINST COMMUNISM BUT PROBABLY WOULD COLLAPSE IN A FEW MONTHS IF U.S.AID IS STOPPED.

DR.EDWARD H.JOHNSON, HEAD OF THE KOREAN DIVISION OF THE ECONOMIC COOPERATION ADMINISTRATION, SAID THE ONE-YEAR-OLD NATION HAS MADE REMARKABLE PROGRESS.

HE SAID HE BELIEVES IT COULD BEAT OFF COMMUNIST THREATS AND REMAIN A DEMOCRATIC OUTPOST IN THE FAR EAST IF UNITED STATES AID IS MAINTAINED FOR ANOTHER THREE YEARS.

BUT WILLIAM C.FOSTER, ACTING ADMINISTRATOR FOR ECA, SAID ECONOMIC AND POLITICAL CHAOS WOULD RESULT IN A FEW MONTHS TIME IF AMERICAN AID, FINANCIAL AND TECHNICAL, DID NOT CONTINUE.

DR.JOHNSON AND FOSTER TESTIFIED IN FAVOR OF A $150,000,000 AID BILL FOR FISCAL 1950. BOTH REFERRED TO KOREA AS AN OUTPOST OF DEMOCRACY.

FOSTER ALSO ASKED IMMEDIATE ACTION ON AN AMENDMENT TO THE THIRD DEFICIENCY APPROPRIATION BILL GIVING $12,500,000 FOR USE BETWEEN AUGUST 1 AND SEPTEMBER 15,1949.

FOSTER SAID THIS MONEY IS AN "EXTREMELY URGENT" MATTER TO KEEP OPERATIONS GOING UNTIL THE FULL FUND IS APPROVED.

AUG 23 1949

FR229PED

(200) AP SPECIAL WASHINGTON SERVICE

WASHINGTON,AUG.22-(AP)-THE LAREDO (TEXAS) TIMES TODAY URGED AN IMMEDIATE MARSHALL PLAN FOR LATIN AMERICA.

THE MONEY SHOULD BE SPENT FOR AT LEAST 150 DEVELOPMENTS SUCH AS THE TENNESSEE VALLEY AUTHORITY (TVA), THE PAPER SAID, TO DEVELOP AGRICULTURE, TRANSPORTATION, INDUSTRY AND MINING SOUTH OF THE BORDER.

AS A RESULT, THE TIMES ADDED, "OUR FACTORIES WOULD HAVE A NATURAL MARKET, WHICH WOULD DEVELOP FOR THE NEXT 50 TO 100 YEARS."

THE PAPER'S VIEWS APPEARED AS AN ADVERTISEMENT IN TH

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AUG 23 1949

MARKET,WHICH WOULD DEVELOP FOR THE NEXT 50 TO 100 YEARS."

THE PAPER'S VIEWS APPEARED AS AN ADVERTISEMENT IN THE WASHINGTON DAILY NEWS. THE SECOND SUCH EDITORIAL TO APPEAR HERE IN RECENT WEEKS, IT WAS IN THE FORM OF AN OPEN LETTER TO SENATOR TAFT (R-OHIO). THE TIMES SAID IT WAS WRITING HIM "BECAUSE YOUR POSITION IN WORLD AFFAIRS HAS REACHED A POINT WHERE IN MANY MATTERS YOU ACTUALLY DOMINATE POLICIES."

THE EDITORIAL SAID THAT "THE RUSSIANS HAVE BEEN WAY AHEAD OF US IN SIZING UP THE IMPORTANCE OF LATIN AMERICA" WHEREAS OUR STATE DEPARTMENT APPEARS TO BE FAR MORE INTERESTED IN EUROPE, AND ADDED:

"ACTUALLY PRESIDENT TRUMAN DOES NOT WANT TO MAKE A DUNKIRK OR A CHINA OUT OF LATIN AMERICA. BUT THE FACT REMAINS THAT A SENSIBLE REALISTIC PLAN FOR LATIN AMERICA CANNOT REACH PRESIDENT TRUMAN BECAUSE HE IS SURROUNDED BY A SIXTH (CQ) COLUMN WHICH IS HELLBENT FOR NOT ONLY GIVING ALL OF OUR MONEY AWAY, BUT CHINA AND LATIN AMERICA AS WELL."

FR101PED

(200) VOORHEES-ALEXANDER

WASHINGTON,AUG.22-(AP)-TRACY S.VOORHEES OF NEW YORK, WHO HAS BEEN ASSISTANT SECRETARY OF THE ARMY, WAS SWORN IN TODAY AS UNDERSECRETARY. ARCHIBALD S.ALEXANDER OF BERNARDSVILLE,N.J., TOOK THE OATH AS ASSISTANT SECRETARY.

ARMY SECRETARY GRAY ADMINISTERED THE OATH TO BOTH.

VOORHEES, WHO HAS BEEN WITH THE ARMY SINCE 1942, IS LEAVING BY PLANE TOMORROW FOR JAPAN.

HE WILL BE IN TOKYO FOR ABOUT TWO WEEKS FOR TALKS WITH GEN.DOUGLAS MACARTHUR, SUPREME COMMANDER FOR ALLIED POWERS, AND OTHER OFFICIALS.

IT IS UNDERSTOOD HERE THAT THESE DISCUSSIONS DEAL WITH MATTERS IN THE OCCUPIED AREAS. VOORHEES WILL BE ACCOMPANIED BY DR.RALPH W. REID AND CAPT.EDLOWE CONNAN OF THE ARMY DEPARTMENT.

DEFENSE SECRETARY JOHNSON HANDED VOORHEES HIS COMMISSION AND A COMPLIMENT AT THE SWEARING-IN CEREMONY IN THE PENTAGON. JOHNSON TOLD HIM:

"YOU HAVE BEEN DOING A VERY FINE JOB--CONTINUE TO DO A GOOD JOB IN JAPAN."

VOORHEES SERVED DURING THE LAST WAR AS A COLONEL. IN 1946, HE WENT TO THE WAR DEPARTMENT AS ASSISTANT TO THE THEN SECRETARY OF WAR PATTERSON. HIS SPECIALITY WAS GOOD AND SUPPLIES FOR OCCUPIED AREAS IN EUROPE AND THE PACIFIC.

HE WAS NAMED ASSISTANT SECRETARY OF THE ARMY LAST YEAR.

ALEXANDER, A NEW YORK ATTORNEY, ALSO SERVED IN THE ARMY DURING THE WAR. HE WAS THE UNSUCCESSFUL DEMOCRATIC CANDIDATE FOR THE U.S. SENATE FROM NEW JERSEY LAST NOVEMBER.

THE TWO APPOINTMENTS COMPLETE GRAY'S OFFICIAL FAMILY EXCEPT FOR ONE ASSISTANT SECRETARYSHIP. THAT POST IS EXPECTED TO BE FILLED SOON BY PRESIDENT TRUMAN. KARL ROBIN BENDETSEN, SAN FRANCISCO LAWYER, IS REPORTED TO BE IN LINE FOR THE JOB.

MD/V1211PED

(160) NIGHT LEAD ARMS-CHINA

WASHINGTON, AUG 22-(AP)-SENATOR FULLES (R-NY) SAID TODAY THE STATE DEPARTMENT "MAY ACQUIESCE" IN A SENATE MOVE TO CUT CHINA IN ON THE PROPOSED $1,450,000,000 FOREIGN ARMS BILL.

DULLES EXPRESSED THIS BELIEF AS PRESIDENT TRUMAN PLEADED IN A FLORIDA SPEECH FOR SPEEDY APPROVAL OF THE ENTIRE PROGRAM AS "PART OF THE PRICE OF PEACE."

IN A SHARP REPLY TO THE HOUSE'S ACTION LAST WEEK CUTTING THE AMOUNT EARMARKED IN THE BILL FOR NORTH ATLANTIC PACT NATIONS FROM $1,160,990,000 TO $580,000,000, MR. TRUMAN TOLD THE VETERANS OF FOREIGN WARS AT MIAMI THAT PEACE AND FREEDOM "CAN NOT BE BOUGHT CHEAPLY."

ALTHOUGH THE DOLLAR AMOUNT IS THE MOST DISPUTED FEATURE OF THE PROPOSED PROGRAM, A PROPOSAL THAT CHINA BE GIVEN SOME OF THE AID HAS PROVOKED CONSIDERABLE CONTROVERSY.

THE ADMINISTRATION, IN SUBMITTING ITS PLAN, EARMARKED AID ONLY FOR THE ATLANTIC PACT PARTNERS, PLUS GREECE, TURKEY, IRAN, KOREA AND THE PHILIPPINES.

DULLES, WHO SHARES SENATE GOP FOREIGN POLICY LEADERSHIP WITH SENATOR VANDENBERG (R-MICH), EMPHASIZED TO REPORTERS THAT HE BELIEVES ANY STATE DEPARTMENT AGREEMENT TO PUT CHINA IN THE BILL WOULD BE ONLY WITH THE UNDERSTANDING THAT THE ASSISTANCE WOULD NOT BE AT THE EXPENSE OF THE EUROPEAN PART OF THE PROGRAM.

PF-MD9 1PED AUG 23 1949

WASHINGTON, AUG.22-(AP)-THE STATE DEPARTMENT EMPHASIZED TODAY IT WILL TAKE OVER THE OCCUPATION OF WESTERN GERMANY ON OR ABOUT SEPT. 15.

LINCOLN WHITE, STATE DEPARTMENT PRESS OFFICER, MADE THE STATEMENT AT A NEWS CONFERENCE TO CLARIFY "MISUNDERSTANDINGS" WHICH HE SAID HAVE GIVEN THE DATE AS OCT. 15 AND NOV. 15.

WHITE SAID THE DEPARTMENT HAS BEEN INFORMED BY JOHN J.MCCLOY, U.S. HIGH COMMISSIONER FOR GERMANY, THAT HIS CIVILIAN ORGANIZATION WILL REPLACE THE MILITARY GOVERNMENT ESTABLISHMENT AS SOON AS THE WEST GERMAN REPUBLIC IS PROCLAIMED. THIS IS EXPECTED ABOUT SEPT. 15.

WHITE SAID SOME OF THE ERRONEOUS REPORTS MIGHT HAVE ARISEN FROM THE FACT THAT THE MILITARY GOVERNMENT OFFICES ARE CLOSING GRADUALLY AND THAT THE DATE FOR FINAL LIQUIDATION IS NOV. 15.

VH129PED

(180) (ADVANCE FOR USE AT 9:30 P.M. EASTERN STANDARD TIME TONIGHT MONDAY AUG. 22)

(ADVANCE)-WASHINGTON,AUG.22-(AP)-A STATE DEPARTMENT OFFICIAL ADVISED TONIGHT NOT TO EXAGGERATE THE SIGNIFICANCE OF THE CHINESE COMMUNIST SWEEP.

GEORGE F.KENNAN, DEPARTMENT COUNSELOR, SAID THAT THIS COUNTRY "REMAINS THE GREATEST COMMERCIAL AND MILITARY POWER IN THE PACIFIC AREA."

DESPITE THE SERIOUSNESS OF THE SITUATION, "THE REAL ELEMENTS OF OUR STRENGTH IN THAT PART OF THE WORLD HAVE NOT BEEN INVALIDATED BY WHAT HAS OCCURRED IN THE PAST TWO OR THREE YEARS," HE ADDED.

THE "FINAL RESULTS OF THIS COMMUNIST EXPERIMENT IN CHINA," HE SAID IN A PREPARED RADIO (CBS) TALK, WILL BE KNOWN WHEN THE REDS COME UP AGAINST THE COLD REALITIES OF PRACTICAL EVERYDAY LIFE "FOR A CONSIDERABLE LENGTH OF TIME."

"IT REMAINS TO BE SEEN," HE SAID, "WHETHER THEY CAN RECONCILE A SOLUTION OF CHINA'S PROBLEMS WITH THE MAINTENANCE OF AN ATTITUDE OF OFFENSE AND DEFIANCE TOWARD THE NATION WHICH IS THE TRADITIONAL FRIEND OF CHINA AND WHICH HAS BROUGHT MORE IN THE WAY OF HELP TO THE CHINESE PEOPLE THAN ALL THE REST OF THE WORLD PUT TOGETHER."

KENNAN SAID IT MAY BE YEARS BEFORE THE FAR EAST REACHES POLITICAL AND ECONOMIC STABILITY. REAL PEACE IN THE WORLD AS A WHOLE MAY BE A LONG WAY OFF, HE SAID.

(END ADVANCE FOR USE AT 9:30 P.M. EASTERN STANDARD TIME TONIGHT, MONDAY AUG. 22)

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IT IS IN CONNECTION WITH THESE PROPOSALS, WHICH HAVE BECOME KNOWN AT LEAST IN A GENERAL WAY, THAT THE BITTERNESS SURROUNDING PREPARATIONS FOR THE TALKS HAS BEEN BUILT UP. IT IS ALSO OUT OF THE NATURE OF THE PROPOSALS THAT THE GLOOM HAS DEVELOPED.

A28WX

AUG 23 1949

AMERICAN OFFICIALS BELIEVE THE BRITISH NEGOTIATORS ARE COMING HERE WITH HANDS OUTSTRETCHED FOR ANOTHER ROUND OF AMERICAN HELP--NOT A LOAN COMPARABLE TO THAT OF 1946 NOR A NEW KIND OF MARSHALL PLAN BUT RATHER SOME MORE INDIRECT MEASURES.

AMERICAN OFFICIALS HAVE NOT DISPLAYED ANY PARTICULAR ENTHUSIASM FOR SUCH BRITISH IDEAS. THIS IS PARTLY BECAUSE THEY BELIEVE BRITAIN'S TROUBLES MUST BE SOLVED BY MAJOR INTERNAL MOVES AND PARTLY BECAUSE THEY FORESEE TROUBLE IN GETTING ANY BRITISH AID MEASURES THROUGH CONGRESS

THE BRITISH, ON THEIR PART, EVIDENTLY EXPECT TO GET LITTLE MORE THAN ADVICE OUT OF THEIR VISIT TO WASHINGTON. SOME OF IT THEY KNOW

WILL BE HARD TO TAKE, PARTICULARLY THE AMERICAN GOVERNMENT IDEA THAT SOONER OR LATER THE BRITISH POUND WILL HAVE TO BE DEVALUED.

WEEK-END STORIES FROM LONDON REPORTED CONSIDERABLE RESENTMENT AGAINST ANY ADVICE FROM THIS COUNTRY TELLING THE BRITISH HOW TO RUN THEIR BUSINESS.

THE CONTENTION IS NOW BEING MADE IN BRITAIN, ACCORDING TO THESE DISPATCHES, THAT THE UNITED STATES HAS FORGOTTEN BRITAIN'S HEROIC ROLE IN THE LAST WAR. IT IS ALSO ARGUED THAT AMERICA MAY NEED BRITAIN BADLY AGAIN IN A THIRD WORLD WAR AND HAD BETTER TAKE THE NECESSARY STEPS TO GET THE NATION BACK ON AN EVEN ECONOMIC KEEL.

ES440AED NM BJT

AUG 23 1949

WASHINGTON,AUG.22-(AP)-THE STATE DEPARTMENT HAS ASKED RUSSIAN AUTHORITIES IN GERMANY TO HELP LOCATE TWO AMERICAN YOUTHS WHO DISAPPEARED LAST JULY 29 WHILE BICYCLING NEAR THE RUSSIAN ZONE.

GOVERNMENT OFFICIALS DISCLOSED TODAY THE AMERICAN MILITARY MISSION IN BERLIN MADE THE REQUEST TO SOVIET MILITARY OFFICERS LAST TUESDAY.

THE TWO AMERICANS, PETER SELLERS, 18, RADNOR,PA., AND WARREN OELSNER, 21, OYSTER BAY,N.Y., HAVE NOT BEEN HEARD FROM SINCE THEY WERE WARNED BY GERMAN OFFICIALS IN THE BRITISH ZONE NOT TO CROSS OVER INTO THE SOVIET AREA.

AMERICAN MILITARY GOVERNMENT OFFICIALS HAVE BEEN CONDUCTING AN INTENSIVE SEARCH SINCE THEN BUT HAVE FOUND NO TRACE OF THE PAIR.

QWQUPED

PHILADELPHIA, AUG. 22-(AP)-A STATE DEPARTMENT OFFICIAL HAS PROMISED TO ASK DEPARTMENT AUTHORITIES TODAY TO TAKE UP THE SEARCH FOR TWO MISSING AMERICAN STUDENTS THROUGH RUSSIAN DIPLOMATIC CHANNELS, THE FATHER OF ONE OF THE YOUTHS SAID.

LESTER H.SELLERS, FATHER OF PETER SELLERS, 18, OF SUBURBAN RADNOR, SAID YESTERDAY NOTES TO THE SOVIET EMBASSY MAY SHED SOME LIGHT OF THE THREE-WEEK MYSTERY. SELLERS DECLINED TO NAME HIS STATE DEPARTMENT CONTACT.

YOUNG SELLERS AND A COMPANION, WARREN OELSNER, 21, OF OYSTER BAY, N.Y., DISAPPEARED ON JULY 29 NEAR THE RUSSIAN ZONE BOUNDARY IN GERMANY. SINCE THAT TIME PRIVATE AND POLICE INVESTIGATIONS HAVE FAILED TO UNCOVER ANY CLUES AS TO THEIR WHEREABOUTS.

SELLERS SAID HE UNDERSTOOD THE STATE DEPARTMENT CAN TAKE NO ACTION UNTIL THE AMERICAN CONSULATE IN GERMANY IS CONVINCED THAT THE AMERICAN STUDENTS ARE BEING HELD IN THE RUSSIAN ZONE.

HE SAID, HOWEVER, HE HAD CONTACTED A STATE DEPARTMENT OFFICIAL WHO PROMISED TO PRESENT THE MATTER TO AUTHORITIES IN WASHINGTON IMMEDIATELY.

NQ926AED NM

AUG 23 1949

NIGHT LEAD B-50S

FORT WORTH, TEX., AUG. 22-(AP)-THE "LUCKY LADY," WHICH FLEW NON-STOP AROUND THE WORLD, AND OTHER B-50 STRATOBOMBERS WERE EN ROUTE TODAY FROM TUCSON, ARIZ., TO ENGLAND.

HEADQUARTERS OF THE EIGHTH AIR FORCE SAID THE PLANES, FROM THE 43RD BOMBARDMENT GROUP, LEFT THEIR TUCSON BASE FOR 90 DAYS OF TRAINING. THE ANNOUNCEMENT DID NOT SPECIFY THE NUMBER OF PLANES.

THE MASS MOVEMENT OF BOMBERS AND THEIR SUPPLY SHIPS TO A BASE AT SCULTHORPE, IN MIDDLE ENGLAND, IS EXPECTED TO BE COMPLETED TOMORROW.

COL. JAMES C. SELSER,JR., GROUP COMMANDER, PILOTED THE LUCKY LADY, THE PLANE THAT GIRDLED THE GLOBE BY REFUELING IN FLIGHT. ABOARD WERE MAJ.GEN.E.W.BARNES OF THE NEWLY-FORMED WEAPONS SYSTEM EVALUATION GROUP IN SECRETARY OF DEFENSE JOHNSON'S OFFICE, AND MAJ.GEN.JAMES N.GAVIN, FORMER COMMANDER OF THE 82ND AIRBORNE DIVISION.

WHILE THE B-50S THUNDERED TOWARD ENGLAND, THE B-29S OF THE 98TH BOMBARDMENT GROUP OF THE 15TH AIR FORCE WERE HOMEWARD BOUND THE 98TH HAS BEEN FLYING TRAINING MISSIONS OVER EUROPE FOR SEVERAL MONTHS. THE 98TH'S BASE IS AT SPOKANE, WASH.

ENGLAND AND CONTINENTAL EUROPE WILL GET THEIR FIRST GOOD LOOK AT THE B-50 -- MODERNIZED, POSTWAR VERSION OF THE B-29. IT HAS GREATER RANGE, SPEED AND ALTITUDE THAN THE B29 BUT IS ABOUT THE SAME SIZE. IT RANKS NEXT TO THE B36 IN LONG-BRANGE BOMBERS.

THE LUCKY LADY TOOK A NORTHERN COURSE TO ENGLAND WITH STOPS SCHEDULED AT MCGUIRE AIR FORCE BASE, NEW JERSEY, AND AT ICELAND. OTHERS OF THE GROUP FLEW NONSTOP FROM TUCSON TO KINDLEY AIR FORCE BASE, BERMUDA, AND DIRECT FROM THERE TO ENGLAND.

MAJ. GEN. ROGER RAMEY, COMMANDER OF THE EIGHTH AIR FORCE, SAID THE 90-DAY EUROPEAN TRAINING AHEAD FOR THE B-50 GROUP "IS IN KEEPING WITH THE 8TH AIR FORCE'S LONG-RANGE BOMBARDMENT TRAINING OPERATIONS--- TO KEEP IT READY TO FLY TO ANY PART OF THE WORLD AT ANY TIME.

FJ643PCS

DENVER, AUG. 22-(AP)-A FORMER U. S. DEPARTMENT ADVISER COMMENTED TODAY THAT WINSTON CHURCHILL THINKS LIKE AN AMERICAN POLITICIAN IN HIS DEALINGS WITH RUSSIA.

AUG 23 1949

"CHURCHILL SEEMS TO HAVE FAILED TO UNDERSTAND THE DYNAMICS OF RUSSIAN POWER AND RULE," PHILIP E. MOSELY SAID IN AN ADDRESS AT THE INSTITUTE FOR THE STUDY OF THE SOVIET UNION AT DENVER UNIVERSITY.

"A DEMOCRATIC POLITICIAN KNOWS HE MUST PLEASE THE PEOPLE. BUT THE COMMUNIST TELLS THEM WHAT IS GOOD FOR THEM AND BACKS IT UP WITH THE ONLYMACHINE GUN IN THE WARD."

MOSELY IS A MEMBER OF COLUMBIA UNIVERSITY'S RUSSIAN INSTITUTE.

HE SAID CHURCHILL IS NOT BEING REALISTIC IN HIS RECENT APPEALS FOR LIBERATION OF EASTERN EUROPE.

"CHURCHHILL'S WARTIME POLICY INVITED THE RUSSIANS TO OUTSMART HIM IN THE DIVISION OF EUROPE," MOSELY SAID. "HE TOOK THE VIEW THAT THE RUSSIANS WERE ENTITLED TO THEIR SPHERE OF INFLUENCE, SO EVERY OTHER COUNTRY ~~SHOULD IGNORE THEM.~~

"HIS ATTITUDE HAMPERED AMERICAN DIPLOMATS WHO WERE TRYING TO WORK OUT POSTWAR POLICIES IN ADVANCE SO THEY WOULD NOT BE CAUGHT SHORT WHEN THE RUSSIANS DEMANDED TERRITORY."

MOSELY WAS AN ADVISOR AT THE POTSDAM AND 1943 MOSCOW CONFERENCES. HE MAINTAINED THE YALTA AGREEMENTS WERE NOT "MISTAKES."

"WE WERE TOO FAR AWAY, AND TOO LATE, TO MAKE THE RUSSIANS ABIDE BY THOSE AGREEMENTS WITHOUT THE ACTIVE SUPPORT OF CHURCHILL'S GOVERNMENT," HE SAID.

FJ535PCS

NEW YORK, AUG 22-(AP)-A POLISH WOMAN WHO WON A HUSBAND WHILE LOSING HER PARENTS ARRIVED WITH HIM TODAY TO START A NEW L FE IN THE UNITED STATES.

SHE WAS IDA SOMPOLONSKI, 30. SHE, HER HUSBAND, PINKUS, 35, AND THEIR TWO CHILDREN, JANKIEL, 5, AND SUCHER, 2, ARRIVED ON THE ARMY TRANSPORT GENERAL R.M. BLATCHFORD.

THEY ARE HEADED FOR LORAIN, O., WHERE SOMPOLONSKI HOPES TO FIND WORK AS A CHAUFFEUR AND MECHANIC.

THE COUPLE TOLD NEWSMEN THAT MRS. SOMPOLONSKI'S PARENTS WERE KILLED BY THE GERMANS FOR HARBORING SOMPOLONSKI IN THEIR HOME. SOMPOLONSKI AND HIS WIFE HID IN A CELLAR TO ESCAPE THE SEARCHING GERMANS, THEY ADDED.

OTHERS AMONG THE 1,079 DISPLACED PERSONS ON THE BLATCHFORD WERE 82-YEAR-OLD MRS. JOSEFA RYGLINSKA, AND HER SON, BRONILSLAW, 48, ENROUTE TO LIVE WITH HER OTHER SON, EMIL, AT NEWCASTLE, PA. THEY BOTH ARE FROM POLAND.

AUG 23 1949

DY1049PED

NEW YORK, AUG. 22-(AP)-PRINCE FERDINAND LIECHTENSTEIN, DISTANT COUSIN OF PRINCE FRANZ JOSEPH, RULER OF THE PRINCIPALITY OF LIECHTENSTEIN, ARRIVED BY PLANE TODAY FROM STOCKHOLM.

HE SAID HE PLANNED TO VISIT HIS BROTHER, JOHN, WHO HAS BEEN LIVING IN PHOENIX, ARIZ., FOR 13 YEARS.

GH119PED

AUG 23 1949

NEW YORK, AUG. 22-(AP)-POLAND'S CHIEF OF PROTOCOL, A ROMAN CATHOLI HAS QUIT HIS POST BECAUSE HIS RELIGION WILL NOT LET HIM CONTINUE TO SERVE THE COMMUNIST-DOMINATED GOVERNMENT.

THE OFFICIAL, ADAM GUBRINOWICZ, CABLED HERE FROM SWITZERLAND THAT: "AS A CATHOLIC AND IN VIEW OF THE VATICAN'S EXCOMMUNICATION DECREE, IT IS IMPOSSIBLE FOR ME NOW TO CONTINUE MY WORK."

THE MESSAGE WAS MADE PUBLIC YESTERDAY BY ARTHUR BLISS LANE, FORMER U.S. AMBASSADOR TO POLAND.

IN WARSAW, A POLISH FOREIGN OFFICE SPOKESMAN DECLINED TO COMMENT BUT A USUALLY RELIABLE SOURCE SAID GRUBINOWICZ TELEGRAPHED HIS RESIGNATION FRIDAY FROM SWITZERLAND. THE INFORMANTS SAID THE DIPLOMAT, HIS SWISS-BORN WIFE AND DAUGHTER ARE VACATIONING IN SWITZERLAND.

SOME WESTERN DIPLOMATS IN WARSAW EXPRESSED BELIEF GRUBINOWICZ'S ACTION MIGHT LEAD TO FURTHER RESIGNATIONS OF STAUNCH CATHOLICS FROM GOVERNMENT POSTS.

GRUBINOWICZ WAS BORN IN LWOW (LEMBERG) IN 1906 AND ENTERED THE DIPLOMATIC SERVICE IN 1929. HE SERVED IN POLISH DIPLOMATIC POSTS IN VIENNA, BERN, COPENHAGEN AND ROME.

IT WAS ASSUMED HERE THAT GUBRINOWICZ AND HIS WIFE AND FAMILY HAD FLED FROM WARSAW AND TAKEN TEMPORARY REFUGE IN SWITZERLAND. LANE WAS REPORTED SEEKING VISAS ALLOWING THEM TO COME TO THE UNITED STATES AND SEEK CITIZENSHIP.

GUBRINOWICZ WAS THE SECOND POLISH OFFICIAL TO QUIT BECAUSE OF COMMUNISM WITHIN A WEEK. THE OTHER WAS DR. J.T. BAKOWSKI, WHO RESIGNED AS POLAND'S CONSUL GENERAL IN MONTREAL.

COMMENTING ON THE TWO RESIGNATIONS, LANE SAID:

"THIS IS A VERY ENCOURAGING SIGN. IT SHOWS THAT THERE ARE THOSE WHO HAVE THE COURAGE TO FOREGO MATERIAL ADVANTAGES BECAUSE OF RELIGIOUS BELIEF AND BECAUSE OF ANTAGONISM TOWARD THE COMMUNIST TERRORIST METHODS OF THE POLISH GOVERNMENT."

LANE SAID THE 40-YEAR-OLD GUBRINOWICZ, WHO SERVED AS LIAISON OFFICER BETWEEN THE DIPLOMATIC CORPS IN WARSAW AND THE POLISH GOVERNMENT, RESIGNED ON AUG. 8. HE HAD HELD THE POST SINCE 1945.

LANE, WHO NOW IS DEVOTING HIS TIME TO WRITING AND LECTURING ON COMMUNISM, SAID HE KNEW GUBRINOWICZ WELL WHEN HE WAS IN POLAND.

AUG 23 1949

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NEW YORK, AUG.22-(AP)-THE HEAD OF THE ZIONIST ORGANIZATION OF AMERICA SAYS A STATE DEPARTMENT OFFICIAL TOLD HIM THE U.S. DOES NOT DEMAND THAT ISRAEL ADMIT 250,000 ARAB REFUGEES.

DANIEL FRISCH, ZOA PRESIDENT, SAID YESTERDAY HE TALKED LAST FRIDAY IN WASHINGTON WITH GEORGE MC GHEE, HEAD OF THE STATE DEPARTMENT'S NEAR EAST AND AFRICA DIVISION.

FRISCH REPORTED HIS CONVERSATION WITH MC GHEE IN A FORMAL STATEMENT ISSUED AT A JOINT MEETING OF THE ZOA NATIONAL ADMINISTRATIVE COUNCIL AND NATIONAL EXECUTIVE COMMITTEE.

HE SAID MC GHEE DENIED REPORTS THE U.S. "WAS DEMANDING THE ADMISSION OF 250,000 ARAB REFUGEES INTO ISRAEL PLUS THE SURRENDER OF THE SOUTHERN NEGEV IN EXCHANGE FOR THE GAZA STRIP NOW HELD BY THE EGYPTIANS."

THE ISRAELI GOVERNMENT HAS COMMITTED ITSELF TO ADMIT 100,000 ARABS, FRISCH SAID.

HE SAID MC GHEE TOLD HIM THE STATE DEPARTMENT THOUGHT IT WAS UP TO ISRAEL TO "OFFER A FIGURE."

FRISCH TERMED MC GHEE'S STATEMENT "REASSURING" AND "PERFECTLY SATISFACTORY" TO THE ZOA.

AUG 23 1949

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NEW YORK, AUG 22-(AP)-JOSEPH STAROBIN TESTIFIED AT THE COMMUNIST CONSPIRACY TRIAL TODAY THAT HE ONCE WROTE AN ARTICLE FOR THE DAILY WORKER BASED ON MATERIAL SUPPLIED HIM BY GERHART EISLER.

STAROBIN, UNITED NATIONS CORRESPONDENT FOR THE COMMUNIST NEWSPAPER, SAID THAT THE ARTICLE WAS ANTI-FASCIST IN NATURE.

EISLER, ONCE DESCRIBED AS THE NO.1 COMMUNIST IN THE U.S., RECENTLY FLED THIS COUNTRY AS A STOWAWAY ABOARD THE POLISH LINER BATORY. HE IS NOW IN THE SOVIET ZONE OF GERMANY.

STAROBIN, A DEFENSE WITNESS AT THE CONSPIRACY TRIAL OF 11 TOP U.S. COMMUNISTS, TESTIFIED HE FIRST MET EISLER IN 1941 AND THAT THEY BECAME "QUITE GOOD FRIENDS."

AS FOREIGN EDITOR OF THE DAILY WORKER, STAROBIN SAID HE USED

30.24- 5207

MATERIAL FURNISHED HIM NOT ONLY BY EISLER BUT BY OTHER ANTI-FASCIST REFUGEES. HE USED THE INFORMATION, HE SAID, TO TURN OUT STORIES FOR THE DAILY WORKER UNDER THE PEN NAME OF "HANS BERGER."

EARLIER, STAROBIN ADMITTED UNDER CROSS-EXAMINATION THAT HE ONCE TESTIFIED FALSELY UNDER OATH AT A DEPORTATION HEARING FOR EISLER.

THE ADMISSION CAME SHORTLY AFTER COURT RESUMED TODAY TO BEGIN THE 32ND WEEK OF THE LONG TRIAL. THE 11 DEFENDANTS, ALL TOP MEMBERS OF THE U.S. COMMUNIST PARTY, ARE CHARGED WITH CONSPIRING TO ADVOCATE THE FORCIBLE OVERTHROW OF THE GOVERNMENT.

THE DEPORTATION HEARING WAS HELD NEARLY TWO YEARS AGO.

ANSWERING A QUESTION AT THAT TIME, STAROBIN DESCRIBED HIMSELF AS HOLDING A "TECHNICAL POSITION" IN THE COMMUNIST PARTY AS FOREIGN EDITOR OF THE DAILY WORKER.

BUT TODAY, UNDER CROSS-EXAMINATION, STAROBIN ADMITTED THE DESCRIPTION OF HIS POSITION WAS UNTRUE.

AUG 2 1949

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NIGHT LEAD COMMUNISTS (300)

NEW YORK, AUG.22-(AP)-THE DEFENSE IN THE COMMUNIST CONSPIRACY TRIAL TODAY WITHDREW A WITNESS AND CHARGED COURT RULINGS MADE IT "UTTERLY IMPOSSIBLE TO LAY BEFORE THE JURY THE TEACHINGS OF THE COMMUNIST PARTY."

THE WITNESS, HERBERT APTHEKER, WAS WITHDRAWN AFTER THE COURT RULED HE COULD NOT ANSWER QUESTIONS ABOUT HIS BOOKS ON NEGRO PROBLEMS, OR ABOUT WHAT THE PREAMBLE TO THE PARTY CONSTITUTION MEANS.

HOWEVER, TRIAL JUDGE HAROLD R.MEDINA HIMSELF LATER ASKED ANOTHER WITNESS WHAT COMMUNISTS MEAN BY DEMOCRACY. HE GOT THIS ANSWER:

POLITICAL DEMOCRACY MEANS THAT ANYONE CAN RUN FOR OFFICE AND VOTE.

ECONOMIC DEMOCRACY IS IMPOSSIBLE WITH "ONE MAN IN CONTROL OF THE LIVELIHOOD OF THOUSANDS" AND MUST INVOLVE THE THOUSANDS HAVING THE SAY ABOUT THEIR MEANS OF LIVELIHOOD.

POLITICAL DEMOCRACY IS IMPOSSIBLE WITHOUT ECONOMIC DEMOCRACY.

SOCIAL DEMOCRACY MEANS THE RIGHT OF ASSOCIATION WITH EVERYONE, THE RIGHT TO LIVE WHERE ONE WANTS AND TO MARRY WHOM ONE PLEASES.

THE DEFINITION CAME FROM ABNER W.BERRY, NEGRO, OF NEW ROCHELLE, N.Y., WHO SAID HE WAS THE "HARLEM EDITOR" OF THE WORKER, SUNDAY EDITION OF THE COMMUNIST NEWSPAPER, THE DAILY WORKER.

THE COURT UPHELD A GOVERNMENT OBJECTION WHEN DEFENSE ATTORNEY GEORGE W.CROCKETT, JR., ASKED BERRY:

"DOES HARLEM REFER TO THE NEGRO GHETTO OF NEW YORK CITY?"

BERRY, THE DEFENSE'S 23RD WITNESS, SAID HE JOINED THE COMMUNIST PARTY AT HOUSTON, TEX., IN 1929, AND HAD HELD PARTY JOBS THERE, IN KANSAS CITY, NEW YORK CITY AND MICHIGAN.

HE SAID HE RAN FOR U.S.

AUG 2 1949

KANSAS CITY, NEW YORK CITY AND MICHIGAN.

HE SAID HE RAN FOR U.S. SENATE FROM TEXAS ON THE COMMUNIST TICKET IN 1930, FOR THE NEW YORK STATE ASSEMBLY IN 1936 AND FOR THE OFFICE OF SECRETARY OF THE STATE OF MICHIGAN, IN 1946.

THE 11 COMMUNIST LEADERS ON TRIAL ARE CHARGED WITH CONSPIRING TO ADVOCATE VIOLENT OVERTHROW OF THE GOVERNMENT.

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LAKE SUCCESS AUG. 22-(AP)-IT WILL COST $44,314,398 TO RUN THE UNITED NATIONS IN 1950, SECRETARY-GENERAL TRYGVE LIE ESTIMATED LAST NIGHT.

THIS GENERAL BUDGET IS $605,295 GREATER THAN THAT OF 1949.

LIE SET THE NET COST OF OPERATING THE U.N. NEXT YEAR AT $39,297,873, AFTER DEDUCTING $5,106,525 IN MISCELLANEOUS INCOME. A BALANCE FROM LAST YEAR WILL DEDUCT ABOUT $1,000,000 MORE.

ASSESSMENTS AGAINST THE 59 MEMBER NATIONS THUS WILL AMOUNT TO ABOUT $38,000,000.

LAKE SUCCESS, LIE'S AIDES SAID, THE GENERAL BUDGET FINANCES THE HEADQUARTERS, THE GENEVA OFFICE AND THE GENERAL ASSEMBLY.

THIS COUNTRY'S SHARE OF THE LARGEST CONTRIBUTOR, BASED ON ABILITY TO PAY IS THE U.S.

LIE'S ESTIMATES WILL BE SUBMITTED TO THE GENERAL ASSEMBLY NEXT MONTH. THE ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS RECOMMENDED REDUCTIONS OF $1,786,750 IN EXPENDITURES ON STAFF, SERVICES AND EQUIPMENT AT LAKE SUCCESS.

THE ADVISORY COMMITTEE POINTED OUT THAT IN ADDITION TO THE GENERAL BUDGET, APPROPRIATIONS FOR SPECIALIZED AGENCIES, SUCH AS THE U.N. EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION (UNESCO) AND THE WORLD HEALTH ORGANIZATION (WHO), WOULD MAKE A GRAND TOTAL OF $75,000,000 TO BE ASSESSED AGAINST MEMBERS, OR $5,000,000 MORE THAN FOR THE CURRENT YEAR.

AUG 2 1949

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NIGHT LEAD U.N. - SCIENCE (360)

BY WILLIAM L.PHILLIPS

LAKE SUCCESS, AUG. 22-(AP)-THE UNITED STATES AND OTHER FREE ENTERPRISE COUNTRIES NEED NOT FEAR RUNNING OUT OF OIL IN THE FORESEEABLE FUTURE, THE U.N. SCIENTIFIC CONFERENCE ON CONSERVATION AND UTILIZATION OF RESOURCES WAS TOLD TODAY.

DR. A. I. LEVORSEN, DEAN OF STANFORD UNIVERSITY'S SCHOOL OF MINERAL SCIENCES, IMPLIED IN A PAPER READ AT THE CONFERENCE, HOWEVER, THAT RUSSIA AND OTHER COMMUNIST OR SOCIALIST COUNTRIES THAT LACK THE "PROFIT INCENTIVE" MAY HAVE SOMETHING TO WORRY ABOUT. RUSSIA DECLINED AN INVITATION TO THE CONFERENCE.

DEAN LEVORSEN SAID BEST RECENT ESTIMATES INDICATE UNDISCOVERED PETROLEUM RESERVES OF 1,500,000,000 (ONE BILLION) BARRELS UNDER THE WORLD'S LAND SURFACE AND OCEANS.

THAT SEEMS SUFFICIENT FOR THE NEEDS OF ALL NATIONS FOR A LONG TIME TO COME, HE SAID, AND "THE CRUX OF THE PROBLEM IS DISCOVERY" OF NEW FIELDS TO BE TAPPED.

AUG 2 1949

...HE SAID HE WAS SURE THE UNITED STATES WOULD FIND ITS SHARE, AND SO WOULD OTHER COUNTRIES WHERE A WILDCAT DRILLER'S FIND "MEANS SOMETHING TO HIM PERSONALLY X X X A POWERFUL STIMULUS."

THE STANFORD MINERALS CHIEF SAID THE AMERICAN FREE ENTERPRISE SYSTEM HAD PROVED ITS SUPREMACY AT THE NEEDLE-IN-A-HAYSTACK GAME OF FINDING OIL BY MAKING THE U. S. THE WORLD'S LEADING OIL PRODUCER, ALTHOUGH IT IS "GEOLOGICALLY X X X NO MORE FAVORABLE FOR PETROLEUM ACCUMULATION THAN MANY OTHER AREAS ON EARTH."

HIS ESTIMATE OF 1,500,000,000,000 (T) BARRELS IN UNDISCOVERED RESERVES WAS BASED ON SURVEYS INDICATING POSSIBLY 500 BILLION BARRELS UNDER LAND AREAS AND ONE TRILLION MORE BENEATH CONTINENTAL SHELVES UNDER OCEANS AND IN OTHER SEA AREAS.

HE STRESSED THE HAPHAZARD NATURE OF OIL PROSPECTING, NOTING THE DISCOVERY OF RICH OILS AND DEPOSITS RECENTLY IN NORTHERN ALBERTA PROVINCE, CANADA, BECAUSE OF THE "CHANCE COINCIDENCE" THAT THE ATHABASKA RIVER HAD CUT A CHANNEL THROUGH THE ROCK STRATA.

"WITH MORE INFORMATION, WE MAY SOME DAY, THEREFORE, MULTIPLY OUR PRESENT WORLD ESTIMATES OF PETROLEUM SEVERAL TIMES IN THIS ONE REGION ALONE," HE SAID.

HE SAID THE MOST PROMISING REGIONS OF THE WORLD FOR SUBSTANTIAL NEW PETROLEUM DISCOVERIES APPEARED NOW TO BE THE LANDS AROUND THE CARIBBEAN SEA AND GULF OF MEXICO, THE MIDDLE EAST, THE EAST INDIES AND THE WESTERN CANADIAN PLAINS.

LESS EXPLORED PARTS OF THE EARTH WITH GREATEST PROSPECTS, HE SAID, INCLUDE THE ARCTIC REGIONS, THE EASTERN SLOPES OF THE ANDES IN SOUTH AMERICA, AND CONTINENTAL SHELVES OFF THE COASTS OF SEVERAL MAJOR LAND MASSES.

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AUG 23 1949

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AUG. 22, 1949

AUG 23 1949

BELGRADE OFFERS TO END ROW IF RUSSIA KEEPS OUT OF ITS INTERNAL AFFAIRS

Yugoslavia Replies To Russian Protest With Stiff Note

Belgrade, Yugoslavia, Aug. 23 (AP)—Marshal Tito's Government said tonight it is ready to end its feud with Russia—provided the Soviet Union keeps its hands off Yugoslavia's affairs.

In a stiff note to Moscow, the Belgrade regime declared its preparedness to reach a settlement with Russia on "all disputed questions."

Replying to two Soviet protests that Tito's regime had imprisoned and tortured 31 Russian citizens, the note offered to let those Russians go home. The offer holds good for all other Soviet nationals who want to leave Yugoslavia.

Espionage Charged

The Russians were jailed, the note added, because they "seriously violated the laws of Yugoslavia by their espionage and hostile activities."

The Yugoslav reply went far beyond the immediate issue of Soviet prisoners, however. It reiterated that Tito is ready to negotiate with Moscow on a settlement of all points of difference that have cropped up during the fourteen-month-old scrap that began when the Cominform declared him an outcast because of his alleged anti-Soviet and nationalistic attitude.

In its new note, Yugoslavia said disputed questions would have to be settled "in accordance with, and in the spirit of, the international obligations undertaken by both governments."

Emphasizes Independence

Furthermore, the Yugoslav people "are under no conditions willing to allow anyone whomsoever to interfere in their internal affairs."

Emphasizing a determination to pursue an independent policy on foreign questions, the note said Yugoslavia "is an independent and sovereign state."

"The Yugoslav Government underlines that no pressure from the outside has so far had any effect on her internal policy or will it have in the future," the note said.

It called Russia's previous charges of imprisoning Soviet citizens "unfounded" and expressed Yugoslavia's "surprise that the arrest of a few White Guards who are Soviet citizens . . . could provoke such an insulting, harsh and unfounded note from the Government of the U.S.S.R."

"People With Dark Past"

The note described the White Guards as "people with a dark past" and accused Russia of ignoring the acts involved in the arrests in order to justify the Kremlin's current attitude of hostility toward the Belgrade Government.

At the same time, Yugoslavia berated Russia for "passing over in silence" its repeated requests concerning the repatriation of Yugoslav citizens, including children, now in the Soviet Union.

Yugoslavia said she did "not intend to enter into an argument with the U.S.S.R." about the character of the regime in Yugoslavia, about the real purpose of the Cominform resolution (ousting Yugoslavia from the Cominform) and about whether or not Yugoslav economy has become an appendage to the economies of the capitalistic countries.

Treated Like Stepchildren

[All these points were emphasized in the strong Moscow note of last Saturday.]

Miletije Popovic, Minister of Foreign Trade, in a series of articles published here, is accusing Russia of treating her Communist satellites in Europe like stepchildren and implying this is the reason for the long break with the Soviet Union.

Charging Russia with milking Yugoslavia of raw materials and exploiting her through joint Russian-Yugoslav corporations set up after the war, he said the cause of communism in China and elsewhere would suffer unless the Soviet Union mends its ways.

Economic Union Proposal

He proposes creation of an economic union of Communist states on a basis of equality, with standard wage and price structures and a sort of Marshall plan aid for the weaker industrial states as the only way for Communist states to live together.

[Yugoslavia's peace gesture was made after a mountain of propaganda had been piled up against Marshal Tito by Russia and her Cominform associates on the heels of Moscow's threat to take "more effective measures" to protect her citizens in the southern Slav country.

[Moscow charged Saturday that the Tito regime was a Fascist enemy of the Soviet union and communism throughout the world. Following up this theme the official Red Army newspaper in Berlin today declared Tito had founded a terror regime on the Gestapo model and would suffer the same fate "as Hitler and Mussolini, but this time much quicker."

[The Communist press in Czechoslovakia, in a similarly threatening tone, declared the Tito Government "a Fascist threat to peace-loving nations" and warned that it was the policy of the Soviet Union to "exterminate fascism wherever it may appear—now as during the war."

olive branch. Tito has been at odds with the Kremlin for fourteen months.

Deviation Alleged

The Moscow-directed Cominform (Communist International Information Bureau) expelled Tito and his Yugoslav Communists for nationalistic deviations from what Russian leaders regard as orthodox communism. The Russians have called on the Yugoslavs to overthrow Tito if he did not change his policy. Tito has maintained his position, however.

There was no attitude of knee-bending in today's Yugoslav note, however. It stated:

"The Yugoslav Government underlines that no pressure from the outside has so far had any effect on her internal policy nor will it have in the future."

Held As "Unfounded"

The note grew out of Russia's protest against Yugoslavia's arrest and detention of 31 reputed Soviet citizens. Tito's Government described the "unfounded" Moscow's charges of mistreatment of Russians here.

Yugoslavia has characterized those persons arrested as "traitorous White Guardists." The note said the prisoners had "seriously violated the laws of Yugoslavia by espionage and hostile activity."

The Yugoslav note contained two other conciliatory gestures. Tito's Government offered to extradite the arrested persons to the Soviet Union "in the shortest possible time" if that is the way Moscow wants it. The note said this offer also applied to the departure of all other Russian citizens who are anxious to leave Yugoslavia.

Threats By Russ

Russia had threatened to take "effective measures" to protect Soviet citizens in Yugoslavia. [The ominous wording of the Russian threat was noted in world capitals, but was dismissed as a bluff by British diplomatic officials.]

The Yugoslav Communist organ *Borba* has accused Russia of using Soviet citizens in this Balkan country as spies. It also described the Russian protest as full of "vile language, insults and threats."

The text of the Yugoslav not was released by the Ministry of Information. The note emphasized that Yugoslavia "is an independent and sovereign state and that its people and its government are under no conditions willing to allow anyone whomsoever to interfere in their internal affairs."

Yugo Note To Russ Offers To End Row

Belgrade, Aug. 23 (AP)—Yugoslavia expressed willingness tonight to reach a settlement with Russia on "all disputed questions" between the two feuding countries.

In a new note to the Soviet Government, Yugoslavia told Moscow Premier Marshal Tito was willing to end the bitter fight with the Kremlin.

At the same time, Yugoslavia served a stern warning to Russia's rulers to keep their hands off the internal affairs of this Balkan Communist country.

Seventh In Exchange

The note was the first cooling word in a war of words that had become white hot in the past two weeks. It was the seventh note in an exchange between Belgrade and Moscow.

Yugoslavia formally expressed her "readiness to approach the solution of all disputed questions with the Union of Soviet Socialist Republics in accordance with and in the spirit of the international obligations undertaken by both governments."

There was no immediate indication of what Moscow's reaction would be to this extension of the

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Text of Tito Note to Russia

BELGRADE, Aug. 23 (AP).—The complete text of Yugoslavia's new note to Russia, as released by the Ministry of Information here:

The Yugoslav government does not intend to enter into an argument with the U. S. S. R. about the character of the regime in Yugoslavia, about the real purpose of the Cominform resolution and about whether or not Yugoslav economy has become an appendage to the economies of the capitalistic countries.

The facts of Yugoslavia's foreign trade and the principles upon which it rests are public and well known, which is also the case with the internal situation in our country, so that it is not necessary to offer a separate explanation of this on this occasion. This is all the more so as the government of the U. S. S. R., responsible Soviet leaders and Soviet propaganda organs have ignored all these facts and have represented them in a false light in order to justify their attitude toward Yugoslavia before public opinion in any way whatsoever.

However, the government of the Federated Peoples' Republic of Yugoslavia considers that it is its duty to emphasize that it is an independent and sovereign state and that its peoples and its government are under no condition willing to allow any one whomsoever to interfere in their internal affairs. Further, the Yugoslav government also underlines that no pressure from outside has so far had any effect on her internal policy nor will it have in the future.

Firm on Foreign Policy

As regards Yugoslavia's foreign policy, the Yugoslav government considers it also necessary to emphasize that it is pursuing its foreign policy in accordance with the independence and the sovereignty of the country, in accordance with progressive principles of peace and co-operation among peoples and states, on the basis of equality and mutual respect of sovereignties according to international agreements and obligations which have been and remain public acts of the Yugoslav government.

The peoples and the government of Yugoslavia are not willing to renounce these principles because of pressure from outside under any circumstances.

The Yugoshav government expresses its surprise that the arrest of a few White Guards who are Soviet citizens, people with a dark past who violated the laws and the hospitality of the Federated People's Republic of Yugoslavia, could provoke such an insulting, harsh and unfounded note from the government of the U. S. S. R. The Yugoslav government's surprise is all the greater in so far as the Soviet government passes in silence, at the same time, over the repatriation of Yugoslav children from the U. S. S. R. for which their parents and guardians and the Yugoslav government have asked repeatedly, and also ignores the repatriation of citizens of Yugoslav nationality living in the U. S. S. R. to whom the government of the U. S. S. R. has still not issued exit visas although they have in no way violated the laws of the U. S. S. R. and are at liberty.

Insults Are Charged

The Yugoslav government observes that the assertions regarding the behavior of Yugoslav organs toward certain Soviet citizens, most of whom are former White Guard emigrees, are fabricated, untrue and insulting. The persons mentioned as has already been stated in a whole series of notes from the Yugoslav government, were placed in custody owing to the fact that they seriously violated the laws of Yugoslavia by their espionage and hostile activities against the Federated People's Republic of Yugoslavia, which as a sovereign state has the right to protect itself against such activities.

However, despite the fact that there is undeniable proof of the guilt of these persons, the Yugoslav government, expressing its good will to solve the disputes between the two governments, is ready to extradite the arrested persons to the Soviet government in the shortest possible time. At the same time, the Yugoslav government states its readiness to make it possible for all those Soviet citizens residing permanently in Yugoslavia, who express a desire in that direction, to leave Yugoslav territory, and to place all facilities at their disposal in this respect.

The Yugoslav government and its most responsible representatives have always declared their preparedness to solve all disputed questions between the two states by agreement. On this occasion, the Yugoslav government repeats its resolution, and declares its readiness to approach the solution of all disputed questions with the U. S. S. R. in accordance with and in the spirit of the international obligations undertaken by both governments.

Yugo Arrest Of Newsman Is Disclosed

Belgrade, Aug. 23 (AP)—Yugoslavia disclosed tonight it has arrested a former employé of the American Reading Room in Belgrade.

The acknowledgement came in an official statement accompanying the text of a note which has been sent to Russia concerning the Soviet Union's protest against imprisonment of 31 Soviet citizens.

The Soviet note mentioned in its list of those arrested one Zukovs.

Yugoslavia Reply

In its statement, Yugoslavia replied:

"There are several Zukovs in Belgrade. If this is a case of a correspondent of the White Guard Press, then, according to our information, this can only refer to Evgenije Zukovs, a newspaper man who was an employé in the American Reading Room in Belgrade from the liberation up to the time of his arrest. He was arrested for his anti-Popular activities during the occupation and after liberation."

Russ Foresee Tito Ending Like Hitler

Berlin, Aug. 23 (AP)—The Russians declared in Berlin today that Marshal Tito would wind up like Hitler and Mussolini.

The official Red Army newspaper, *Taegliche Rundschau*, loosed a savage attack on the Yugoslav leader in a lead editorial signed by S. Timofeyev, a Russian writer.

All other news in the newspaper was subordinated to the lashing handed Yugoslavia for its independent stand against the Cominform.

Same Fascist Methods

The writer forecast that Tito's days are numbered. The article was worded in even stronger language than the Moscow declaration against Tito which started a mounting propaganda wave against the Yugoslavs this week.

"It has become clear," *Rundschau* said, "that the Tito clique applies the same Fascist methods as Hitler and Mussolini did in Germany and Italy.

"These criminals liquidated the Peoples' democratic order in Yugoslavia and established a cruel police and terror regime after Fascist Gestapo models.

"This gang can only fill the role of little scolds in the service of the great imperialistic robbers. There is no doubt that these malicious scolds will not be active in Yugoslavia much longer. History will take just retaliation against them just as Hitler and Mussolini, but this time much quicker."

BRITAIN PLANS TO CUT PRICES

Clothing Order To Be Issued In Spite Of Protests

London, Aug. 23 (AP)—Britain's Labor Government, waving aside protests from dealers, said tonight it will order clothing price cuts in a few days.

The statement came in the face of angry opposition from spokesmen for 250,000 shopkeepers and 10,000 dry goods men.

Proposes To Issue Orders

It was made by the Government Board of Trade after its president, Harold Wilson, talked over the situation with representatives of manufacturers and distributors.

The statement said Wilson would take the protests into consideration but that he proposed to make the necessary orders in the next few days.

Frank Gratwick, general secretary of the National Chamber of Trade, replied, "We are still hostile to the whole business of the price cuts." The chamber speaks for 250,000 retailers.

Speakers Threaten Strike

The cuts would reduce the retail price of utility garments and textiles a flat 5 per cent. Utility goods are a low-priced line on which the Government pays a subsidy to hold down the cost of living.

Delegates of the Drapers Chamber of Trade—representing 10,000 dry goods dealers—threatened at a mass meeting to start a "non-co-operation" movement if the price cuts were made. Speakers renewed threats of an out-and-out strike and accused Government leaders of playing politics in ordering the price slashes.

When they simmered down the delegates passed a resolution calling on Wilson to postpone the reductions until Parliament resumes its session in October.

One delegate told the meeting, "There will be many thousands of retailers going into the red as a result of these cuts."

Britain's Forces Reduced 16,100

London, Aug. 23 (AP)—The Ministry of Defense announced today that Britain's armed forces had dropped 16,100 in strength between April and July. The loss was not explained.

Total strength July 1 was 769,900 men and women compared with 785,000 on April 1. The July strength included 144,000 for the navy, 406,000 for the army and 219,000 for the Royal Air Force.

Canterbury Red Dean Off To Moscow Parley

London, Aug. 23 (AP)—The Red Dean of Canterbury left by plane today for Moscow to attend Russia's all-union peace conference.

The dean, Dr. Hewlett Johnson, will head the British delegation at the conference, which begins Thursday.

Dr. Johnson is known as the Red Dean because he has supported communism for years.

28 B-50s Reach England

U. S. Bomber Command in Britain Marks First Birthday

SCULTHORPE, England, Aug. 23 (AP).—The United States Air Force's Bomber Command in Great Britain celebrated its first birthday today with the announcement that twenty-eight B-50 Stratobombers have arrived in England from their Tucson, Ariz., base.

In a year, the 3d Air Division has grown from a skeleton staff of specialists to embrace a supply depot, a major overhaul depot, three B-29 bases and a complete headquarters in London. It was created to administer United States bomber groups sent to Britain on temporary training missions and to provide maintenance for Berlin air-lift planes.

Mrs. Perle Mesta Arrives In Europe

Le Havre, France, Aug. 23 (AP)—Mrs. Perle Mesta, United States Minister to Luxembourg, arrived today on the liner America.

She left for Paris by automobile. Her chauffeur was to follow in another car with her seventeen pieces of luggage.

Mrs. Mesta planned to stop at the Ritz Hotel, and go to Luxembourg tomorrow.

Mrs. Mesta Sees Parties As Salve

Paris, Aug. 23 — A few dinner parties, of the kind for which she is famous, might help ease the East-West cold war, Mrs. Perle Mesta, new United States Minister to Luxembourg, said today.

She arrived in Le Havre aboard the liner America and motored to Paris. She will motor to Luxembourg tomorrow.

Mrs. Mesta said her numerous parties in Washington were "for getting people together. If they are having trouble in the Senate or House, for example, to get things worked out."

She was asked if she thought the technique could be applied to East-West relations and said: "I think so."

Refuses to March Under Red Flag

Rome, Aug. 23 (A. P.).—A Roman Catholic priest in Bari refused to march in a funeral procession with youths carrying a Communist hammer and sickle flag, Rome newspapers reported today.

The priest, Father Michele Millela, left the procession followed by a number of mourners when the youths carrying the banner refused his request that they drop out.

Direct Election To European Group Asked

Strasbourg, France, Aug. 23 (AP). Paul Reynaud, former French Premier, called today for a real European legislature directly elected by the peoples of the twelve nations in the Council of Europe.

Only such elections, the French Conservative said, would give the present Consultative Assembly the authority to merge European economies into a single continental market, which Europe's financial plight demands.

"Time is not on our side," warned Reynaud. "If American aid is curtailed and vast unemployment results, Stalin will be the winner."

Start Of Economic Talks

Reynaud spoke to the Assembly in its opening discussion of European economic problems.

Pointing out that "a new federation has been made in the East," Reynaud declared that the democracies can solve their problems "if the governments have the courage to face unpopularity. . . ." he added:

"We must go to people and talk with them. Our task is to get the people to realize that it is in their personal interest to build a union of Europe."

Reynaud said British officials "have told us frankly that the British trade unions would oppose us if any measures (for union) led to unemployment in Britain."

Reynaud asserted that European leaders should convince their populations that each country should manufacture what it is best able to make.

"The road we are following now is a deadend street," warned Reynaud "it comes to an end in 1952." The Marshall Plan is scheduled to end in 1952.

Sacrificing Sovereignty

The former French Premier insisted that Europe must establish a single large trading area with a single currency if it is to survive between the "two giants" of America and Russia.

Such a step, he conceded, would eventually mean a sacrifice of national sovereignty, but this is what must be done.

"Between these two giants there is a place for a unified Europe but not for a mosaic of independent states," Reynaud asserted. He recalled that a year ago proposals for direct election of European deputies were criticized as being premature.

"No, we are not ahead of the times; rather the times are ahead of us," he added.

U.S. Has Given Warning

"Our American competitor says he will stop helping us if we don't take steps for our own salvation. He insists we are capable of competing with him and wants to help us do so.

"Mr. (Paul) Hoffman (chief administrator for the American Economic Co-Operation Administration) gives us brutal but true words —Congress demands proof of our co-operation."

Reynaud asserted the Marshall plan's European Economic Co-operation Administration was a complete failure chiefly because of its structure. The O.E.F.C. is composed of representatives of the European Marshall-plan countries.

"The truth is that inside the O.E.F.C. each representative is an advocate of his own government obsessed with two fears, either that he will lose American dollars or he may do something to cause his government to fall," Reynaud said.

"A European organization must consider frankly European states as a whole, and we must adopt political means to economic needs."

and deliberately expanded between democracies, some of whom believe in free enterprise while others believe in a kind of socialism which is restrictive, nationalistic and even totalitarian in tendency."

Would Tie Europe To Sterling

Instead of European-wide economic planning, Eccles declared "salvation lies in combining Europe and the sterling area," the bloc of British colonies, commonwealth nations and other countries whose economies are tied to the British pound.

He urged extension of the sterling bloc and empire preference trading system to all western Europe as a means of building up the strength of European currencies to the point where they could be freely converted into dollars.

Points To Benelux Union

Three Labor representatives then introduced a resolution calling for the prompt establishment of a single currency for all western Europe.

Dalton said difficulties within the Benelux customs union (Belgium, with a planned economy; the Netherlands, with a relatively free enterprise system, and Luxembourg) proved the necessity for a single economic plan.

Paul Reynaud, former Premier of France, declared the Marshall plan's European Economic Co-operation Administration was a "complete failure" in submerging nationalistic interests.

He called for a merger of European economies into a single continent-wide market, such as the United States. He said a real European legislature must be elected by direct suffrage with authority to carry out such a merger.

"Time is not on our side," he added. "If American aid is curtailed and vast unemployment results, Stalin will be the winner."

Planned Economy Debated Before European Assembly

Strasbourg, France, Aug. 23 (AP). British Conservatives and Socialists argued from different standpoints at the European Consultative Assembly today that Europe cannot live half planned and half free.

Hugh Dalton, a member of the British Labor Government, declared "it is surely impossible" to unite Europe without an economic plan for the continent as a whole.

David Eccles, Conservative, declared "trade cannot be consciously

30.24- 5211

Voice Of Hitler Heard Again On Reich Radio

Berlin, Aug. 23 (AP)—The voice of Adolf Hitler spoke again tonight to the German people—but this time as a bitter reminder of dictatorship.

The American radio dramatized for some 20,000,000 German listeners the signing of the German-Russian nonaggression pact ten years ago today.

The radio used recordings of Hitler's voice to recall the uneasy peace which settled on the two countries and which ended with each at the other's throat.

In a half hour the Germans were told that despite their frequently expressed hatred of each other's ideology "Hitler and Stalin felt personally attracted in sympathy and fear."

Von Manstein Loses First Trial Plea

Hamburg, Germany, Aug. 23 (AP). After a four-year wait, the former German Field Marshal Erich von Manstein faced a British military court today on seventeen war-crimes charges. He immediately lost a preliminary legal move.

The court rejected his plea that he receive the "soldier's right" of trial by court-martial instead of by a war-crimes tribunal.

The charges against the 61-year-old German arise from his alleged activities in various high commands in Poland and Russia during World War II.

Defense Argument

A defense argument, submitted before the indictment was read, claimed that von Manstein still had prisoner-of-war status and therefore could not be tried by a war-crimes court.

Defense Counsel R. T. Paget asked the British officers composing the court: "Is it in conformity with military honor to deny to your enemy that form of justice which you would demand for yourselves?"

Sir Arthur S. Comyns-Carr, the chief prosecutor, said he heard with regret the defense suggestion "that this might not be a fair trial" and declared the prosecution was as anxious as the defense that the trial should be fair.

When the court adjourned for the day only seven of the seventeen charges in the indictment had been read. Von Manstein pleaded innocent to all seven. The trial will resume tomorrow.

Seventeen Charges

Von Manstein, who has been a captive since he surrendered to the British at Schleswig-Holstein in 1945, faced a tribunal composed of two generals, two brigadiers and three colonels of the British Army.

The former German commander has spent the past eleven months in a Hamburg military hospital.

President of the seven-member court is Lieutenant General Sir Frank E. W. Simpson, wartime vice chief of the imperial general staff. Sitting on the bench is Judge Advocate L. A. Collingwood.

The seventeen charges in the indictment concern alleged atrocities against Polish civilians and war prisoners by troops of the army group of which von Manstein was chief of staff under von Rundstedt. He is charged with mass extermination of Jews, forcibly employing Russian war prisoners on work connected with military operations and forcibly recruiting them to fight their countrymen.

Von Rundstedt has offered to testify for him, but the defense would not say whether the offer had been accepted. Von Rundstedt was declared in too poor health by a medical board last May to face trial. He is now in a Hanover hospital.

MANNSTEIN DENIES WARTIME CRIMES

Loses Bid for Soldier's Trial as British Open Hearings in Military Tribunal

HAMBURG, Germany, Aug. 23 (AP)—Former German Field Marshal Gen. Fritz Erich von Mannstein pleaded not guilty to seven war crimes charges today when his trial opened before a British military tribunal.

The court adjourned for the day without having read ten other charges contained in the indictment.

The charges against the 61-year-old former Germany Army officer stem from his alleged activities in various German high commands in Poland and Russia during World War II. They include mass extermination of Jews; alleged atrocities against Polish civilians and war prisoners; forcibly employing Russian war prisoners on work connected with military operations and forcibly recruiting them to fight against the Soviet Army.

Von Mannstein lost a plea as the trial opened when the tribunal rejected his claim that he should receive the "soldier's right" of a trial by Court Martial instead of by a war crimes tribunal.

Von Mannstein, a hawk-nosed veteran staff chief who served under Field Marshal Gen. Karl von Rundstedt, has been a captive since he surrendered to the British in Schleswig-Holstein in 1945. After having spent the last eleven months in a Hamburg military hospital, he stepped jauntily into the courtroom to face a tribunal composed of two generals, two brigadiers and three colonels of the British Army.

Lieut. Gen. Sir Frank E. W. Simpson, wartime vice chief of the Imperial General Staff, is president of the tribunal. Sitting on the bench is Judge Advocate L. A. Collingwood.

HUEBNER PICKS CHIEF AIDE

Maj. Gen. Milburn to Be Deputy U. S. Commander in Europe

FRANKFORT, Germany, Aug. 23 (AP)—Maj. Gen. Frank W. Milburn was appointed today as deputy commanding general of the United States Army in Europe.

Brig. Gen. Ralph J. Canine succeeded General Milburn as commanding general of the First Infantry Division—backbone of the United States occupation forces in Germany.

The appointments were announced by Lieut. Gen. Clarence B. Huebner, commanding general of the United States Army in Europe and acting commander in chief of the European command.

General Milburn, from Jasper, Ind., had been commander of the First Division since May, 1946. He commanded the Twenty-first Corps during the late stages of the war against Germany.

General Canine, of Flora, Ind., has been artillery commander of the First Division since October, 1947. In the war he was chief of staff of the Twenty-second Corps in its drive from Normandy to Austria.

Army headquarters also announced that Brig. Gen. Charles T. Lanham would arrive tomorrow for an assignment in the European command.

PX Manager in Germany Fined in Cigarette Deals

FRANKFURT, Aug. 23 (AP).—Russell G. Bird, of Mishawaka, Ind., was sentenced today to pay a $5,000 fine or serve five years in prison for illegal cigarette deals in Germany. He was convicted of misappropriating 4,200 cartons from the Army Post Exchange he managed.

George T. Davis, of San Francisco, Bird's attorney, announced that Bird will not pay the fine until a Washington Federal court rules on his application for a writ of habeas corpus. He said the court is expected to act on the petition Sept. 17.

Bird charges that the Army returned him to Germany from the United States without an arrest warrant or extradition proceedings, and denied him a chance to appeal to civil authorities. He had gone to the United States while under restriction here awaiting trial by an Army court martial

Officer Who LeftHospitalHeld

FRANKFURT, Aug. 23 (AP).—A former United States Army captain who disappeared from Walter Reed Hospital in Washington has been arrested near Cologne, Germany, Army headquarters announced today. The Army identified him as Louis F. Herzog, thirty-nine, whose wife and two children live in Lebanon, Pa. He was arrested at the home of a German whose daughter he knew while serving in Vienna, the announcement said.

Adenauer Says He Will Be Premier

Bonn, Germany, Aug. 23 (AP)—Dr. Konrad Adenauer, chairman of the Christian Democratic party, said tonight he will become chancellor (premier) of the new West German Republic.

He told a news conference his party will form a coalition government determined to maintain a free economy—without socialism.

He said the exact makeup of the coalition cabinet had not been decided. Indications were, however, that Adenauer's strong Conservative party would join with the Free Democrats and the extreme right wing German party. That would leave the Social Democrats (Socialists) outside the cabinet as the main opposition.

Reich Bishops Meet Behind Closed Doors

Fulda, Germany, Aug. 23 (A. P.).—German Catholic bishops from all four occupation zones have gathered in this United States Zone city for their annual conference. Church authorities declined to disclose what topics the bishops are taking up during their three-day meeting behind closed doors.

Reliable informants believed that one topic might be the recent papal excommunication decree and its possible application to members of the German Communist-controlled Socialist Unity party in the Soviet Occupation Zone.

The papal representative, Bishop Aloysius J. Muench of Milwaukee, is attending the conference as an observer.

Czechs Warn Tito Of Russ

Prague, Aug. 23 (AP)—A Czech Communist newspaper today branded Premier Marshal Tito's Government "Fascist" and warned it was the policy of the Soviet Union to "exterminate fascism wherever it may appear—now as during the war."

The sharp denunciation appeared in *Rude Pravo*, organ of the Czech Communist party.

The newspaper indorsed as a "historic document" Moscow's latest note to Tito which accused him of mistreating Soviet citizens in Yugoslavia.

It called his Government a "Fascist threat to peace-loving nations."

Czechs Name U. N. Delegate

PRAGUE, Czechoslovakia, Aug. 23 (AP)—The Czechoslovak Cabinet named Foreign Minister Vladimir Clementis today to head the nation's delegation to the General Assembly of the United Nations scheduled to open in New York, Sept. 20.

Greeks Order 51 Die For Plot

Athens, Aug. 23 (AP)—Greek press dispatches said today a Greek court-martial has ordered the execution of 51 persons for plotting to establish a Communist Macedonian state.

The mass trial took place at Phlorina. The defendants, mostly from the village of Amynteon, were charged with being members of a large underground organization that mined roads, aided the Communist guerrillas and conspired to create a Macedonian state, the reports said.

In addition to the death sentences, eleven persons were given life sentences and another eight were sentence to eight years in prison.

AUG 24 1949

5 FINN UNIONS DEFY ORDERS

TEDDY ROSENTHAL

Communist Move Makes Federation Ouster Likely

Helsinki, Finland, Aug. 23 (AP)—A serious split in Finland's powerful Central Trade Union Federation appeared imminent tonight when five Communist unions refused to obey a federation ultimatum to end their wildcat strikes.

While the intra-union struggle raged, observers said they feared the Communists would try to extend their strike offensive to the metal industry. This would endanger Finland's war reparations to Russia.

When the wave of Communist-inspired walkouts hit, the federation ordered striking unions to end their walkouts by today or suffer expulsion from the federation. As the deadline passed, the unions kept silent and Communist leaders said the strikes would continue.

Probably Will Be Ousted

That means the five offending unions probably will be ousted from federation membership when action is taken by the big labor organization, possibly tomorrow. Social Democratic workers were expected to form new unions.

There still was no reliable report on the number of men still on strike throughout the country. One federation source said, however, the estimate was about 30,000. Other estimates were as low as 13,000. At the peak of the six-

day-old strike the figure was estimated at 45,000.

The Communists had strike patrols in Helsinki streets today. Propaganda groups were active in other communities, and pickets marched in the port cities.

Most Of Harbors Tied Up

Most of Finland's harbors were tied up by a longshoremen's walkout.

If a metal industry strike is called it will effect shipbuilding yards in Turku and Helsinki which are delivering new ships to the Soviet Union.

When the labor offensive began last Thursday a Government spokesman described it as a maneuver to seize power and turn Finland into a Communist state.

Last night Helsinki's Social Democratic Government made an apparent bid for labor peace. It overruled its own price and wage board and promised to restore original wages to striking pulp workers in Kemi, a northern lumber town. It ruled that a board decision to cut wages there would not be carried out if the men return to work tomorrow.

designed to turn Finland into a Communist state.

Employers declared the Kemi decision was unnecessary, since the strike front was weakening anyway.

It was estimated that only 13,000 workers were out today, although two more unions joined the strike yesterday.

Threat To Federation

The Government action was seen as an attempt to save the Trade Union Federation from a cleavage. Observers reason this way:

Workers would point to the Government action as a step in their favor and the Red union leaders would lose support.

Under the impact of general opinion among members, the leaders would recall their strike orders in obedience to the Trade Union Federation, which has threatened to expel the striking unions.

Finland Promises To Restore Pulp Workers' Original Pay

Helsinki, Finland, Aug. 23 (AP)—The Finnish Government has promised to restore original wages to pulp workers in the struck lumber town of Kemi if they go back to work tomorrow.

The action was seen as a move to open the way for peace on the labor front as the Communist strike offensive continued to dwindle.

The Government decision overruled its own Price and Wage Board, which had said certain wages at Kemi must be cut.

Assailed As Retreat

The pulp workers—a very small group—were the first to go out on strike.

Employers assailed the Government's decision as a retreat.

Communist leaders said they were satisfied. There was only one flaw in the action, they said. The Government should have decreed that wages be paid for the time the workers were on strike.

Kemi was the scene of first violence in the strike wave last week when police battled some 1,500 lumberjacks. One striker was killed and a number of persons were injured.

See Communist Plot

Government spokesmen charged the Red-inspired strike was a move

Red Press Calls Yugo Chief A Fascist

Moscow, Aug. 23 (AP)—The Soviet press continued to lambaste Marshal Tito of Yugoslavia today.

Besides lengthy front-page editorials denouncing him, both *Pravda* and *Izvestia* put their cartoonists to work portraying Tito as a Fascist and tool of Wall Street.

Efimov, wartime pen-pommeler of Hitler, drew for *Pravda* a cartoon showing Tito groveling before portraits of Mussolini, Hitler and Himmler. One of the Marshal's hands is raised in the Nazi salute and the other holds an ax branded "Fascist terror." His body forms a swastika.

Izvestia shows Tito in the form of a cobra dancing to the tune of a Wall Street flute.

"Imperialist Agents"

The editorials denounced Yugoslavia's rulers as "direct agents of the imperialists."

A dispatch from Sofia quoted a Bulgarian paper as saying the Soviet would be able to defend its citizens in Yugoslavia by "effective means."

Just what these means would be is still, of course, the big question in diplomatic circles here. Many foreign envoys have been asked by their governments to find the answer to that question.

The Soviets have made no suggestion beyond the original note and *Pravda's* lengthy discussion of the question suggests no specific course of action.

CHIANG FLIES INTO CANTON

City Fears Red Revolt As He Arrives For War Talks

Canton, China, Aug. 23 (AP)—Chiang Kai-shek arrived today for important civil war talks in an atmosphere of official nervousness over a possible Communist-inspired uprising in Canton.

Sources close to Chiang said the Generalissimo had called a meeting for tomorrow of his twelve-man Kuomintang (Nationalist party) emergency council. This is a supreme war cabinet he created last month.

There was a rumor that the Generalissimo flew here from the island fortress of Formosa to put down any local peace deal with the Communists, who are only 170 miles away on the northeast.

80 Reported Arrested

Reliable reports are that some officials, who believe peace is the best way out, were behind the purported peace movement.

The Government, while mum on the subject, is trying to squelch the peace movement. Nationalist successes on the front north of Canton is strengthening its hand.

However, Nationalist authorities appear more worried over a possible uprising led by Communists than by the peace move or a Communist drive on the city.

Reports circulated that about 80 Communist sympathizers were arrested last week. Authorities wouldn't talk about the report. A later account suggested some of those involved were officers of the Kwangtung province military headquarters.

Might Test Government

Everyone in authority, however, admits the possibility of thousands of Communists in plain clothes being in Canton. They could arrive easily in the guise of refugees. Arms undoubtedly have been smuggled in also. Once the signal is given, an uprising could occur which might test the strength of the Government itself.

Moreover, authorities are concerned over the possibility of Communist irregulars in Kwangtung province staging a concerted drive on key points behind Nationalist lines which defend Canton.

The story is that Chiang received reports on the peace move and decided to come here from Formosa. He is represented as determined to crush any agitation for a local peace for Canton. He has pledged to defend this South China city with his life, if necessary.

Short-Notice Trip

In any case, Chiang flew here on such short notice that Acting President Li Tsung-jen and Premier Yen Hsi-shan had to motor at full speed to the airfield to get there in time to greet him.

Another arrival was Wu Te-chen, close adviser to Chiang. Wu has just returned from Japan where he met with Gen. Douglas MacArthur.

An army spokesman, meanwhile, said the situation was stabilized on the front east and west of Hengyang, Nationalist stronghold 265 miles north of Canton.

Reinforcements Reported

Communist General Lin Piao was reported moving down reinforcements from the north for renewed assaults. The spokesman said the front also was quiet on the northeast, where the Communists have made their closest approach to this refugee capital.

[The Communists in a broadcast heard in Hong Kong asserted the Nationalists suffered 99,000 casualties in fighting during July on the South China front and in Kansu province in the far northwest. The Communist attack on Lanchow, capital of Kansu, has been slowed, Nationalist reports say.]

Formosa Reports Arms Ship Blast

Wharf Area Is Destroyed; 500 Killed or Injured

CANTON, Aug. 23 (AP).—An ammunition ship blew up today in the Formosan port of Takao, killing or injuring 500 persons and spreading ruin along the waterfront, the official Central News Agency said. A succession of blasts shattered nearly every window in the city, which is on the island's southwest coast.

[No recent population figures are available on Takao. It is one of the most important ports for the Chinese Nationalists on Formosa. It was a big Japanese naval base during the war.]

The agency said a crew was unloading the 3,300-ton Chungli. Three-fourths of its cargo of ammunition had been removed when the first explosion came. It was followed quickly by a series of others.

The wharf area was a smoldering scene of destruction.

500 Dead Or Hurt In Ship Explosion

Canton, Aug. 23 (AP)—Approximately 500 persons were killed or injured in the explosion of an ammunition ship in the harbor of Takao, southeastern Formosa, the official Chinese Central News Agency said today.

The agency said ammunition was being unloaded from the Chinese steamer Chungli. There was a huge explosion, which was followed quickly by others.

The whole port city was shaken by the blast, which broke nearly every window in Takao and caused much other damage, the agency reported. Terror spread through the city.

Darkened By Smoke

Shortly after the first blast ripped through the ship the city was darkened by the smoke arising from the waterfront.

The wharf area was a scene of destruction, the agency said.

The official account said about three fourths of the 3,300-ton Chungli's explosive cargo had been unloaded when the blasts came.

Takao, a big Japanese naval base during the war, is one of the most important ports for the Chinese Nationalist Government in Formosa. It has been converted into a fortress.

British Ship Barred at Shanghai

TAIPEI, Formosa, Aug. 23 (AP)—Nationalist Chinese naval headquarters today said a British merchantman had been turned back from an attempt to enter blockaded Shanghai. The name of the British ship was not given. Chinese warships ,the naval headquarters said, ordered the British ship back to Hong Kong, British colony on the South China coast.

Reds Report China Mine Sabotaged

Shanghai, Aug. 23 (AP)—The Communist news agency today disclosed large-scale sabotage of iron mine equipment in Chahar province involving "Communist party members and government officials."

The mine is the Pan Chia Pao near Suanhwa, in South Chahar.

Half of the equipment was removed and sold, mostly in the black market at Peiping. The sabotage, the news agency said, started last August. It was discovered and stopped in June by Communist government officials and the provincial government.

Treated Lightly By City

The news agency said "several hundred sets of generators, more than 90,000 power meters and wire" were among the stolen equipment.

The Suanhwa city government, the news agency said, "treated the case lightly, saying the people took steel and iron to barter for foodstuff."

The saboteurs were detained a few days by the city officials and then released. The news agency did not say whether any new arrests had been made by the Communists.

The mine's capacity was 6,000 tons daily. It employed more than 25,000 workers and was operated by the North China Steel and Iron Company.

Transmitters Seized

Meanwhile, new arrests of underground workers and saboteurs was announced by the Communists in Shanghai.

Three radio transmitters were seized by security police in raids which resulted in the arrest of two men described as Nationalist leaders of underground organizations. One was said to have been posing as a cotton merchant. He was a "leader in rumor-spreading and black marketing," the Communists said.

A mechanic at the China Textile Mill was arrested and accused of "sabotage and rumor-spreading."

Explosives in Jerusalem Blown Up Without Harm

JERUSALEM, Aug. 23 (AP).—Israeli Army engineers blew up three and one-half tons of left-over explosives in the heart of the Holy City today. An Israeli official statement said not even a window in the Church of the Holy Sepul-

30.24- 5213

chre was broken and no damage whatever was done in the old walled city.

The British Foreign Office had expressed fear that the explosion would damage the church, where Christ is supposed to have been entombed. Hashemite Jordan (Trans-Jordan) had expressed similar concern for the Mosque of Omar, Moslem shrine.

A spokesman for the United Nations commission which supervised the operation said the explosives were a giant land mine buried by the Jews more than eight months ago in a tunnel less than 200 yards from the Damascus Gate and 900 yards from the Church of the Holy Sepulchre. The spokesman said it was impossible to remove the mine because of dangerous hidden detonators.

Soviet-India Trade Pact Near

New Delhi, India, Aug. 23 (AP)—A Government spokesman today said a trade treaty between India and Russia was expected to be signed here this week. He added the treaty already has been drafted, but the Soviet Embassy here is awaiting confirmation of terms from Moscow.

NO SECRET PLANS REVEALED TO HUNT, HE TELLS PROBERS

Says Information Had Been Published in at Least One Newspaper

DENIES WRONGDOING

Committee Hears Details of Hunt's Alleged Capital Contacts

WASHINGTON Aug. 23—(AP)—Maj. Gen. Herman Feldman, who began as a private and wound up as head of the Army's $1,000,000,000 a year buying program, acknowledged today that he gave a "five percenter" information on the Quartermaster Corps' purchasing plans.

But he denied there was anything wrong in his actions. He said the plans were not secret, and had been published in at least one newspaper.

AUG 24 1949

"I am prepared," Feldman told the Senate Investigations subcommittee, "to justify every action I have taken and every decision I have made."

Denies He "Misused Office"

The short, balding, 57-year-old Feldman, who has been suspended as Quartermaster General since July 16, said he may have made mistakes in his 38 years in the Army. But, he insisted, "At no time have I abused my position or misused the influence of my office."

At the time of his suspension, Secretary of the Army Gray said Feldman had "furnished to a contractor's representative procurement information under circumstances which appear irregular."

This was Feldman's first chance to tell his story of his relations with this representative, James V. Hunt.

As Feldman testified, denying that he ever sought gain or advantage for himself, his voice shook occasionally. Once he sounded as if he were near tears.

The subcommittee is studying the activities of "five percenters"—men who try to get contracts for business men in return for a fee.

As soon as Feldman had finished with his 2,000 word prepared statement, it had to adjourn because several senators had previous commitments.

Faces Quiz Today

But committee members made it plain that there are plenty of questions they want to ask Feldman when he takes the stand again tomorrow. Especially, they said, will they want to learn more about his relationship with Hunt, self-styled management counsellor.

Hunt, who has said he is on friendly terms with many a Washington bigwig, today was called the "main star" of the inquiry by Senator Margaret Smith (R-Me). Among those Hunt has claimed as his friends is Maj. Gen. Harry Vaughan, President Truman's Army aide.

Before Feldman read his statement, the committee had heard:

1. A letter starting "Dear Jim" that Feldman wrote to Hunt, giving details of the quartermaster corps' buying program. Feldman said this program had been published in a congressional report on a military appropriations bill.

Furthermore, he said, it had been published in "at least one newspaper," in June, 1947.

Feldman said he didn't write his letter until July 23, 1947, after the plan had become "public information."

A committee lawyer, on the other hand, contended that Feldman's figures had far more details than were known previously.

2. A telegram which Hunt is reported to have written for Feldman, and which Feldman sent on to Japan and signed "QMG," or Quartermaster General.

3. A postscript written by Feldman to Hunt. It was written to "Jim" and signed "Herman."

4. A letter written by Feldman to the purchasing agent of Los Angeles County in which Feldman said:

"Hunt has ready entree to the White House."

In addition to the Hunt-Feldman relationship, the committee heard some details on Hunt alone.

Hunt Tells of "Contacts"

Before the election, Hunt wrote a prospective client that "my Hill and 'White Cottage' contacts are still swell." (Congress is often called "the Hill" in Washington, because the capitol is set on one).

But, Hunt wrote, "if Dewey is elected (and the betting is 15 to 1) then I am in even a better position than before. I'm sure you will recall that many of my good friends on the Hill were Republicans."

After the election, and Mr. Truman had won, Hunt wrote another prospect:

"The White House group has been most kind to me. We can abolish red tape quickly . . .

"We enjoy this life. We like Washington and enjoy the variety of problems that come to use. It has also been very remunerative. Though we are nonpartisan in politics, we have been very close to and loyal to Mr. Truman personally, so our relationship is even closer than heretofore."

In a transformation of a telephone conversation, read into the record by a committee investigator, Hunt had this to say to a prospect who had inquired how close he was to Mr. Truman:

"I had a nice assurance after the election. I won't tell you over the telephone. I was in the van, down the line. We went through with him all the way. It's going to be a great thing. You do not do things with him. The official family are my friends."

Committee investigators said the letters and the transcript were found in Hunt's files.

William P. Rogers, committee counsel, said that Hunt is ill, and that his lawyer has said it would endanger his health to appear before the committee.

SENATE GROUPS BACK ARMS AID FOR 4 NATIONS

Program for Greece, Turkey, Korea and Philippines Wins Approval

FURTHER CUTS SEEN

No Action Taken on Funds to Help Signers of Atlantic Pact

AUG 24 1949

WASHINGTON, Aug. 23. — (AP) A $239,010,000 arms aid program for Greece, Turkey, Iran, Korea and the Philippines was approved today by the combined senate committees on foreign relations and armed services.

No action was taken, however, on the $1,160,990,000 that President Truman has asked to start rearming European signers of the North Atlantic Pact, designed to erect a bulwark against any Russian aggression.

The house cut that proposed $1,160,990,000 fund squarely in half, and knives are being whetted for it in the senate too. Senator Wherry of Nebraska, the Republican floor leader, announced he will oppose any foreign arms program at this time.

Amendments Approved

The authorizations approved today were the same as those okayed by the house—$211,370,000 for Greece and Turkey, and $27,640,000 for Iran, Korea and the Philippines.

The combined committees approved these amendments to the bill today:

1. By Senator Smith (R-NJ), pledging a maximum effort by this country to provide the United Nations with armed forces, and to obtain an agreement for universal regulation and reduction of armament.

2. By Senators Vandenberg (R-Mich) and Dulles (R-NY), to give congress power to end foreign arms aid any time it found such aid inconsistent with terms of the United Nations charter. The bill as submitted to congress reserves that right for the president.

3. By Senator Tydings (D-MD), stipulating that at least one-half of the arms shipments under the bill be moved in American vessels.

Senator Connally (D-Tex), who has been presiding at the joint committee sessions, said the question of aid to the European pact countries was not considered today. Neither were proposals to earmark part of the money for nationalist China.

Sees Good Progress Made

Connally said the committees are making unexpectedly good progress on the bill, and that he believes the measure can be cleared to the senate toward the end of this week.

The bill will not be out of the woods, however, when it reaches the senate floor. Wherry's declaration of opposition was only one of the adverse omens. Another senator, who asked not to be quoted by name, said that a determined effort will be made to kill the bill.

In addition to such all-out opposition, there is a strong movement to trim the size of the Western European program. Vandenberg and Dulles, for example, want to hold it to an even $1,000,000,000, divided equally between cash and contract authority. Others wants to slice deeper.

Wherry said he thinks that it would be "just throwing money away" to authorize the arms aid now. He said congress ought to wait until January and review the situation then.

The Nebraskan has been a consistent opponent of most Truman administration policies.

ATLANTIC TREATY LEADERS LAUNCH ORGANIZING PLANS

WASHINGTON, Aug. 23. — (AP) On the eve of the legal beginning of the North Atlantic Alliance, representatives of 10 of the 12 member nations met today to begin planning for the organization of the western world provided in the North Atlantic Treaty.

The pact will come into force tomorrow when France's ratification is deposited with the United States in a White House ceremony there. President Truman will sign (at 11:30 a. m. EST) a proclamation declaring the treaty in force.

Organization Work Starts

The state department disclosed that a "working group" of Atlantic power diplomats had met at the department today to begin work on forming the council of 12 nations which in turn will establish the important defense committee under the treaty.

Assistant Secretary of State George W. Perkins represented the United States in today's session which was also attended by representatives of Britain, Canada, France, Belgium, the Netherlands, Portugal, Italy, Norway and Denmark. Of the 12 nations which signed the treaty here last spring only Iceland and Luxembourg were unrepresented.

AUG 24 1949

France is the last of the seven nations which originally drafted the treaty to deposit its ratification. The treaty provides that it becomes effective when all those seven have formally notified the United States of ratification.

Pact Comes Into Force Today

Others which still have to give this notice, and which are expected to do so at tomorrow's ceremony, are Portugal, Italy, and Denmark. Those three, together with Iceland and Norway, which have already deposited their ratifications, compose the five nations who joined the treaty by invitation after it was substantially completed by the original seven.

The state department made this announcement of today's meeting:

"A working group composed of representatives of the North Atlantic treaty nations met at the department of state today and began a study designed to produce recommendations to be submitted to the respective governments on the organization to be established under the treaty.

"This working group in addition to discussing the organization will also recommend a date and location for the first meeting of the council established by article 9 of the treaty.

"The working group sessions will be closed and no information as to the substance of these discussions can be made public until the governments have considered the recommendations of the working

group and the council has taken formal action to establish the organization under the North Atlantic Treaty.

"It is hoped the working group will be able to complete its task in a few weeks.' '

AUG 24 1949

Congressmen To Get Details On Defense Cuts In Districts

Washington, Aug. 23 (AP)—Congressmen get a preview tomorrow of how a contemplated $1,500,000,000 economy cut in next year's military spending is likely to affect their districts.

Louis A. Johnson, Defense Secretary, invited them to come to his Pentagon headquarters and hear the news directly from the top defense planners.

The reductions, described by one congressmen as likely to be "pretty tough," are expected to hit all three services, but the Navy in all probability will have to absorb the heaviest blows.

Civilian Staffs To Be Cut

Reliable sources in the defense establishment said that between 100,000 and 200,000 civilian employés of the Army, Navy and Air Force may be discharged.

Two or more naval shipyards may be locked up, they said; the Navy's flattop fleet and air arm may undergo a drastic cut.

One Capitol Hill source said he understood the plans called for closing of navy yards at Charleston, S.C., and Long Beach, Cal., with reductions in personnel at other navy yards.

The same informant, who asked not to be identified, said it has been decided not to close the yards at Philadelphia and Hunters Point, near San Francisco. It had been rumored that these might be shut down.

To Be Ready With Answers

One purpose of the meeting was reported to be to familiarize members of Congress with the proposed reductions so they will be in a position to answer local complaints.

Johnson is expected to tell them that the military budget for the next fiscal year (beginning July 1, 1950) will total about $13,400,000,000, or $1,500,000,000 less than the budgeted outlay for the current fiscal year. The appropriation for this year, incidentally, is still pending in Congress.

After the new military unification bill became law, Johnson appointed a national defense management committee, headed by Lieut. Gen. Joseph T. McNarney. That committee has been working out ways to eliminate waste, duplication and unnecessary jobs. McNarney's announced goal is $1,000,000,000-a-year saving.

May Face Two Cuts

Thus the military may be rocked by two cuts—one in savings promulgated by the McNarney committee, the other in next year's budget.

High naval sources expect that under next year's budget the Navy's force of eight big flat tops will be cut in two—half of them going into "mothballs" or the reserve fleet.

In the current budget the Navy is allowed eight of the big aircraft carriers—five of the 27,700-ton Essex class and three 45,000-ton Midway class.

A cut is expected in the number of smaller carriers—possibly from ten to eight. The reduction in carriers automatically would reduce the Navy's air arm. Other Navy cuts likely would be in cruisers, destroyers and submarines. Marine activities likewise would be curtailed.

A forerunner of the economy move was the recent cancellation of an advertising contract for recruiting.

B-36 PROGRAM IS COSTING U.S. OVER BILLION

Air Force Comptroller Gives Estimate to House Group.

DENIES INFLUENCE CHARGES

Rawlings Outlines Expenses and Says Jets Would Add Another $1,556,294.

Washington, Aug. 23 (A. P.).—The Air Force gave Congress an estimate of $1,022,000,000 today on the cost of the B-36 bomber program.

The figure came out in testimony by Lieut.-Gen. Edwin W. Rawlings in the House Armed Services Committee investigation of the giant atomic bomb carrier. He followed other high-ranking Air Force witnesses who denied that political influence or corruption had anything to do with orders for more B-36s. The subject of cost has come up repeatedly in the investigation, set off by complaints of connections between high Armed Force officials and the Consolidated-Vultee Company, makers of the B-36.

Rawlings is comptroller, or finance man, for the Air Force. He said the design competition, held in 1941, cost $435,623 and the first two experimental models $39,475,234.

2 Ways of Figuring Cost.

He explained that the Air Force uses two standards for computing the cost of aircraft. One, he said, is the "flyaway cost," which includes virtually everything in the plane's manufacture but spare parts and ground handling equipment. The other is the "total program cost." which covers everything.

Under these definitions, he continued, he estimated flyaway cost of the first ninety-five B-36's, before they were modified, as $3,275,133 each.

The total program cost was given as $4,692,392 each.

Rawlings referred to the Air Force decision early this year to boost the total B-36 program to 170 planes. On this basis, he went on, the total program cost is $948,595,717. To this is added the cost of design and the building of the experimental models.

"The total dollars allotted to the B-36 program to date, therefore, are $988,506,574."

Rawlings added that it was estimated the "total program cost may be approximately $27,000,000 low and that Government-furnished property, valued at $6,000,000 and presently in Air Force stock, may be allotted to the B-36 program."

"If and when these new estimates are certified, the total dollar cost of the program will be approximately $1,022,000,000."

The decision to add jet engines to the super bomber, he said, led to an additional unit cost—on a total program cost basis—of $1,556,294.

Ahead of Rawlings, Lieut.-Gen. Lauris Norstad added his voice to the assertions that defense needs alone had dictated the B-36 choice. He told the committee he had participated in the conference that led to boosting the number of super bombers to 170.

Norstad is deputy chief of the Air Force Staff for Operations and said he is the man who would be responsible for directing the air defense of the nation in case of war.

Lieut.-Gen. N. F. Twining, commanding general of the Alaskan theater, also testified as to his support of the giant plane.

An early end to the inquiry was indicated with signs pointing toward a clean bill of health for the Air Force.

JOHNSON BLASTS 'INFLUENCE' TALK AT B-36 HEARING

WASHINGTON, Aug. 23 — (AP) Secretary of Defense Johnson today called "malicious" and "entirely false" any charge that his former connection with the company building B-36 bombers had anything to do with the Air Force selection of that plane to be its superbomber.

At the same time, Johnson blasted an existing "tendency to malign and defame—to assassinate the reputations of public officials."

Such a tendency, he told the House Armed Services committee, "is, to me, much the same as a new, growing and dangerous cancer."

The committee is seeking at public hearings to determine whether any outside influence, political or otherwise, dictated the Air Force decision to make the B-36 its intercontinental bomber and atom bomb carrier.

Deny Outside Influence

Another parade of top defense and Air Force officials told the committee today that defense needs alone brought about the decision.

Besides Johnson the committee also heard:

1. Lt. Gen. Edwin W. Rawlings estimate the cost of the huge B-36 program at $1,022,000,000. Rawlings is the comptroller or finance boss of the Air Force.

2. Lt. Gen. Lauris Norstad likened to Benedict Arnold any officer who would let pressure beyond his own judgment influence any decision. Norstad is deputy chief of the Air Force staff for operations. He said he would be responsible for directing the air defense of the nation in event of war.

The committee's inquiry into the B-36 program stemmed from a speech in the House last May by Rep. Van Zandt (R.-Pa.). Van Zandt said he had received "disturbing reports" concerning Johnson, Air Secretary Symington and Floyd Odlum. Odlum is head of the Atlas company, which controls Consolidated-Vultee, the firm which builds B-36 bombers.

Johnson formerly was a director of the plane-building company. He told the committee he took that post in August, 1942, at request of the late President Franklin D. Roosevelt.

He said Roosevelt asked him to be his "eyes and ears" in the corporation and keep the White House informed regarding the production of aircraft.

ADD

dispensaries in Hawaii were operated by persons of Japanese ancestry.

Denies Heath's Inference

"Thus, while not specifically charging persons of Japanese ancestry with any crime, you attempt by Machiavellian process of indirect inference to give some validity to the lie that Hawaiian Japanese apparently were cooperating with the imperial Japanese Government to sabotage this nation," the letter said.

The letter added that the story of Pearl Harbor drunkenness long ago was exploded by impartial observers. It said the Japanese in Hawaii "have been lauded repeatedly by the island compatriots and Americans generally, for their unswerving loyalty to this nation."

The league pointed out that persons of Japanese ancestry make up a third of Hawaii's population. "Thus, one normally could expect one-third of the licensed liquor dispensaries in the islands to be operated by these persons," the letter said.

It was signed by Mike Masaoka, legislative director of the league's anti - discrimination committee.

Nisei Lash Out at British Dry

Japanese-Americans Say Heath Spreads Old Lies About Pearl Harbor Drunkenness.

Washington, Aug. 23 (A. P.).—The Japanese-American Citizens League today accused a British temperance leader of spreading "old lies" about drunkenness at Pearl Harbor on the eve of the Japanese attack.

In an open letter to H. Cecil Heath, general secretary of the United Kingdom (Temperance) Alliance, the league took exception to remarks Heath made on Sunday at the convention of the Women's Christian Temperance Union in Philadelphia.

The letter said Heath repeated "the threadbare charge" that drunkenness was rampant among American military forces on the eve of the Pearl Harbor attack. The league objected particularly to Heath's comment that 55 per cent of the 841 licensed liquor

The league describes itself as a service organization to promote the interests of American citizens of Japanese descent. Its latest roster shows a membership of 8,418 Nisei, or second generation Japanese-Americans, with eighty-odd chapters over the country.

AUG 24 1949

30.24- 5215

GENERAL CUT TO COLONEL IN MARAGON SPOT

Sent Home From Italy After Pushing Friend Of White House

March Airbase, Cal., Aug. 23 (AP). Col. William L. Lee, new commanding officer of this base, said today he was reduced in rank and sent home from Italy shortly after he had an altercation with John Maragon, prominent figure in the "peddlers of influence" inquiry in Washington.

The colonel said he had an argument in Rome in February, 1946, and that he pushed Maragon in the face. Lee said he didn't know who the man was at the time but later learned it was Maragon and that he was a special presidential representative to observe the Greek elections.

At that time, Lee was a brigadier general and headed the 15th Air Force in Italy. Shortly afterward he was reduced to colonel and sent home.

Coincidence Possible

"I wasn't sure I was reduced because of this incident," said Lee in an interview. "It happened about that time. It could have been coincidental. A number of general officers were being reduced about this time because the war was over."

Colonel Lee said the incident with Maragon occurred in front of the Hassler Hotel.

"This individual was standing near me," said Lee, "It was dark. I said to him 'what are you doing here?' I thought it was one of those nosey Italians. He said:

"'I guess a man can walk around where he wants and when he wants.' I said: 'As long as he doesn't put his nose in other peoples' business.' Then he said he could put his nose in my business if he wanted. I pushed him in the face. I didn't hit him."

Irritated By Bus Driver

Lee said he had become irritated just before this because of a discussion with a bus driver who didn't want the officer to park his car in front of the hotel.

Colonel Lee said that later that evening Maj. Gen. Robert Webster, who was with him, asked him: "Say, do you know who that guy was you pushed in the face? That was a presidential special representative to the Greek elections."

"'What's he doing here?' I asked General Webster and he told me he was on his way to Greece," related Colonel Lee. "I suggested that I would apologize to him but General Webster said Maj. Gen. Arthur Wilson had talked with him and calmed him down and it was all right."

The colonel said that as a result of the incident "I was only reprimanded. That seemed to take care of the offense."

MEYERS FILES NEW APPEAL

Counsel For Ex-General Cites Supreme Court Ruling

Alexandria, Va., Aug. 23 (AP)—Counsel for former Maj. Gen. Bennett E. Meyers today filed a new petition for a writ of habeas corpus seeking to release Meyers from Lorton Federal Reformatory.

Meyers, wartime procurement chief for the Army Air Corps, is serving a sentence of twenty months to five years at Lorton for persuading a witness to lie under oath during a Senate investigation into Meyers's business affairs.

In the petition Meyers contends that his conviction rests on a basis which the United States Supreme Court has held "unthinkable." He charges further that he has been subjected to "unjust, illegal and discriminatory treatment in the courts."

Cites Court Ruling

The petition says the United States District Court in Washington failed to comply with the law as laid down in the Christoffel case. This was a reference to a recent Supreme Court ruling which reversed the conviction of Harold R. Christoffel on a perjury court.

In that case, the high tribunal held the Government had failed to show that a committee quorum was present when Christoffel, a former Wisconsin labor leader, denied Communist connections during a congressional hearing. The Supreme Court held, in effect, that congressional hearings must have a quorum (majority) of their members present at all times in hearings that may lead to criminal prosecution.

Earlier Plea Rejected

Last July 22, Federal Judge Alexander Holtzoff refused to grant Meyers his freedom from Lorton on a similar plea, based on the Christoffel ruling by the Supreme Court.

Judge Holtzoff said the evidence in the Meyers case showed that a quorum of the committee was present.

Meyers was convicted of inducing Bleriot H. Lamarre, of the wartime Aviation Electrical Corporation, of Dayton, Ohio, to lie about Meyers's connections with the firm which handled various Government contracts.

Gen. Hershey Tells V.F.W. U.S. Must Keep Draft Setup

Miami, Fla., Aug. 23 (AP)—Maj. Gen. Lewis B. Hershey, director of selective service, declared today this country must retain the selective service system as a first line of national defense.

Speaking before the afternoon session of the Veterans of Foreign Wars golden jubilee convention, General Hershey said the present selective service setup is "alive but starving to death."

He urged the 5,000 veterans attending the session to stand behind continuation of the service.

"Time would be the most important commodity if this country went to war," he asserted. "A selective service system already in operation would save four months in time."

Philippine Official Speaks

Earlier, Emilio Abello, Philippine minister plenipotentiary to the United States, told the convention the Philippine Islands stand as America's Pacific outpost against Communist aggression.

He declared the insurgent forces still in the islands are not a serious threat to the Government and that the "bandits" are being hunted down by his people.

Abello said the American Government had failed to provide benefits to Filipino war veterans who fought side by side with the American Army.

"Much remains to be done to dissipate the feeling among them that the American people do not fully reward those who fought under their flag—your flag—to uphold and defend, and to die, for your ideals."

Predicts Control End

Tighe E. Woods, Federal housing expediter, said during a three-member forum on housing that when enough houses are found for veterans with average incomes, rent controls will end.

Frank W. Cortright, National Association of Home Builders executive vice president, contended that the country's housing problem could be solved by builders on the competitive market.

"Veterans who fought overseas didn't intend to come back to live in socialized housing compounds at the expense of their neighbors," Cortright declared. "The home builders of America are convinced that the sharp edge of the need has already been taken off by the 3,000,000 new homes built since the end of the war—most of which have gone to veterans.

No Sharp Price Drop Seen

"As for taking care of the balance of the demand—we maintain that it can be handled best by our vast building industry of the country operating in a free economy in accordance with our capitalistic, free enterprise system."

Raymond M. Foley, administrator of Federal housing, reported that there will be no sharp drop in the price of housing, but a gradual decrease.

The three-member forum agreed that the cost of materials had dropped from 5 to 10 pe. cent. But Cortright interjected that the building industry now is in the process of the fourth round of wage increases, which "will keep building costs up a bit."

GRIM DATA MARKS TOKYO ROSE TRIAL

SAN FRANCISCO, Aug. 23—(AP) The government tried to show today that the wartime Tokyo Rose broadcasts weren't all innocent fun and entertainment; that there was grisly talk of amputations, loss of eyes, and shattered nerves.

Mrs. Toguri D'Aquino, 33, Los Angeles-born, is on trial for treason, accused of participating in the Japanese "Zero Hour" shows.

A key defense witness, Norman Reyes, former lieutenant in the Philippine army, was under cross-examination. He, too, had been on the wartime Radio Tokyo program, as a prisoner of war.

Tom De Wolfe, chief prosecutor, told the jury that Reyes had testified for the defense that the Japanese told the prisoner of war staff to put on "homesick" programs, but that they put on entertainment, instead.

He asked Reyes if he heard this reference to Okinawa fighting, on the Zero Hour in July, 1944: "Originally most of the wounds were simple fractures, but the number of amputations is increasing, and so is the number of eyes lost." Reyes answered "I heard many things about Okinawa, including casualties."

"Did you hear this?" De Wolfe asked "Any GI going home is a damned lucky guy if he can walk off the gangplank at San Francisco on his own two feet and see the way down with his own two eyes." Reyes said he never heard that.

Then De Wolfe said "Did you hear the defendant broadcast on July 11, 1945: "Did you like that one, my fighting GIs," (referring to a song). "I rather liked it myself. I hope it didn't overtax your shattered nerves. If it did, never mind.'"

Reyes said he didn't remember it, but that he had "written that phrase into her script on occasions."

"Were you still entertaining soldiers when you wrote about shattered nerves?"

"Yes," said Reyes.

"Oh, you were?" De Wolfe said with sarcasm. "That's all."

AUG 24 1949

TORONTO, AUG.23-(AP)-ROBERT M.BATTERSBY, TORONTO OFFICIAL OF THE UNITED RUBBER WORKERS OF AMERICA (C.I.O.), SAID TODAY THE UNITED STATES IMMIGRATION DEPARTMENT HAS LIFTED ITS BAN DENYING HIM ENTRY TO THE U.S.

HE SAID HE WAS NOTIFIED YESTERDAY THAT THE PROHIBITION IMPOSED LAST FEBRUARY ON GROUNDS THAT HIS PRESENCE "WAS NOT BELIEVED TO BE IN THE BEST INTERESTS" OF THE U.S. HAS BEEN REVOKED.

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WASHINGTON,AUG.23-(AP)-A SENATE ARMED SERVICES SUBCOMMITTEE IN- VESTIGATING THE TRIALS OF NAZI STORM TROOPERS ACCUSED IN THE MALMEDY MASSACRE WILL PRESS THEIR INQUIRY IN GERMANY NEXT MONTH.

CHAIRMAN BALDWIN SAID TODAY THAT HE AND OTHER MEMBERS OF THE GROUP--SENATORS HUNT (D-WYO) AND KEFAUVER (D-TENN)--DECIDED ON THE TRIP BECAUSE MANY IMPORTANT WITNESSES ARE THERE.

BALDWIN AND HUNT WILL SAIL FROM NEW YORK FRIDAY. THEY WILL ARRIVE IN BREMERHAVEN SEPT. 4 AND GO ON TO MUNICH TO START HEARINGS SEPT. 5. KEFAUVER WILL FLY DIRECTLY TO MUNICH.

THEY WILL INTERRUPT THE HEARINGS TO GO TO STOCKHOLM, SWEDEN, SEPT.

8, 9 AND 10. VICE PRESIDENT BARKLEY HAS DESIGNATED THEM AS DELEGATES TO THE INTERPARLIAMENTARY UNION CONFERENCE THERE.

THE MALMEDY HEARINGS WILL BE RESUMED IN GERMANY SEPT. 12. BALDWIN SAID THE COMMITTEE MEMBERS WILL LEAVE BREMERHAVEN SEPT. 21. THEY HOPE TO MAKE A REPORT TO THE SENATE IN OCTOBER.

SINCE APRIL A SERIES OF HEARINGS HAVE BEEN HELD HERE ON CHARGES THAT CONFESSIONS WERE WRUNG BY PHYSICAL BRUTALITY AND MOCK TRIALS FROM GERMANS ACCUSED IN THE MALMEDY MASSACRE.

THE PRISONERS, MEMBERS OF THE FIRST SS PANZER REGIMENT, WERE ACCUSED OF SHOOTING DOWN SOME 500 SURRENDERED AMERICAN SOLDIERS AND BELGIAN CIVILIANS IN THE VICINITY OF MALMEDY, BELGIUM, DURING THE BATTLE OF THE BULGE IN DECEMBER, 1944.

ALTOGETHER, 72 GERMAN SOLDIERS WERE CONVICTED AND 43 WERE SENTENCED TO DEATH. ALL BUT SIX OF THE DEATH SENTENCES HAVE BEEN COMMUTED AFTER ARMY REVIEWS OF THE TRIALS.

FORMER DEFENSE ATTORNEYS AND SEVERAL MEMBERS OF THE ARMY TEAM THAT INVESTIGATED THE MASSACRE WILL BE CALLED TO TESTIFY, HE SAID. A NUMBER OF GERMAN CIVILIANS, INCLUDING CHURCH OFFICIALS, ALSO WILL BE HEARD.

THE SENATORS PLAN TO VISIT THE PRISONS WHERE THE STORM TROOPERS WERE QUESTIONED AND THE PRISON WHERE THEY NOW ARE HELD, AS WELL AS THE SCENE OF THE MASSACRE.

THREE DOCTORS FROM THE PUBLIC HEALTH SERVICE WILL ACCOMPANY THE COMMITTEE AND EXAMINE THE PRISONERS TO DETERMINE WHETHER THEY HAVE SUFFERED ANY PERMANENT PHYSICAL HARM AS SOME OF THEM CLAIM, BALDWIN SAID.

HE LISTED THE DOCTORS AS JOHN B.LANE,JR., LUTHER TERRY AND RALPH LLOYD.

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Washington Hold up committee (5213)

SAID CHAIRMAN HOEY (D-NC):

"HE SHOULD BE PRESENT IF IT CAN BE DONE WITHOUT SERIOUSLY IMPAIRING HIS HEALTH. WE WILL GO INTO IT FULLY BEFORE WE DETERMINE IF WE SHOULD INSIST ON HIS APPEARANCE."

ANOTHER PERSON WHOSE NAME HAS BEEN MENTIONED FREQUENTLY IN THE HEARINGS ALSO IS ILL. SENATOR MCCARTHY (R-WIS) SAID THAT DAVID BENNETT, WHO PAID FOR THE HOME FREEZERS SENT TO VAUGHAN AND OTHER WASHINGTON NOTABLES, MAY NOT BE ABLE TO APPEAR BEFORE THE COMMITTEE.

FELDMAN UNDOUBTEDLY WILL HAVE TO ANSWER A NUMBER OF QUESTIONS ABOUT HIS LETTER TO HUNT ON ARMY PURCHASING PLANS WHEN HE RETURNS TO THE STAND TOMORROW.

IN HIS STATEMENT HE SAID HE WASN'T AWARE THAT HUNT WAS A SO-CALLED FIVE PERCENTER. HE KNEW HIM AS A MANAGEMENT COUNSELLOR, HE SAID.

FELDMAN REMINDED THE COMMITTEE THAT IN 1947 MANY MANUFACTURERS WERE MORE ANXIOUS TO DO BUSINESS WITH THE PUBLIC THAN THEY WERE WITH THE ARMY. AND SO, HE SAID, HE APPRECIATED THE NAMES OF ANY LIKELY BIDDERS THAT HUNT COULD SUGGEST.

FELDMAN SAID THE PLANS HE SUPPLIED HUNT WERE SUBJECT TO REVISION, THAT THEY WERE ONLY TENTATIVE, AND THAT THE ONLY WAY ANYONE COULD BENEFIT WAS TO BECOME A LOW BIDDER.

HE SAID HE HAD NO OBJECTION TO "FURNISHING THIS INFORMATION TO ANY INDIVIDUAL OR FIRM WHO IN MY JUDGMENT HAD A LEGITIMATE USE FOR IT."

FRANCIS D. FLANGAN, ONE OF THE COMMITTEE'S LAWYERS, TESTIFIED THAT THE INFORMATION FELDMAN GAVE HUNT DIFFERED FROM THAT PUBLISHED IN THE CONGRESSIONAL RECORD.

HE SAID THE PUBLISHED INFORMATION CONTAINED 86 ITEMS OF CLOTHING AND EQUIPMENT; THE LIST FELDMAN GAVE HUNT, HE SAID, WAS ON 217 ITEMS AND WAS IN GREAT DEAIL.

BRIG. GEN. ERNEST M. BRANNON, THE ASSISTANT JUDGE ADVOCATE, WAS CALLED TO THE STAND AND READ A CIRCULAR PUT OUT BY THE ARMY ON MAY 6, 1948.

THIS ADVISED ALL PROCUREMENT PERSONNEL TO RELEASE DATA ON ARMY BUYING TO ALL INTERESTED CONTRACTORS "AS NEARLY SIMULTANEOUSLY AS POSSIBLE" SO THAT NONE WOULD HAVE "UNFAIR ADVANTAGE."

BRANNON SAID THAT THOUGH THE CIRCULAR WAS WRITTEN AFTER FELDMAN'S LETTER TO HUNT, IT SET FORTH THE REGULAR ARMY POLICY.

BRANNON SAID HE DIDN'T KNOW ALL THE FACTS IN THE CASE. BUT, IN ANSWER TO A QUESTION, HE SAID THAT IF FELDMAN HAD GIVEN THE INFORMATION TO ONLY ONE COMPANY, IT WOULD SEEM TO BE ACSE OF FAVORITISM AND A VIOLATION OF ARMY POLICY.

THE CABLEGRAM FELDMAN SENT TO JAPAN WAS READ BY FLANAGAN (CQ).

FLANAGAN SAID THAT HUNT REPRESENTED THE HENNINGSEN COMPANY OF SHANGHAI, CHINA, AND SAN MATEO, CALIF.

THE COMPANY WAS INTERESTED IN BUILDING AND OPERATING SEVEN PLANTS FOR THE ARMY IN THE PACIFIC. THESE PLANTS WERE TO CHANGE POWDERED MILK INTO FLUID MILK.

AUG 24 1949

A39WX

FLANAGAN SAID HUNT WAS PAID $1,000 A MONTH FOR SIX MONTHS. HE ALSO WAS TO GET $10,000 FOR EACH PLANT THE HENNINGSEN COMPANY CONTRACTED FOR, WITH A MAXIMUM OF $50,000.

FLANAGAN SAID HUNT WROTE THE CABLEGRAM, TOOK IT TO FELDMAN AND THAT FELDMAN SENT IT ON TO THE QUARTERMASTER HEADQUARTERS IN THE FAR EASTERN COMMAND. IT SAID:

"REFERENCE PROPOSAL ESTABLISHMENT MILK RECONSTITUTION PLANS YOUR THEATER HENNINGSEN PRODUCE COMPANY POST OFFICE BOX 1280 LOCATED 51 CANTON ROAD SHANGHAI CHINA DESIRE CONFERENCE YOUR HEADQUARTERS FOR FULL DISCUSSION TERMS OF PROPOSED CONTRACTS STOP SUGGEST YOU EXTEND INVITATION IF IN AGREEMENT YOUR POLICY STOP THIS OFFICE BELIEVES HENNINGSEN CAPABLE AND INTERESTED OUR OPINION BASED ON PRELIMINARY CONFERENCES IN WASHINGTON."

FLANAGAN SAID, AS IT TURNED OUT, THE CONTRACT NEVER WAS LET.

BUT HE SAID FELDMAN WAS IN CONTACT WITH HUNT "ON NUMEROUS OCCASIONS" DURING THE NEGOTIATIONS.

IT WAS ON A LETTER DEALING WITH THESE PROPOSED TRANSACTIONS THAT FELDMAN WROTE HIS POSTSCRIPT TO "JIM" AND SIGNED IT "HERMAN."

HUNT FORWARDED A COPY OF THE MEMO TO THE HENNINGSEN COMPANY AND ASKED THE FIRM TO "PLEASE NOTE THE POSTSCRIPT FROM GENERAL FLEDMAN SIGNED HERMAN."

ROGERS INTERRUPTED FLANAGAN TO SAY THAT HUNT "OBVIOUSLY" WAS USING THE POSTSCRIPT TO "IMPRESS A CLIANT."

PIERRE R. WELCH, A WASHINGTON, D.C., BUSINESS MAN, TESTIFIED THAT IN 1947 HUNT SUCCEEDED IN KEEPING HIS COMPANY FROM PAYING OUT $390,000 FOR INSECTICIDE BOMBS THAT IT DIDN'T WANT.

HE SAID HIS COMPANY HAD CONTRACTED FOR 1,118,000 BOMBS FROM THE WAR ASSETS ADMINISTRATION. WITH 850,000 BOMBS STILL TO COME, WELCH DECIDED HE DIDN'T WANT ANY MORE, AND HUNT GOT THE CONTRACT STOPPED.

WELCH SAID THE SMALL BUSINESS MAN GETS THE "RUN-AROUND" FROM GOVERNMENT AGENCIES AND NEEDS SOMEONE LIKE HUNT, WHO HAS "PULL" AND "CONNECTIONS."

ASKED MCCARTHY:

"SO YOU ARE CONVINCED THAT IN ORDER TO DEAL SATISFACTORILY WITH GOVERNMENT AGENCIES IT IS NECESSARY TO KNOW SOMEBODY?"

REPLIED WELCH:

"ABSOLUTELY, SENATOR, AND I'M GLAD TO MEET YOU."

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JOHNSON SAID THE CHARGES ABOUT ORDERS OF THE BIG SUPERBOMBERS "CONTAIN NO SPECIFIC ALLEGATION ON WHICH AN ISSUE CAN BE DRAWN." HE ADDED:

"THEY SEEK TO RAISE DOUBTS BY INSINUATIONS AND INNUENDO. SO FAR AS THEY AFFECT ME, THEY SEEM TO REST ON THREE FACTS:

"FIRST, THAT I HAVE BEEN A DIRECTOR OF AND COUNSEL FOR THE CONSOLIDATED-VULTEE CORPORATION;

"SECOND, THAT I WORKED FOR THE DEMOCRATIC PARTY IN THE LAST PRESIDENTIAL CAMPAIGN;

"AND, THIRD, THAT AS SECRETARY OF DEFENSE I HAVE APPROVED ONE OF THE THREE REQUESTS FOR FUNDS FOR B-36 AIRCRAFT.

AUG 24 1949

A13WX

"THESE THREE FACTS THEY WOULD TORTURE INTO A SINISTER RELATIONSHIP."

JOHNSON REVIEWED HIS ACQUAINTANCE WITH ODLUM." HE SAID HE HAD ONLY MET ODLUM ONCE BEFORE BECOMING A BOARD MEMBER OF THAT COMPANY.

HE DENIED ANY PRIVATE DISCUSSIONS WITH ODLUM CONCERNING THE B-36 AND ADDED: "THERE WAS NO CONSPIRACY. THE CHARGE IS ENTIRELY FALSE."

HE FURTHER SAID HE DID NOT RECALL EVER HAVING ASKED ODLUM FOR A DEMOCRATIC PRESIDENTIAL CAMPAIGN CONTRIBUTION. HE SAID HE RECALLED "FIVE OR SIX CAMPAIGN CONTRIBUTIONS WERE MADE THROUGH ODLUM." BUT, HE SAID, HE HAD NO RECOLLECTION "THEY WERE ADDRESSED TO ME PERSONALLY."

THE COMMITTEE SAID ODLUM WILL TESTIFY THURSDAY.

THE CHARGES THAT LED TO THE INQUIRY, JOHNSON SAID "FLOW FROM RUMORS THAT ARE THE FIGMENT OF SOME MALICIOUS IMAGINATION."

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CHINESE (260)

WASHINGTON,AUG 23-(AP)-DR.KAN CHIEH-HOU, PERSONAL REPRESENTATIVE OF THE ACTING PRESIDENT OF CHINA, DENIED TODAY THAT THERE IS ANY CHINESE AGREEMENT WITH RUSSIA TO ELIMINATE AMERICAN INFLUENCE FROM HIS COUNTRY.

HE TOOK EXCEPTION TO THE SECTION ON "THE POSITION AND POLICIES OF ACTING PRESIDENT LI" IN THE RECENT STATE DEPARTMENT WHITE PAPER ON CHINA.

IN THAT SECTION THE STATE DEPARTMENT SAID THAT LAST JANUARY THE ACTING PRESIDENT ASKED FOR A STATEMENT OF AMERICAN SUPPORT, WHILE AT THE SAME TIME INFORMING DR.LEIGHTON STUART, U. S. -.?-''-$94 8, ,-,(-ING, THAT H

AUG 24 1949

ACTING PRESIDENT ASKED FOR A STATEMENT OF AMERICAN SUPPORT, WHILE AT THE SAME TIME INFORMING DR.LEIGHTON STUART, U. S. -.?-''-$94 8, ,-,(

ACTING PRESIDENT ASKED FOR A STATEMENT OF AMERICAN SUPPORT, WHILE AT THE SAME TIME INFORMING DR.LEIGHTON STUART, U. S. -.?
THE SAME TIME INFORMING DR.LEIGHTON STUART, U.S. AMBASSADOR IN NANKING, THAT HE HAD MADE A TENTATIVE AGREEMENT WITH MOSCOW.

ONE POINT OF THAT AGREEMENT, THE DEPARTMENT CONTINUED, WAS "THE ELIMINATION OF AMERICAN INFLUENCE TO AS GREAT AN EXTENT AS POSSIBLE IN CHINA."

OTHER POINTS, THE WHITE PAPER SAID, WERE "STRICT CHINESE NEUTRALITY IN ANY FUTURE INTERNATIONAL CONFLICT" AND "ESTABLISHMENT OF A BASIS OF REAL COOPERATION BETWEEN RUSSIA AND CHINA."

DR.KAN SAID IN AN INTERVIEW TODAY THAT HIS GOVERNMENT HAD "INFORMED THE AMERICAN EMBASSY OF THE PROPOSED SINO-SOVIET NEUTRALITY AGREEMENT, AND THE U. S. HAD AGREED TO IT."

BUT HE DECLARED THAT PRESIDENT LI REJECTED THE OTHER TWO POINTS--ON AMERICAN INFLUENCE AND SINO-RUSSIAN COOPERATION--"THAT THE SOVIETS DEMANDED."

DR.KAN SAID HIS GOVERNMENT SOUGHT THE SUPPORT STATEMENT FROM THIS COUNTRY "SOLELY TO STRENGTHEN LI'S HAND IN THE NEUTRALITY DISCUSSIONS."

EMPHASIZING HIS VIEW THAT THE CHINESE GOVERNMENT DID NOT WISH TO ELIMINATE AMERICAN INFLUENCE FROM CHINA, DR.KAN SAID:

"THE VERY FACT OF ASKING FOR A STATEMENT OF SUPPORT FROM THE UNITED STATES DEMONSTRATES HIS (PRESIDENT LI'S) RECOGNITION OF THE IMPORTANCE OF AMERICAN INFLUENCE IN CHINA."

HY915PED

AUG 24 1949

(120) NIGHT LEAD YUGOSLAV

WASHINGTON,AUG.23-(AP)-SAVA KOSANOVIC, YUGOSLAVIA'S AMBASSADOR, TALKED FOR 30 MINUTES TODAY WITH DEPUTY UNDERSECRETARY OF STATE DEAN RUSK. HE SAID THEY DISCUSSED "GENERAL ECONOMIC PROBLEMS."

KOSANOVIC ALSO TOLD REPORTERS THE TALK WAS A CONTINUATION OF CONVERSATIONS HE HELD LAST WEEK WITH SECRETARY OF STATE ACHESON.

HE INDICATED IN ANSWER TO A QUESTION THAT HE TOUCHED UPON THE YUGOSLAV APPLICATION FOR A LOAN FROM THE WORLD BANK.

IN REPLY TO ANOTHER QUESTION, KOSANOVIC SAID "I AM SURE THERE ARE NOT" ANY TROOP MOVEMENTS BY RUSSIAN OR OTHER EASTERN EUROPEAN FORCES ON THE BORDERS OF HIS COUNTRY.

"I HAVE NO INFORMATION ABOUT THIS," HE SAID.

MD939PED

(ADVANCE FOR USE ON DELIVERY, EXPECTED AT 9:30 P.M. EASTERN STANDARD TIME TONIGHT, TUESDAY AUG. 23)

(ADVANCE)-WASHINGTON,AUG.23-(AP)-ARMY SECRETARY GRAY SAID TONIGHT THAT EVEN WITH THE INTERCONTINENTAL BOMBER, IT WILL STILL BE NECESSARY TO HIT THE ENEMY WITH MASSED BOMBERS OPERATING FROM BASES OVERSEAS IN THE EVENT OF WAR.

SUCH BASES WOULD HAVE TO BE BUILT AND DEFENDED BY U.S. ARMY TROOPS AS IN THE LAST WAR, GRAY SAID IN A RADIO (CBS) BROADCAST.

"IT IS GRANTED THAT OUR MODERN AIRCRAFT WOULD CONDUCT SORTIES ACROSS THE OCEAN FROM NORTH AMERICAN BASES, BUT IF STRATEGIC BOMBING IS TO HAVE APPRECIABLE EFFECT IT MUST BE SUSTAINED AND CONTINUOUS," GRAY SAID.

"IT FOLLOWS THAT REALLY EFFECTIVE BOMBING WOULD COME FROM BASES MUCH CLOSER TO ANY POTENTIAL ENEMY THAN THOSE WE NOW MAINTAIN," HE SAID.

IN CASE OF WAR, HE SAID, THE UNITED STATES WOULD HAVE TO SET UP OVERSEAS BASES WITH THE CONSENT OF THE COUNTRIES INVOLVED.

GRAY SAID THE ARMY WAS NEVER MORE INDISPENSABLE THAN IT IS NOW.

"I THINK MANY AMERICANS HAVE ALLOWED THEMSELVES TO ACCEPT THE CANDY-SWEET DOCTRINE THAT THE ATOMIC BOMB, GUIDED MISSILES, PLANES, ROCKETS AND SUPER-SONIC SPEEDS HAVE RELEGATED THE ARMY'S GI JOE TO AN UNGLAMOROUS BIT PART IN HELPING TO MAINTAIN THE NATION'S DEFENSE."

HE WARNED AGAINST THIS TYPE OF "MAGINOT" LINE THINKING AND SAID IT WOULD BE UTTER FOLLY TO SET UP OVERSEAS BASES WITHOUT TENS OF THOUSANDS OF COMBAT TROOPS TO DEFEND THEM.

(END ADVANCE FOR RELEASE ON DELIVERY EXPECTED AT 9:30 P.M. EASTERN STANDARD TIME TONIGHT, TUESDAY AUG. 23)

MD940PED

WASHINGTON,AUG.23-(AP)-THE ECONOMIC COOPERATION ADMINISTRATION TODAY ANNOUNCED THAT TWO BANKING SPECIALISTS WILL SOON VISIT KOREA TO HELP THAT FAR EASTERN REPUBLIC SOLVE CURRENCY AND BANKING PROBLEMS.

THE MEN, ARTHUR I.BLOOMFIELD AND JOHN P.JENSEN, ARE FROM THE NEW YORK FEDERAL RESERVE BANK AND ARE SCHEDULED TO SAIL AUG. 28 FROM THE WEST COAST. THEY WILL SPEND APPROXIMATELY SIX MONTHS IN KOREA AS MEMBERS OF ECA'S KOREAN STAFF.

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AUG 24 1949

DENVER, AUG.23-(AP)-THE PRESENT TENSION BETWEEN YUGOSLAVIA AND RUSSIA WILL NOT RESULT IN OPEN WARFARE, IN THE OPINION OF A FORMER STATE DEPARTMENT POLITICAL ADVISER AND EXPERT ON BALKAN AFFAIRS.

PHILIP MOSELY, HERE TO ATTEND THE UNIVERSITY OF DENVER'S SEMINAR ON THE SOVIET UNION, SAID LAST NIGHT AT A DINNER FOR BUSINESS AND PROFESSIONAL MEN:

"THERE WILL PROBABLY BE RUMORS OF WAR, MOVEMENTS OF TROOPS AND BORDER RAIDS, BUT I DOUBT THEY WILL RESULT IN WAR. TITO AND HIS STAFF HAVE VERY STRONG NERVES. AFTER ALL, THEY FOUGHT THE LAST WORLD WAR WHILE COMPLETELY SURROUNDED BY NAZIS.

"TITO IS EAGER FOR A RECONCILIATION WITH MOSCOW. STALIN IS GOING TO DIE SOME DAY; PERHAPS HIS SUCCESSOR WILL GIVE TITO THE OPENING HE NEEDS FOR COMING BACK INTO THE FOLD."

MOSELY SAID THAT IN THE MEANTIME THE UNITED STATES SHOULD ENCOURAGE TRADE BETWEEN YUGOSLAVIA AND WESTERN EUROPE AS A MEANS OF AIDING RECOVERY OF THE WESTERN EUROPEAN COUNTRIES.

CO1128ACS

NIGHT LEAD

DENVER, AUG.23-(AP)-THE UNITED STATES AND RUSSIA "CAN LIVE IN COMPARATIVE PEACE IF THE U.S. REMAINS STRONG AND KEEPS ITS FRIENDS," A FORMER U.S. DIPLOMATIC ADVISER SAID TODAY.

PHILIP MOSELY TOLD THE INSTITUTE FOR THE STUDY OF THE SOVIET UNION AT DENVER UNIVERSITY THAT RUSSIA WILL GO ONLY AS FAR AS IT CAN WITHOUT PROVOKING A MAJOR WAR. THE U.S. SHOULD REMEMBER, HE SAID, THAT AMERICAN FORCES COMBINED WITH THOSE OF WESTERN EUROPE ARE STRONGER THAN THE SOVIET.

MOSELY WAS AN ADVISER AT THE POTSDAM AND 1943 MOSCOW CONFERENCES. HE IS A FACULTY MEMBER OF COLUMBIA UNIVERSITY NOW.

THE ATLANTIC PACT AND THE MARSHALL PLAN WERE CITED BY HIM AS AMONG THE BEST WAYS WE CAN INSURE THE HELP OF OUR "FRIENDS" IN EUROPE.

"OUR STRATEGIC AND DIPLOMATIC ARITHMETIC HAS BEEN SOMEWHAT SIMPLIFIED BY THE TWO-POWER SETUP," MOSELY SAID. "IN 1914 WE HAD SIX MAJOR EUROPEAN POWERS TO FIGURE OUT."

HE WARNED THAT DIPLOMATS SHOULD NOT UNDERESTIMATE THE CONTROL OF THE "GROUP WITH MACHINE GUNS" IN EASTERN EUROPE.

KK830PCS NM ASKT

NIGHT LEAD COMMUNISTS (420)

NEW YORK, AUG. 23-(AP)-JUDGE HAROLD R.MEDINA TOLD JURORS IN THE COMMUNIST HEARING TODAY THAT "WE ARE APPROACHING THE LAST STAGES OF THE TRIAL."

THE TRIAL BEGAN JAN. 17. THE 11 TOP COMMUNIST DEFENDANTS ARE CHARGED WITH CONSPIRING TO ADVOCATE VIOLENT OVERTHROW OF THE GOVERNMENT.

LATER IN TODAY'S SESSION ONE OF THE DEFENDANTS WAS QUOTED AS SAYING WALTER REUTHER "JUMPED THE GUN" IN THE 1945 GENERAL MOTORS STRIKE AND WAS A "HYPOCRITE" IN HIS ATTITUDE TOWARD NEGROES.

A DEFENSE WITNESS, ABNER BERRY, SAID THE STATEMENTS WERE MADE BY CARL WINTER, ONE OF THE 11 ON TRIAL, AT A DETROIT MEETING EARLY IN 1946.

BERRY, A NEGRO WHO NOW LIVES IN NEW ROCHELLE, N.Y., AND IS HARLEM EDITOR OF THE COMMUNIST NEWSPAPER, THE DAILY WORKER, SAID HE WENT TO DETROIT IN SEPTEMBER, 1945, TO BECOME STATE EDUCATIONAL DIRECTOR FOR THE PARTY.

REFERRING TO PREVIOUS TESTIMONY BY GOVERNMENT WITNESSES THAT WINTER CRITICIZED REUTHER FOR THE STRATEGY OF THE STRIKE AGAINST GENERAL MOTORS, BERRY SAID WINTER CLAIMED REUTHER HAD "SPLIT THE WORKERS."

REUTHER, THEN A VICE PRESIDENT OF THE CIO UNITED AUTO WORKERS IN CHARGE OF THE GENERAL MOTORS DIVISION, LATER BECAME PRESIDENT OF THE UNION.

"THIS JUMPING OF THE GUN BY WALTER REUTHER, IN STAMPEDING THE INTERNATIONAL EXECUTIVE BOARD OF THE UNITED AUTO WORKERS TO CALL THE STRIKE, HAD ACTUALLY WEAKENED THE WORKERS IN THEIR FIGHT FOR THE FIRST ROUND OF POSTWAR WAGE INCREASES," BERRY QUOTED WINTER AS SAYING.

AUG 24 1949

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HE SAID WINTER CONTENDED THAT IF REUTHER HAD NOT "JUMPED THE GUN" AT GENERAL MOTORS, WORKERS IN AUTO, STEEL AND ELECTRICAL INDUSTRIES COULD HAVE COMBINED TO PRESENT THEIR DEMANDS.

REFERRING TO THE GOVERNMENT WITNESSES' STATEMENTS THAT WINTER HAD SAID THE COMMUNISTS WERE "BEHIND" THE STRIKE, BERRY SAID THAT WHAT WINTER ACTUALLY SAID WAS:

"OF COURSE, THE COMMUNISTS ARE BEHIND WORKERS THEN THEY ARE ON STRIKE AND ALWAYS HAVE BEEN. OF COURSE, WE'RE BEHIND THE G.M. STRIKERS."

THE "YPOCRITE" CLAIM, BERRY SAID, WAS

STRIKERS."

THE "HYPOCRITE" CLAIM, BERRY SAID, WAS MADE BY WINTER IN ACCUSING REUTHER OF PROFESSING FRIENDSHIP FOR NEGROES WHILE HE "ALLOWED DISCRIMINATION AGAINST NEGROES IN G.M. PLANTS."

IT ALSO INVOLVED, BERRY SAID, REUTHER'S ALLEGED OPPOSITION TO ELECTION OF A NEGRO TO THE UAW INTERNATIONAL EXECUTIVE BOARD.

BERRY DISPUTED EARLIER TESTIMONY THAT WINTER HAD TOLD THE DETROIT MEETING "THE TIME IS SOON TO COME WHEN THE TEACHINGS OF LENIN WILL BE PUT INTO ACTION."

HE SAID WINTER STATED THAT THE PEOPLES OF THE WORLD WERE "UTILIZING MORE AND MORE THE TEACHINGS OF LENIN TO BREAK THROUGH THE FEUDAL BARRIERS ERECTED BY IMPERIALISM TO OBTAIN POLITICAL DEMOCRACY."

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30.24- 5219

BY WILLIAM L.PHILLIPS

LAKE SUCCESS, N.Y., AUG. 23-(AP)-NEW "TENNESSEE VALLEY" PLANS FOR COORDINATED DEVELOPMENT OF RIVER BASINS WERE URGED HERE TODAY FOR REGIONS AS WIDELY DIVERSE AS CALIFORNIA'S RICH CENTRAL VALLEY AND THE DESERTS OF THE MIDDLE EAST.

WATER SCIENTISTS ATTENDING THE UNITED NATIONS SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES AGREED ON THE GREAT UNITED STATES PROJECT--STILL NOT YET FULLY COPIED ANYWHERE --AS THE BASIC PLAN FOR ALL AREAS.

RICHARD L.BOKE, CALIFORNIA REGIONAL DIRECTOR OF THE UNITED STATES RECLAMATION BUREAU, SPOKE FOR WHAT HE CALLED THE "POTENTIAL DISASTER" AREA OF THE RICH FOOD-GROWING SACRAMENTO AND SAN JOAQUIN RIVER CENTRAL VALLEY.

HE SAID PRESENT RECLAMATION LAWS--WHICH DO NOT ALLOW FOR POOLING OF POWER, IRRIGATION AND OTHER ASSETS AS UNDER TVA'S INTEGRAL PLAN--WILL NOT ALLOW FULL REALIZATION OF A $3,000,000,000 (B) LONG-TERM PLAN FOR THAT AREA.

WITHOUT SUCH POOLING, "THE WATER RESOURCES AND THEREFORE THE LANDS OF CALIFORNIA CANNOT BE FULLY DEVELOPED," BOKE SAID.

VAHE J.SEVIAN OF IRAQ, HYDRAULICS CHIEF OF HIS COUNTRY'S IRRIGATION DIRECTORATE GENERAL, LAID BEFORE THE DELEGATES FROM 50 NATIONS THE CASE FOR A GREAT DAM SYSTEM TO BRING NEW LIFE TO THE DESERT VALLEYS OF THE TIGRIS AND EUPHRATES, BELIEVED TO HAVE BEEN THE BIBLICAL GARDEN OF EDEN.

SEVIAN SAID IT WOULD NEED INTERNATIONAL AGREEMENTS AMONG TURKEY, IRAN, IRAQ AND SYRIA AND COULD BRING GREAT BENEFITS TO ALL FOUR IN POWER, FLOOD CONTROL, IRRIGATION AND NAVIGATION.

HE ESTIMATED THAT THE PROJECT COULD PROVICE LIVELIHOODS FOR 40,000,000 PEOPLE AND ADD 8,000,000 TONS OF WHEAT AND 1,500,000 TONS OF OTHER AGRICULTURAL PRODUCTS TO WORLD FOOD SUPPLIES.

OTHERS APPROVING THE PRINCIPLE OF RIVER BASIN INTEGRAL PLANNING INCLUDED PROF S.IRMAY OF ISRAEL, WHO REPORTED ON THE JORDAN VALLEY AUTHORITY; FILEMON C.RODRIGUEZ OF THE PHILIPPINES, AND PROFESSOR M.J. AUBUERT OF FRANCE.

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LAKE SUCCESS, AUG. 23-(AP)-CONTROVERSY DEVELOPED TODAY OVER A STANFORD UNIVERSITY SCIENTIST'S STATEMENT THAT FREE COMPETITION IS THE MOST EFFECTIVE WAY TO SEARCH FOR NEW PETROLEUM RESOURCES.

SEVERAL DELEGATES TO THE U.N. SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES ALSO CHALLENGED THE SCIENTIST'S ESTIMATE THAT THE TOTAL WORLD OIL RESECVE AMOUNTS TO 1,500 BILLION BARRELS.

DR.A.I.LEVORSEN, DEAN OF STANFORD UNIVERSITY'S SCHOOL OF MINERAL SCIENCES, MADE HIS STATEMENTS IN A PAPER READ TO THE CONFERENCE YESTERDAY.

HE WAS CHALLENGED ON HIS OIL RESERVE ESTIMATE BY M.KING HUBBERT OF THE SHELL OIL COMPANY AND ANDREW B.CRICHTON, PRESIDENT OF THE JOHNSTOWN (PA) COAL AND COKE COMPANY.

HUBBERT SAID LEVORSEN'S ESTIMATES APPEARED TO BE AN EXERCISE IN METAPHYSICS INSTEAD OF A SCIENTIFIC CONCLUSION BASED ON KNOWN PHYSICAL FACTS. CRICHTON SAID LEVORSEN'S ESTIMATES WERE SO OPTIMISTIC AS TO BE "PATHETIC." HE SAID ESTIMATES OF COAL RESOURCES MADE EARLIER IN THE CONFERENCE ALSO WERE TOO OPTIMISTIC.

THE CONTROVERSY WAS CONTINUED TODAY BY MANUEL RODRIGUEZ AGUILAR, CHIEF OF MEXICO'S CENTRAL DEPARTMENT OF PETROLEUM EXPLORATION. HE PUT OUT A STATEMENT CALLING FOR SETTING UP A SPECIAL U.N. COMMITTEE TO EVALUATE THE WORLD'S OIL RESERVES.

AGUILAR TOOK ISSUE WITH LEVORSEN'S STATEMENT THAT FREE COMPETITION RESULTS IN A MORE EFFECTIVE SEARCH FOR NEW OIL DEPOSITS. HE SAID FREE COMPETITION DID NOT EXIST EVEN IN THE UNITED STATES.

THE BEST WAY TO SPUR THE SEARCH FOR OIL, HE SAID, IS TO REMOVE "THE HANDICAPS WHICH SOME SECTORS OF THE PETROLEUM INDUSTRY PLACE ON THE EXPLORATION OF RESERVES BY THOSE WHO DO NOT BELONG TO THE GREAT TRUSTS."

"THE NORTH AMERICAN PETROLEUM INDUSTRY ITSELF IS GOVERNED ONLY IN THEORY BY FREE COMPETITION," AGUILAR SAID. "AS A MATTER OF FACT, IT IS THE GREAT TRUSTS WHICH DECIDE THE FORMS OF PROGRESS."

RW538PED

LAKE SUCCESS, AUG.23-(AP)-AUSTRALIA TODAY DEMANDED A FULL U.N. AIRING OF HUMAN RIGHTS VIOLATIONS IN COMMUNIST-DOMINATED ROMANIA.

THE AUSTRALIAN DEMAND WAS CONTAINED IN A FORMAL PROPOSAL THAT THE QUESTION OF THE OBSERVANCE OF FUNDAMENTAL FREEDOMS AND HUMAN RIGHTS IN ROMANIA BE PLACED ON THE AGENDA OF THE GENERAL ASSEMBLY THIS FALL.

THE ASSEMBLY ALREADY HAS BEFORE IT SIMILAR QUESTIONS WITH REGARD TO HUNGARY AND BULGARIA. THESE WERE CARRIED OVER FROM THE SPRING SESSION AFTER THE DELEGATES HAD CONSIDERED THE COMMUNIST ACTION AGAINST JOSEF CARDINAL MINDSZENTY IN HUNGARY AND 15 PROTESTANT LEADERS IN BULGARIA.

HA717PED

LAKE SUCCESS, AUG.23-(AP)-THE SECURITY COUNCIL'S 11-NATION MEMBERSHIP COMMITTEE TODAY RECOMMENDED THAT NEPAL BE ADMITTED IN THE U.N.

RUSSIA AND THE SOVIET UKRAINE CAST THE ONLY NEGATIVE VOTES. THIS INDICATED THAT A SOVIET VETO MIGHT BE FORTHCOMING WHEN THE APPLICATION IS ACTED UPON BY THE SECURITY COUNCIL ITSELF.

SOVIET DELEGATE ALEXANDER A.SOLDATOV SAID IT WOULD BE "UNFAIR" TO ADMIT NEPAL WHILE OTHER COUNTRIES EQUALLY QUALIFIED FORMMEMBEGSHIP--ALBANIA, BULGARIA, HUNGARY, ROMANIA AND OUTER MONGOLIA--WERE "SYSTEMATICALLY REJECTED" WHENEVER THEY APPLIED.

U.S. DELEGATE EDWARD MAFFITT SAID IT APPEARED NEPAL WAS TO BE "AN INNOCENT VICTIM OF CIRCUMSTANCES OUTSIDE ITS SPHERE" AND POSSIBLY "OUTSIDE THE CHARTER" OF THE U.N.

THE SOVIET SATELLITES REFERRED TO BY SOLDATOV ARE AMONG 13 COUNTRIES WHICH PREVIOUSLY HAD FAILED TO WIN SECURITY COUNCIL APPROVAL. THESE FIVE FAILED TO GET THE REQUIRED SEVEN VOTES. THE OTHERS WERE BLOCKED BY SOVIET VETOES. THEY ARE IRELAND, HASHEMITE JORDAN, PORTUGAL, ITALY, AUSTRIA, FINLAND, CEYLON AND KOREA.

HA712PED

TITO-COMINFORM CHRONOLOGY
BY THE ASSOCIATED ~~PRESS (330)~~

-1948- 1948

JUNE 28--COMMUNIST INTERNATIONAL INFORMATION BUREAU DENOUNCES MARSHAL TITO'S LEADERSHIP; DECLARES HE AND OTHER TOP COMMUNISTS IN BELGRADE REGIME MUST HEW TO MOSCOW LINE OR GET OUT.

JUNE 29--YUGOSLAV COMMUNIST PARTY DEFIES MOSCOW; ACCUSES RUSSIAN-LED COMINFORM OF LIES AND SLANDERS.

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JAN. 21--TITO ACCUSES RUSSIAN RADIO OF ISSUING "ENEMY PROPAGANDA" AGAINST YUGOSLAVIA.

APRIL 1--YUGOSLAVIA ACCUSES RUSSIA OF SQUEEZING HER ECONOMICALLY.

APRIL 9--TOTO TELLS WESTERN POWERS THEY CANNOT DEPEND ON YUGOSLAVIA TO JOIN IN "WAR PLANS" AGAINST RUSSIA.

MAY 12--TITO ORDERS SECRET POLICE TO GUARD ALL FRONTIERS FROM ENEMIES INSIDE AND OUTSIDE YUGOSLAVIA.

JULY 24--RUSSIA ACCUSED YUGOSLAVIA OF SECRET DEALINGS WITH BRITAIN ON AUSTRIAN INDEPENDENCE TREATY.

JULY 27--RUSSIA DEMANDS YUGOSLAVIA RELEASE 31 SOVIET CITIZENS ALLEGED TO HAVE BEEN JAILED AND BEATEN.

JULY 30--YUGOSLAVIA REJECTS RUSSIAN PROTEST AGAINST ARREST OF SOVIET NATIONALS.

AUG. 4--YUGOSLAVIA AND ITALY SIGN ONE-YEAR TRADE AGREEMENT FOR EXCHANGING $93,000,000 WORTH OF GOODS.

AUG. 5--YUGOSLAVIA ACCUSED RUSSIA OF SELLING OUT SLOVENE CARINTHIANS AND SCUTTLING YUGOSLAV TERRITORIAL CLAIMS IN DEAL WITH WESTERN POWERS ON AUSTRIAN TREATY.

AUG. 5--YUGOSLAV TROOPS ALERTED TO GUARD AGAINST WHAT TITO CALLS PROVOCATIONS AND INTIMIDATIONS BY RUSSIAN-DOMINATED NEIGHBOR STATES.

AUG. 10--YUGOSLAVIA ACCUSES RUSSIA AND COMINFORM NATIONS OF BETRAYING GREEK GUERRILLA CAUSE.

AUG. 12--RUSSIA CALLS YUGOSLAVIA AN ENEMY OF THE SOVIET UNION AND ALLY OF FOREIGN CAPITALISTS.

AUG. 17--U.S. GRANTS YUGOSLAVIA PERMISSION TO BUY STEEL MILL FROM AN AMERICAN COMPANY.

AUG. 18--SPECIAL COMMISSION OF WORLD BANK ARRIVES IN BELGRADE TO INVESTIGATE TITO'S REQUEST FOR HUGE LOAN UNOFFICIALLY ESTIMATED IN NEIGHBORHOOD OF $280,000,000.

AUG. 20--MOSCOW NOTE THREATENS "MORE EFFECTIVE MEASURES" TO PROTEST HER NATIONALS IN YUGOSLAVIA; CALLS TITO A FASCIST AND ENEMY OF ALL THE COMMUNIST WORLD.

AUG. 23--YUGOSLAVIA OFFERS TO NEGOTIATE ALL DISPUTES WITH RUSSIA PROVIDED THE SOVIET UNION KEEPS HANDS OFF YUGOSLAV INTERNAL AFFAIRS; AGREES TO REPATRIATE ALL RUSSIAN NATIONALS.

SJ530PED

AUG 24 1949

LONDON, AUG.23-(AP)-CHARGES OF PLOTTING A BALKAN WAR WERE HURLED AT PREMIER MARSHAL TITO OF YUGOSLAVIA LAST NIGHT AS THE RUSSIAN-LED CAMPAIGN AGAINST HIM TOOK A NEW TURN.

WHILE DIPLOMATIC AND OTHER SOURCES STILL SOUGHT TO FATHOM THE IMPLICATIONS OF RUSSIA'S THREAT TO TAKE "EFFECTIVE MEASURES" AGAINST THE TITO REGIME, A ROMANIAN COMMUNIST LEADER MADE THE NEW ACCUSATION.

THE ROMANIAN WAS VICE PREMIER GHEORGHE GHEORGHIU-DEJ, WHO SAID TITO WAS "PLOTTING TO SET ABLAZE THE BALKAN POWDER KEG." HE SPOKE AT A RALLY ATTENDED BY SOME 8,000 "SELECT" ROMANIAN REDS in Bucharest.

MARSHAL KLEMENTI VOROSHILOV, A MEMBER OF RUSSIA'S POLITBURO, SPOKE AT THE SAME RALLY AND ASSAILED TITO AS A "TRAITOR WHO HAS BECOME THE MOST BITTER ENEMY OF THE SOVIET UNION AND THE PEOPLE'S DEMOCRACIES."

FOLLOWING THE LEAD OF RECENT SOVIET NOTES ASSAILING THE YUGOSLAV GOVERNMENT, VOROSHILOV SOUGHT TO LINK TITO WITH FASCISM. SIMILARLY, HE ACCUSED HIM OF NEGOTIATING WITH THE WEST "BEHIND THE BACKS OF THE SOVIET UNION AND THE PEOPLE'S DEMOCRACIES."

BOTH SPEAKERS FELL INTO THE FAMILIAR PATTERN OF ATTACKS ON "AMERICAN-BRITISH IMPERIALISM."

THE NEW COMINFORM ASSAULT FOLLOWED A DAY IN WHICH WESTERN AND NEUTRA DIPLOMATS IN YUGOSLAVIA WERE REPORTED JITTERY, ALTHOUGH DISCOUNTING A FLOOD OF RUMORS ABOUT TROOPS MOVEMENTS NEAR THE YUGOSLAV BORDERS.

BRITISH NEWSPAPERS, COMMENTING ON THE SOVIET THREATS AGAINST YUGOSLAVIA, LIEKENED THEM TO THE LANGUAGE USED BY HITLER AS HE PREPARED TO MARCH AGAINST GERMANY'S SMALLER NEIGHBORS.

MOST DIPLOMATIC SOURCES, HOWEVER, FELT THE NEW MOVES BY RUSSIA AND COMINFORM (COMMUNIST INTERNATIONAL INFORMATION BUREAU) SPOKESMEN WERE ONLY PART OF A WAR OF NERVES.

THERE WAS NO SIGN OF WEAKENING AMONG THE TITO FORCES. THE YUGOSLAV LEADER, THROWN OUT OF THE COMINFORM BECAUSE HE OBJECTED TO THE COMPLETE SUBSERVIENCE OF HIS COUNTRY TO MOSCOW, GAVE NO HINT THAT HE WAS READY TO CAPITULATE.

BORBA, MOUTHPIECE OF THE YUGOSLAV COMMUNIST PARTY AND OF THE GOVERNMENT, RETORTED DEFIANTLY TO RUSSIAN CHARGES.

AMONG THE DEVELOPMENTS CALCULATED TO BOLSTER THE MORALE OF TITO'S FOLLOWERS WERE:

1--THE POSSIBILITY OF A LOAN FROM THE WORLD BANK TO PROP UP YUGOSLAV ECONOMY, HARD HIT BY AN ECONOMIC BOYCOTT BY THE COMINFORM NATIONS. A SPECIAL COMMISSION OF THE BANK IS IN YUGOSLAVIA TO INVESTIGATE CONDITIONS THERE.

2--A GROUP OF DISSIDENT GERMAN COMMUNISTS ANNOUNCED YESTERDAY THEY HAD FORMED A NEW GROUP IN OPPOSITION TO THE ORTHODOX GERMAN REDS AND SENT A MESSAGE OF SUPPORT TO THE YUGOSLAV LEADER.

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AUG 24 1949

LIVERPOOL, AUG. 23-(AP)-THE BISHOP OF LIVERPOOL SAID TODAY NEGRO AND ORIENTAL STUDENTS ARRIVING IN ENGLAND ARE BEING MET AT THE DOCKS BY COMMUNIST GLAD-HANDERS.

AS A RESULT, THE BISHOP DECLARED, MANY OF THEM ARE "WELL ON THE WAY TO BECOMING COMMUNIST MISSIONARIES" WHEN THEY START HOME TO AFRICA, INDIA AND CHINA.

THE BISHOP, DR.CLIFFORD A.MARTIN, DECLARED:

"THEY MIGHT RETURN AS MISSIONARIES OF THE CHRISTIAN WAY OF LIFE IF CHURCH PEOPLE IN DOCK CITIES SERVED THE CAUSE OF CHRIST WITH THE SAME VISION AND DEVOTION AS THE COMMUNIST SERVES HIS CAUSE."

THE BISHOP MADE HIS OBSERVATIONS IN THE SEPTEMBER ISSUE OF HIS DIOCESAN LEAFLET.

VS826PED

Scotchman Crash-lands.

THE U.S.THIRD AIR DIVISION ANNOUNCED THE ARRIVAL TODAY AND SAID ONLY TWO MORE PLANES OF THE GROUP ARE STILL TO COME IN. THE LEAD PLANE ARRIVED LAST THURSDAY AT A ROYAL AIR FORCE FIELD NEAR HERE.

THE 43RD REPLACES THE 98TH BOMBARDMENT GROUP WHICH HAS BEEN IN ENGLAND SEVERAL MONTHS. AMONG THE GIANT B-50S ALREADY HERE IS THE "LUCKY LADY," WHICH CIRCLED THE GLOBE NON-STOP EARLIER THIS YEAR.

WHILE IN ENGLAND THE STRATOBOMBERS WILL MAKE FLIGHTS OVER EUROPE AND THE ATLANTIC. THE THIRD AIR DIVISION SAID THE MISSION IS NORMAL TRAINING ROUTINE FOR KEEPING THE U.S.AIR FORCE ABLE TO FLY TO THIS PART OF THE WORLD AT ANY TIME.

FD855AED

ROME, AUG.23-(AP)-THE ITALIAN FOREIGN MINISTRY TODAY DENIED NEWSPAPER REPORTS LINKING ITALY WITH A PURPORTED PARTITION OF ALBANIA BETWEEN YUGOSLAVIA AND GREECE.

COMMUNIST SENATOR UMBERTO TERRACINI HAD ASKED THE FOREIGN MINISTER FOR AN EXPLANATION.

THE FOREIGN MINISTRY COMMUNIQUE SAID "THE ARRIVAL IN ROME OF THE FIRST POST-WAR DIPLOMATIC MISSION FROM ALBANIA AND THE IMMINENT DEPARTURE OF THE ITALIAN DIPLOMATIC MISSION TO TIRANA, IS THE BEST PROOF OF THE GOOD RELATIONS NOW REESTABLISHED BETWEEN THE TWO COUNTRIES."

THE COMMUNIQUE ADDED THAT "AN INDEPENDENT ALBANIA ON THE ADRIATIC", IS IN LINE WITH DEMOCRATIC ITALY'S INTERESTS.

N151PED

INDONESIAN (290)
BY NELS SLIS

THE HAGUE, AUG.23-(AP)-DUTCH PREMIER WILLEM DREES OPENED THE INDONESIAN INDEPENDENCE TALKS TODAY WITH A CALL FOR SPEEDY ACTION TO ESTABLISH A SOVEREIGN INDONESIA AND A WARNING THAT FAILURE WOULD HAVE GRAVE CONSEQUENCES.

HE ASKED THE 150 DUTCH AND INDONESIAN DELEGATES TO THE ROUND TABLE CONFERENCE TO CONDUCT THEIR DELIBERATIONS IN DEEP EARNESTNESS AND WITH SELF DISCIPLINE AND WARNED AGAINST HOSTILITIES WITH EITHER WEAPONS OR PROPAGANDA.

THE CONFERENCE WILL CONSIDER THE TRANSFER OF SOVEREIGNTY TO THE 70,000,000 PEOPLE OF THE EAST INDIES ISLANDS RULED BY THE DUTCH FOR 300 YEARS. THE CONFEREES ALSO WILL BE ASKED TO PRODUCE A CHARTER THAT WILL KEEP THE NETHERLANDS AND THE RICH SOUTH PACIFIC ISLANDS BOUND TOGETHER AS PARTNERS FOR THEIR MUTUAL BENEFIT.

PROPOSALS BEFORE THE DELEGATES CALL FOR THE SPEEDY ESTABLISHMENT OF A UNITED STATES OF INDONESIA AS A SOVEREIGN DEMOCRATIC STATE ON A FEDERAL BASIS. THE UNITED STATES OF INDONESIA WOULD BE LINKED WITH THE NETHERLANDS BY THE DUTCH CROWN AND WOULD HAVE A STATUS SIMILAR TO THAT OF BRITISH DOMINIONS IN THE BRITISH COMMONWEALTH.

DREES SAID THE DUTCH DECISION ON THE QUESTION OF TRANSFER OF SOVEREIGNTY RESULTED FROM A GRADUAL RIPENING OF THE REALIZATION THAT A BENEFICIAL COOPERATION BETWEEN THE NETHERLANDS AND INDONESIA CAN BEST BE PROMOTED ALONG THOSE LINES.

IF THE CONFERENCE SHOULD FAIL, THE PREMIER SAID, THE CONSEQUENCES OF FAILURE CANNOT BUT FILL EACH RIGHT MINDED PERSON WITH DEEP CONCERN.

THE TALKS HERE CLIMAX FOUR YEARS OF BITTER FIGHTING--BY THE INDONESIANS FOR INDEPENDENCE AND BY THE DUTCH TO KEEP A LINK WITH THEIR EASTERN EMPIRE.

IN ADDITION TO DREES, OTHER LEADERS ATTENDING THE CONFERENCE INCLUDE J.H.VAN MAARSEVEEN, DUTCH MINISTER OF OVERSEAS TERRITORIES; PREMIER MOHAMED HATTA OF THE INDONESIAN REPUBLIC; SULTAN HAMID, REPRESENTING INDONESIAN FEDERALISTS OUTSIDE THE REPUBLIC, AND THOMAS J.CRITCHLEY OF THE UNITED NATIONS COMMISSION FOR INDONESIA (UNCI). THE UNCI WILL OBSERVE CN INDONESIA THE CARRYING OUT OF AGREEMENTS REACHED HERE.

REPUBLICAN PREMIER HATTA WARNED THAT THE TRANSFER OF SOVEREIGNTY TO THE INDONESIAN PEOPLE MUST TAKE PLACE WITHIN THIS YEAR.

"BEFORE THE YEAR 1950 WILL SET IN, INDONESIA MUST BE INDEPENDENT AND THE REPUBLIC OF UNITED INDONESIA ESTABLISHED VESTED WITH COMPLETE AND REAL SOVEREIGNTY," HATTA SAID.

DUTCH MINISTER OF OVERSEAS TERRITORIES, J.H.VAN MAARSEVEEN EMPHASIZED THE NECESSITY OF ADHERENCE TO THE CEASE FIRE AGREEMENT TO PREVENT A NEW CALAMITY. INDONESIA SHOULD SHOW THE WORLD IT COULD GOVERN ITSELF IN ORDER.

SPEAKING FOR THE UNCI, CRITCHLEY SAID HE HOPED UNCI'S PARTICIPATION IN NETHERLANDS-INDONESIAN NEGOTIATIONS WOULD CONCLUDE WITH AN EARLY REPORT TO THE SECURITY COUNCIL ON THE FINAL SUCCESS OF THE CONFERENCE.

HE ADDED PROBLEMS COULD NOW BE VIEWED IN A CALM AND HOPEFUL PERSPECTIVE.

BJ1155AED

NIGHT LEAD INDONESIAN (290)
BY NEL SLIS

THE HAGUE, THE NETHERLANDS, AUG.23-(AP)-DUTCH AND INDONESIAN DELEGATES SAILED SMOOTHLY TODAY THROUGH THE START OF THEIR ROUNDTABLE CONFERENCE CALLED TO WRITE A CHARTER OF FREEDOM FOR 70,000,000 PEOPLE.

THE ISSUES FACING THE CONFERENCE WERE KEYNOTED BY DUTCH PREMIER WILLEM DREES, CONFERENCE CHAIRMAN, AND THE DELEGATION CHIEFS IN A FORMAL SESSION BEFORE 500 DIPLOMATS, OFFICIALS AND DUTCH PARLIAMENTARIANS.

THE FIRST MEETING OF THE STEERING COMMITTEE, WHICH INCLUDES THE THREE TOP LEADERS IN THE NEGOTIATIONS, WILL BE TOMORROW AFTERNOON. THEREAFTER THE 150 DELEGATES ARE EXPECTED TO GET DOWN TO THE REAL BUSINESS. THE CONFERENCE IS BEING HELD IN THE MEDIEVAL HALL OF KNIGHTS.

DR.MOHAMED HATTA, PREMIER OF THE INDONESIAN REPUBLIC, IN A SPEECH MADE IT CLEAR THE TALKS WILL CONCERN THE PRACTICAL AS WELL AS THEORETICAL EXERCISE OF SOVEREIGNTY BY A PROJECTED UNITED STATES OF INDONESIA. HE DECLARED THE INDONESIAN REPUBLIC ALREADY CONSIDERED ITSELF SOVEREIGN, WITH A GOVERNMENT SUBORDINATE TO NO ALIEN GOVERNMENT; ITS OWN ARMY AND POLICE, ITS OWN CURRENCY AND ITS OWN FOREIGN POLICY.

PREMIER DREES IN HIS KEYNOTE SAID THE DUTCH HAD REACHED THE DECISION TO TRANSFER SOVEREIGNTY TO THE INDONESIANS NOT BECAUSE OF UNWILLING ACQUIESCENCE TO CIRCUMSTANCES, BUT BECAUSE OF THE GRADUAL REALIZATION THAT THE INTERESTS OF BOTH THE INDONESIANS AND THE DUTCH WOULD BEST BE PROMOTED THAT WAY.

HE CALLED FOR MUTUAL TRUST AND RESTRAINT.

SULTAN HAMID, WHO SPOKE FOR FEDERALISTS OUTSIDE THE REPUBLIC, APPEALED FOR FOREIGN CREDIT TO HALT A SPIRAL OF INFLATION IN INDONESIA AND TOUCHED ON THE STATUS OF NEW GUINEA. HE SAID INDONESIA WOULD HAVE TO BE A UNITY, AND THAT NO PART COULD BE DISPENSED WITH WITHOUT DAMAGING THE WHOLE. THE DUTCH ARE EXPECTED TO MAKE AN ATTEMPT TO CUT THIS TERRITORY LOOSE FROM CLOSE TIES WITH THE REST OF INDONESIA.

ANOTHER SORE POINT EXPECTED TO BE RAISED IS A DUTCH REQUEST THAT INDONESIA PAY FOR DUTCH MILITARY ACTIONS AGAINST THE REPUBLIC.

PS739PED

BERN, SWITZERLAND, AUG. 23-(AP)-BARON ADAM GUBRINOWICZ, 44, POLAND'S CHIEF OF PROTOCOL, CONFIRMED THROUGH CLOSE RIENDS TODAY THAT HE HAD SENT A TELEGRAM OF RESIGNATION TO THE COMMUNIST-LED GOVERNMENT IN WARSAW.

GUBRINOWICZ WENT INTO ALMOST COMPLETE SECLUSION AT THE HOME OF FRIENDS JUST OUTSIDE BERNE. HE IS IN TOUCH WITH OFFICIALS OF THE U.S. LEGATION IN BERNE ON THE POSSIBILITY OF OBTAINING POLITICAL ASYLUM IN THE UNITED STATES.

ARTHUR BLISS LANE, FORMER U.S. AMBASSADOR TO POLAND, DISCLOSED IN NEW YORK SUNDAY THAT GUBRINOWICZ, A ROMAN CATHOLIC, HAD RESIGNED BECAUSE OF THE VAOICAN'S EXCOMMU

NEW YORK SUNDAY THAT GUBRINOWICZ, A ROMAN CATHOLIC, HAD RESIGNED BECAUSE OF THE VATICAN'S EXCOMMUNICATION DECREE AGAINST MILITANT COMMUNISTS.

FRANKFURT, AUG.23-(AP)-A FORMER U.S.ARMY CAPTAIN WHO DISAPPEARED FROM AN ARMY HOSPITAL IN WASHINGTON HAS BEEN ARRESTED NEAR COLOGNE, GERMANY, U.S.ARMY HEADQUARTERS ANNOUNCED TODAY.

THE ARMY IDENTIFIED HIM AS LOUIS F.HERZOG, 39, WHOSE WIFE AND TWO CHILDREN LIVE IN LEBANON, PA.

HE WAS ARRESTED AT THE HOME OF A GERMAN WHOSE DAUGHTER HE KNEW WHILE SERVING IN VIENNA, THE ARMY ANNOUNCEMENT SAID.

HE WILL BE BROUGHT TO THE FRANKFURT ARMY GUARDHOUSE AND HELD "UNTIL FURTHER INSTRUCTIONS FROM THE DEPARTMENT OF THE ARMY," HEADQUARTERS SAID.

THE ARMY'S ANNOUNCEMENT SAID THE AUSTRIAN BORN HERZOG HAD BEEN RELIEVED FROM DUTY AS AN OFFICER BY REASON OF PHYSICAL DISABILITY AND WAS IN WALTER REED HOSPITAL IN WASHINGTON ON LEAVE STATUS AWAITING RETIREMENT WHEN HE DISAPPEARED.

INVESTIGATION DISCLOSED HE FLEW TO GERMANY JULY 16. HE WAS TRACED TO THE COLOGNE AREA, THE ARMY ANNOUNCED, BY RECORDS SHOWING HE HAD SENT GIFT PACKAGES TO A GERMAN THERE AND HAD MADE TRANSATLANTIC TELEPHONE CALLS TO THE GERMAN'S DAUGHTER IN VIENNA.

ARMY AGENTS REPORTED THE DAUGHTER HAD OBTAINED A PERMIT TO JOIN HER FATHER NEAR COLOGNE AND HAD LEFT VIENNA IN JUNE.

B255PED

FRANKFURT, GERMANY, AUG.23-(AP)-GIL DODDS, AMERICAN TRACK STAR KNOWN AS THE "FLYING PARSON", OPENED A RELIGIOUS SPEAKING TOUR OF THE U.S.ZONE OF GERMANY TONIGHT.

DODDS CAME HERE FROM CANNES, FRANCE, WHERE HE ATTENDED AN INTERNATIONAL "YOUTH FOR CHRIST" RALLY. HE IS A MEMBER OF THE FACULTY AT WHEATON COLLEGE, WHEATON, ILL.

HA840PED

FRANKFURT, GERMANY, AUG.23-(AP)-SHARON L.HATCH GAVE UP HIS POST WITH THE UNITED STATES MILITARY GOVERNMENT TODAY TO RETURN TO PUBLIC WELFARE WORK IN DENVER, COL. HE HAS BEEN CHIEF OF THE SOCIAL AFFAIRS BRANCH OF THE MILITARY GOVERNMENT IN HESSE.

HA931PED

ARMY HEADQUARTERS ALSO ANNOUNCED THAT BRIG.GEN.CHARLES T.LANHAM WILL ARRIVE TOMORROW FOR AN ASSIGNMENT IN THE EUROPEAN COMMAND WHICH WILL BE REVEALED LATER. LANHAM HAS BEEN SERVING AS DIRECTOR OF THE SECRETARY OF DEFENSE IN WASHINGTON. Frankfurt Ordnance command.

OTHER ARMY ASSIGNMENTS INCLUDED:

COL. WILLIAM L.RITTER, WHO HAS BEEN PROFESSOR OF MILITARY SCIENCE AT THE UNIVERSITY OF CALIFORNIA, WILL BECOME COMMANDER OF THE GRAFENWOEHR, GERMANY, SUB-POST.

COL. JOHN HINTON, RECENTLY PROFESSOR OF MILITARY SCIENCE AT THE UNIVERSITY OF MISSOURI, WILL BE CHIEF OF THE SPECIAL MISSIONS AT FONTAINEBLEAU, FRANCE.

COL. WYNOT R.IRISH, RECENTLY PROFESSOR OF MILITARY SCIENCE AT SYRACUSE UNIVERSITY, NEW YORK, WAS ASSIGNED TO THE AUGSBURG, GERMANY, MILITARY POST.

COL. PAUL C.CERFF, COMES TO THE FRANKFURT MILITARY POST FROM A POSITION AS PROFESSOR OF MILITARY SCIENCE AT KNOX COLLEGE, GALESBURG, ILLINOIS.

ML111PED

BONN, GERMANY, AUG. 23-(AP)-NEGOTIATIONS WILL BEGIN SOON BETWEEN THREE CONSERVATIVE AND RIGHT-WING PARTIES--ALL ANTI-SOCIALIST--TO FORM WEST GERMANY'S FIRST FEDERAL GOVERNMENT, IT WAS ANNOUNCED YESTERDAY.

DR. FRITZ OELLERS, CHAIRMAN OF THE FREE DEMOCRATIC PARTY IN SCHLESWIG-HOLSTEIN, SAID THE COALITION PARTIES WILL BE THE CONSERVATIVE CHRISTIAN DEMOCRATS, WHICH LED ALL OTHERS IN THE AUG. 14 ELECTION; THE RIGHTIST FREE DEMOCRATS, WHO PLACED THIRD, AND THE EXTREME RIGHT-WING GERMAN PARTY, WHICH RANKED FOURTH.

WITH 208 OUT OF 402 SEATS, THE THREE PARTIES COULD HAVE A SIX-VOTE MAJORITY IN THE PARLIAMENT.

THE SOCIAL DEMOCRATS (SOCIALISTS) WHO RANKED SECOND IN THE ELECTION, WOULD MAKE AN OPPOSITION MINORITY.

POLITICAL SPECULATION IS THAT THE PRESIDENCY WILL GO TO PROF. THEODOR HEUSS, FREE DEMOCRATIC CHAIRMAN, AND THE CHANCELLORSHIP TO DR. KONRAD ADENAUER, CHAIRMAN OF THE CHRISTIAN DEMOCRATS.

JR302AED

Bonn Gold ex-ploration.

during the hitler regime dr. adenauer was relegated to

oblivion by the nazis. a gestapo agent was assigned to watch him.

in 1944, following the abortive revolt against hitler, dr. adenauer

was thrown into prison for the third time. his wife was imprisoned

with him. finally both were released but compelled to report to the

gestapo regularly.

dr. adenauer was married twice. both wives died. he has

seven children. he still lives at his birthplace where he owns a

small cottage. his hobby is gardening.

--DASH--

THE 73-YEAR-OLD ADENAUER WAS PRESIDENT OF THE BONN PARLIAMENTARY CONVENTION WHICH WROTE THE NEW REPUBLIC'S CONSTITUTION. HE IS A DEVOUT CATHOLIC.

ADENAUER IS TALL, LEAN, CLEAN-SHAVEN AND DISTINGUISHED. HIS WHITE HAIR IS BRUSHED STRAIGHT BACK. HE IS SEDATE AND COURTEOUS, FREE FROM CEREMONY. NEWSPAPER CORRESPONDENTS LIKE HIM.

HIS EMPLOYES REGARD HIM MORE AS A FATHER THAN A BOSS. HE TAKES A SYMPATHETIC INTEREST IN THEIR TROUBLES AND ASSISTS THEM WHEREVER IT IS POSSIBLE. HE IS A TIRELESS WORKER, HIS DAY'S AGENDA CROWDED

WITH CONFERENCES, RECEPTIONS, INTERVIEWS AND PARLIAMENTARY SESSIONS.
DR.ADENAUER WAS BORN IN RHEINDORF-ON-THE-RHINE, MAY 5, 1876. HE RECEIVED HIS DOCTOR OF LAWS DEGREE AT THE UNIVERSITY OF BONN. AT THE AGE OF 30 HE BECAME DEPUTY MAYOR OF COLOGNE. HE WAS ELECTED LORD MAYOR IN 1917 AND SERVED IN THAT POSITION FOR 16 YEARS. HE WAS PRESIDENT OF THE PRUSSIAN STATE COUNCIL FOR 13 YEARS AND AFTER WORLD WAR II HELPED TO FOUND THE CHRISTIAN DEMOCRATIC PARTY.
DURING THE HITLER REGIME DR.ADENAUER WAS RELEGATED TO OBLIVION BY THE NAZIS. A GESTAPO AGENT WAS ASSIGNED TO WATCH HIM. IN 1944, FOLLOWING THE ABORTIVE REVOLT AGAINST HITLER, DR.ADENAUER WAS THROWN INTO PRISON FOR THE THIRD TIME AND HIS WIFE WAS IMPRISONED WITH HIM. FINALLY BOTH WERE RELEASED BUT COMPELLED TO REPORT TO THE GESTAPO REGULARLY.
DR.ADENAUER WAS MARRIED TWICE. BOTH WIVES DIED. HE HAS SEVEN CHILDREN AND STILL LIVES AT HIS BIRTHPLACE WHERE HE OWNS A SMALL COTTAGE. HIS HOBBY IS GARDENING.
VS814PED

PRECEDE LONDON TITO
BY ALEX SINGLETON
BELGRADE,AUG.23-(AP)-YUGOSLAVIA ACCUSED RUSSIA TODAY OF MILKING OTHER COMMUNIST-GOVERNED COUNTRIES OF EASTERN EUROPE AND CONTENDED THE CAUSE OF WORLD COMMUNISM WOULD SUFFER UNLESS THE KREMLIN MENDS ITS WAYS.
IN A SERIES OF NEWSPAPER ARTICLES YUGOSLAVIA'S FOREIGN TRADE MINISTER, MELENTIJE POPOVICH, CALLED FOR THE ESTABLISHMENT OF POLITICAL AND ECONOMIC EQUALITY AMONG COMMUNIST COUNTRIES. HE DID D NOT APPEAR TO BE CONFIDENT THAT RUSSIA WOULD BE WILLING TO ACCEPT THE YUGOSLAV SUGGESTIONS AT THIS TIME.
(RUSSIAN-YUGOSLAV RELATIONS HAVE DETERIORATED FURTHER WITHIN THE PAST WEEK. THE SOVIET-LED CAMPAIGN AGAINST PREMIER MARSHAL TITO TOOK A NEW TURN LAST NIGHT WHEN CHARGES OF PLOTTING A BALKAN WAR WERE

HURLED AT THE YUGOSLAV LEADER. ROMANIAN VICE PREMIER GHEORGHE GHEORGHIU-DEJ MADE THE ACCUSATIONS).
POPOVICH GAVE AN ANALYSIS OF THE ECONOMIC RELATIONS THAT EXISTED BETWEEN YUGOSLAVIA AND THE SOVIET UNION BEFORE TITO'S BREAK WITH THE MOSCOW-DOMINATED COMMUNIST INTERNATIONAL INFORMATION BUREAU (COMINFORM) 14 MONTHS AGO.
HE OUTLINED THE STRUCTURE OF JOINT COMPANIES SET UP BY RUSSIA AFTER THE WAR WITH HER COMMUNIST NEIGHBORS. THE RUSSIANS USED THESE COMPANIES FOR THEIR OWN BENEFIT WITHOUT REGARD TO THEIR PARTNER'S INVESTMENT OF NATURAL RESOURCES, POPOVICH ASSERTED.
HE CHARGED RUSSIA WITH ADOPTING A "STEPMOTHER" ATTITUDE TOWARD SOME OF THE COMMUNIST GOVERNMENT TO WHICH IT GAVE BIRTH. THE FACT THAT RUSSIA LIBERATED SEVERAL EASTERN EUROPEAN COUNTRIES FROM THE GERMANS "DOES NOT MEAN THAT IT RECEIVED THE RIGHT TO EXPLOIT THEM," POPOVICH SAID.
YUGOSLAVIA'S OWN TRANSITION TOWARD INDUSTRIAL SOCIALISM WAS HAMPERED, HE SAID, BECAUSE RUSSIA MILKED THIS BALKAN NATION OF VALUABLE RAW MATERIALS WHICH THE YUGOSLAVS COULD HAVE SOLD ON THE DOLLAR MARKET.
HIS SUGGESTIONS FOR CHANGES IN THE RELATIONSHIP AMONG COMMUNIST COUNTRIES BOILED DOWN TO THESE:
1. FORMATION OF A GROUP OF COMMUNIST STATES WHICH WOULD DEAL WITH ONE ANOTHER ON A BASIS OF STRICT EQUALITY.
2. CREATION OF WHAT WOULD AMOUNT TO AN ECONOMIC UNION AMONG THESE STATES.
3. GENERAL ESTABLISHMENT WITHIN THE GROUP OF BOTH STANDARD PRICES AND STANDARD WAGES. PRESUMABLY THIS WOULD BE DESIGNED TO OPERATE FOR THE MUTUAL BENEFIT OF ALL MEMBERS OF THE GROUP BY FIXING TRADE PRICES AMONG THEMSELVES RATHER THAN THOSE CHARGED ON THE INTERNATIONAL MARKET AT WORLD PRICES.
4. ADOPTION OF A PRINCIPLE THAT WOULD DEVELOP THE COUNTRIES INDUSTRIALLY.
"TO BUILD UP A REALLY SOCIALIST ECONOMIC RELATIONSHIP AMONG STATES ACTUALLY MEANS DEVELOPMENT OF A SYSTEM X X X TIED BY AN ECONOMIC UNION," POPOVICH SAID. "THIS IS IMPOSSIBLE TO ACHIEVE UNLESS THERE IS ABOLITION OF EXPLOITATIONS AND VARIOUS OTHER MONOPOLY PRIVILEGES INHERITED FROM CAPITALISM."
EMHEFDENOUNCED WHAT HE TERMED THE CAPITALISTUCMSY

HE DENOUNCED WHAT HE TERMEF THE CAPITALISTIC SYSTEM OF PLUNDERING UNDEVELOPED COUNTRIES BUT ADDED THAT THE SAME SYSTEM NOW WAS BEING USED AT TRADE TALKS AMONG COMMUNIST COUNTRIES.
BJ1121AED

NIGHT LEAD GREEK
ATHENS, GREECE, AUG.23-(AP)-GREEK MILITARY COURTS HAVE SENTENCED 54 PERSONS TO DEATH, PRESS DISPATCHES REPORTED TODAY. ELEVEN WERE SENTENCED TO LIFE IMPRISONMENT AND EIGHT OTHERS TO EIGHT YEARS.
THE DEFENDANTS WERE CHARGED WITH COMMUNIST TERRORISM AND PARTICIPATION IN THE MACEDONIAN AUTONOMOUS MOVEMENT (NOF).
FIFTY-ONE OF THE PERSONS WERE SENTENCED TO DEATH AT A MASS TRIAL AT THE VILLAGE OF AMYNTEON NEAR PHLORINA IN NORTHERN GREECE. TWO MORE WERE SENTENCED TO DEATH AT LAMIA AND ANOTHER AT PYRGOS.
IT WAS ALLEGED THAT A LARGE UNDERGROUND ORGANIZATION MINED ROADS, AIDED COMMUNIST GUERRILLAS AND CONSPIRED TO CREATE A SEPARATE MACEDONIAN STATE.
PS743PED

Helsinki Strike Tomorrow
IT WAS ESTIMATED THAT ONLY 13,000 WORKERS WERE ON STRIKE TODAY IN THE SIX-DAY-OLD OFFENSIVE WHICH GOVERNMENT LEADERS SAY IS A MANEUVER TO SEIZE POWER AND TURN FINLAND INTO A COMMUNIST STATE. SOME 25,000 WERE REPORTED ON STRIKE YESTERDAY. AT THE PEAK OF THE STRIKE WAVE THE FIGURE WAS ESTIMATED AT 45,000.
SOME OBSERVERS SAW THE GOVERNMENT'S ACTION IN THE KEMI WAGE CRISIS AS AN ATTEMPT TO WARD OFF A MAJOR SPLIT IN THE CENTRAL TRADE UNION FEDERATION. A SERIOUS CLEAVAGE BETWEEN RIGHT AND LEFT-WING LABOR FACTIONS HAD APPEARED IMMINENT LAST WEEK WHEN THE FEDERATION'S EXECUTIVE COMMITTEE THREATENED TO EXPEL ALL UNIONS WHICH FAILED TO END THEIR STRIKES BY TODAY.
THESE OBSERVERS REASONED THAT COMMUNIST STRIKE LEADERS WOULD SUFFER A LOSS OF SUPPORT FROM THE GOVERNMENT MOVE. THEY BELIEVED THAT UNDER THE WEIGHT OF GENERAL WORKER OPINION, STRIKE LEADERS WOULD HAVE TO END THEIR WALKOUTS BY OBEYING THE FEDERATION'S ULTIMATUM, THUS AVOIDING A SPLIT IN THE FINNISH LABOR MOVEMENT.
ANOTHER SIGN OF A LESSENING OF THE LABOR CRISIS CAME LAST NIGHT

WHEN THE TEXTILE WORKERS' UNION AGREED TO CALL OFF A WALKOUT SCHEDULED FOR TOMORROW.

KEMI WAS THE SCENE OF THE ONLY VIOLENCE WHEN THE STRIKES BEGAN LAST THURSDAY. TWO PERSONS WERE KILLED AND NINE HURT WHEN POLICE AND STRIKING LUMBERJACKS CLASHED.

PRIME MINISTER KARL A. FAGERHOLM CONTINUED TO SEE A GRAVE DANGER IN THE STRIKES. IN AN INTERVIEW PUBLISHED IN A STOCKHOLM NEWSPAPER YESTERDAY, HE SAID: "THE COMMUNIST STRIKE OFFENSIVE NOW IN PROCESS IS THE GREATEST PLANNED ASSAULT SO FAR MADE AGAINST THE SOCIETY OF FINLAND, AND ALSO THE BEST PREPARED. THE ATTACK MUST FAIL X X X BECAUSE IF IT DOES NOT THEN EVERYTHING THAT HAS BEEN BUILT UP X X X WILL BE CRUSHED TO PIECES IN A MOMENT."

REPORTS FROM SCATTERED AGREAS GAVE THIS PICTURE:

THE LONGSHOREMEN'S STRIKE CONTINUED IN THE BIG SOUTHERN PORTS OF HELSINKI AND TURKU; NON-STRIKING TRUCK DRIVERS DELIVERED FRESH BREAD IN HELSINKI; THE WOOD INDUSTRY WAS GENERALLY AT WORK.

SJ326PED

HELSINKI--FIRST ADD STRIKES XXX UNIONS.

REPORTS FROM VARIOUS PARTS OF FINLAND GAVE THIS PICTURE:

THE DOCKERS STRIKE CONTINUED WITH TOTAL IDLENESS AT LEAST AT HELSINKI AND TURKU. POLICE WERE PROTECTING 38 VOLUNTEER DOCKERS AT KOTKA.

TWELVE SHIPS WERE HELD UP AT HANKO. FOUR HAD BEEN UNLOADED BY VOLUNTEERS, ONE WAS LOADED.

A CAPTAIN OF A COAL TRANSPORT YESTERDAY BEGAN UNLOADING HIS SHIP IN HELSINKI BY MANEUVERING A CRANE HIMSELF. HE WAS EXPECTING WILLING HANDS TO AID HIM TODAY.

THERE WAS FRESH BREAD IN HELSINKI TODAY, DELIVERED BY NON-STRIKING DRIVERS. BUT THE STRIKE WAS ALMOST TOTAL AT THE BAKERIES OF THE COOPERATIVE ELANTO AND HELSINKI DAIRY. THEIR DRIVERS REFUSED TO DELIVER BREAD.

THE TRANSPORT STRIKE LOST MOST OF ITS STING BECAUSE MANY PRIVATE TRUCK OWNERS WERE WILLING TO TAKE OVER. TRANSPORT OF BRICKS FOR BUILDING CONSTRUCTION WAS DECLARED AN OPEN SHOP JOB BY THE GOVERNMENT FROM SEPTEMBER FIRST.

THE WOOD INDUSTRY WAS MOSTLY WORKING THROUGHOUT THE COUNTRY. SOME WORKERS STAYED OFF THEIR JOBS IN PLYWOOD FACTORIES.

WORKERS RETURNED TO FLOUR MILLS, BREWERIES AND BAKERIES AT KOTKA.

GRADUALLY MORE WORKERS SEEMED TO GET TIRED OF GOING IDLE. THE GOVERNMENT WAS EXPECTING THE STRIKMATED 13,000 WORKERS WERE STILL STRIKING. YESTERDAY THEY SAID THE NUMBER WAS 25,000, AND THE TRADE UNION FEDERATION UPHELD THIS ESTIMATE BUT SAID IT HAD NO CERTAIN REPORTS.

FD917AED

AUG 24 1949

BY SPENCER MOOSA

CANTON, AUG. 23-(AP)-GENERALISSIMO CHIANG KAI-SHEK ARRIVED IN CANTON TODAY. THE CHINESE COMMUNISTS PREPARED TO STRIKE INTO THE PROVINCE HOLDING THIS NATIONALIST REFUGEE CAPITAL.

THE RUMOR WAS THAT THE TOP NATIONALIST CAME HERE TO SQUELCH ANY MOVE FOR A LOCAL PEACE WITH THE REDS--A MOVE WHICH HAS BEEN ADVOCATED BY SOME INFLUENTIAL PERSONS.

CHIANG WILL PRESIDE AT A MEETING OF THE KUOMINTANG (NATIONALIST PARTY) EMERGENCY COUNCIL, A SUPREME WAR CABINET WHICH WAS CREATED DURING HIS EIGHT-DAY STAY HERE LAST MONTH.

IT IS EXPECTED CHIANG WILL COMPLETE PLANS FOR THE DEFENSE OF SOUTH CHINA, ESPECIALLY CANTON, IN WHICH HE HAS PLEDGED TO DIE IF NECESSARY.

THE COMMUNISTS WERE REPORTED MASSING THEIR INVASION FORCE IN KIANGSI PROVINCE WHERE THEY ARE ONLY A FEW MILES FROM THE KWANGTUNG BORDER AND 170 MILES NORTHEAST OF CANTON.

TO MEET THIS ASSAULT, THE MINISTRY OF NATIONAL DEFENSE SAID THE NATIONALISTS WERE PREPARING A COUNTEROFFENSIVE ALONG THE KWANGTUNG-KIANGSI BORDER.

PRIVATE REPORTS SAID THE NATIONALISTS HAD BETWEEN 80,000 AND 100,000 TROOPS IN THAT AREA--GEN. CHENG PENG'S 39TH ARMY OF 20,000 TO 25,000 MEN PLUS GEN. LIU AN-CHI'S REINFORCING ARMY GROUP OF 60,000 TO 75,000.

THE FRONT NORTH OF CANTON ALSO SEEMED GETTING SET FOR HEAVY FIGHTING. COUNTERATTACKING NATIONALISTS HAD RETAKEN ANJEN, 250 MILES NORTH OF CANTON, AND WERE PUSHING ON TOWARD YUHSIEN, 25 MILES TO THE NORTH. THESE POINTS ARE EAST OF THE CANTON-HANKOW RAILWAY AND PROTECT THE EAST FLANK OF THE HUNAN PROVINCE DEFENSE FORCE BASED ON HENGYANG.

THE MINISTRY SAID RED GEN. LIN PAIO WAS MOVING HIS 46TH ARMY SOUTHWARD IN AN ATTEMPT TO HALT THIS NATIONALIST COUNTERDRIVE.

THE SO-CALLED COMMUNIST PEOPLES FORCE OPERATING IN SOUTHWESTERN HUNAN, THE MINISTRY SAID, HAS COME OVER TO THE NATIONALISTS AND IS BEING REORGANIZED AS AN INDEPENDENT DIVISION OF 5,000 TO 6,000 MEN.

ON THE SOUTHEASTERN COASTAL FRONT, THE NATIONALISTS ADMITTED THE FALL OF PUTIEN ON THE HIGHWAY LEADING FROM RED-HELD FOOCHOW TO AMOY, FUKIEN PROVINCE PORT.

IN THE FAR NORTHWEST, THE NATIONALISTS SAID THE RED ASSAULT ON LANCHOW, CAPITAL OF KANSU PROVINCE, HAD BEEN SLOWED.

AN ARMY SPOKESMAN SAID THE REDS WERE CONTINUING PREPARATIONS TO INVADE THE CHUSAN ISLANDS 100 MILES SOUTHEAST OF SHANGHAI. THE NATIONALISTS HAVE BEEN USING THE ISLANDS AS AN AIR AND NAVAL BASE FOR ENFORCEMENT OF THEIR BLOCKADE OF COMMUNIST PORTS.

THE SPOKESMAN SAID THE COMMUNISTS ON THE CHEKIANG SEA COAST WERE COMMANDEERING AN INCREASING NUMBER OF JUNKS FOR AN AMPHIBIOUS ASSAULT ON THE ISLANDS.

X632APS NM

SHANGHAI, AUG. 23-(AP)-THE PRO-COMMUNIST NEWSPAPER WEN WAI PAO SAID TODAY ALL FOREIGN EMPLOYES OF THE CHINESE MARITIME CUSTOMS SERVICE APPEARED ON THEIR WAY OUT.

THE 140 FOREIGN EMPLOYES ARE RESIGNING AND ASKING FOR EXIT PERMITS BECAUSE ALL CUSTOMS BUSINESS IN THE FUTURE WILL BE TRANSACTED IN THE CHINESE LANGUAGE INSTEAD OF ENGLISH, THE NEWSPAPER SAID.

SEVENTY-TWO OF THE 140 EMPLOYES HAVE PASSED THE RETIREMENT AGE AND WOULD HAVE LEFT THE SERVICE SOON ANYWAY. THE OTHER 68 HAVE NOT DECIDED THEIR FUTURE COURSE BUT MOST ARE EXPECTED TO LEAVE CHINA WHEN THEY GET AN OPPORTUNITY.

THE SHANGHAI CUSTOMS SERVICE WAS ONE OF THE LARGEST IN THE WORLD BUT THE DECLINE IN COMMERCE HERE SINCE 1945 HAS RESULTED IN MANY CHINESE CUSTOMS WORKERS BEING DISMISSED.

CY/X305APS

SEOUL, AUG.23-(AP)-THE UNITED NATIONS COMMISSION ON KOREA WANTS NOTHING TO DO WITH TWO RUSSIANS WHO, THE KOREAN REPUBLIC SAYS, ENTERED THE COUNTRY ILLEGALLY.

TME TWO ARE MR.AND MRS.NIKOLAI KREOSED, CARETAKERS OF THE UNOCCUPIED RUSSIAN SOVIET CONSULATE HERE.

FOREIGN MINISTER BEN C.LIMB HAD WRITTEN COMMISSION CHAIRMAN ARTHUR B.JAMESON OF AUSTRALIA SUGGESTING THE COMMISSION TAKE CUSTODY OF THE RUSSIANS AND TAKE WHAT EVER ACTION IT FELT WAS NECESSARY.

THE COMMISSION DECLINED POLITELY TODAY, SAYING THE CASE OF THE RUSSIANS WAS NOT WITHIN THE COMMISSION'S PROVINCE.

IT APPEARED TONIGHT THE SOUTH KOREAN GOVERNMENT WOULD TAKE THE RUSSIANS TO THE 38TH PARALLEL, WHICH DIVIDES THE KOREAN REPUBLIC FROM COMMUNIST KOREA, AND TURN THEM LOOSE.

WD4APS

AUG 24 1949

CANBERRA, AUSTRALIA, AUG.23-(AP)-A CHINESE OFFICIAL SAID TODAY THE CHINESE EMBASSY IS ASKING THE AUSTRALIAN GOVERNMENT FOR MORE HUMA TREATMENT OF CHINESE LIABLE TO DEPORTATION.

(ELEVEN CHINESE ARE BEING HELD IN JAIL IN SYDNEY PENDING DEPORTATI AS PROHIBITED IMMIGRANTS. ABOUT 800 CHINESE AND OTHER ASIATICS WHO CAME HERE DURING WAR FEAR ARREST AND DEPORTATION).

"WE HAVE TAKEN THIS MATTER UP WITH AUSTRALIAN GOVERNMENT," THE EMBASSY OFFICIAL SAID TO REPORTERS.

"WE HOPE THAT WHOLE THING CAN HANDLED IN A MUCH MORE HUMANE AND REASONABLE WAY."

JJ1020AED

JERUSALEM,AUG.23-(AP)-ISRAELI ARMY SAPPERS TODAY EXPLODED AN UNDER-GROUND JERUSALEM MINE LEFT OVER FROM THE PALESTINE WAR. NO VISIBLE DAMAGE WAS CAUSED TO NEARBY ANCIENT SHRINES OF THE HOLY CITY.

THE DEMOLITION ORIGINALLY HAD BEEN SET FOR LAST WEEK BUT WAS POSTPONED AT THAT TIME WITHOUT EXPLANATION AFTER THE BRITISH FOREIGN OFFICE EXPRESSED FEAR THAT THE BLAST MIGHT DAMAGE THE NEARBY CHURCH OF THE HOLY SEPULCHER.

A COMPLAINT ALSO HAD BEEN MADE BY HASHEMITE JORDAN (TRANS-JORDAN) IN A MESSAGE TO THE UNITED NATIONS EXPRESSING SIMILAR CONCERN OVER THE MOSLEM MOSQUE OF OMAR. JORDAN'S ARAB LEGIONNAIRES OCCUPY THE OLD WALLED CITY OF JERUSALEM ON ARMISTICE LINES.

BJ1207PED

Tel Aviv, Israel, Aug. 23 -(ap)- An examining magistrate/today decided a former high ranking officer will go on trial charged with manslaughter in the case of Mier Tobiansky, executed for espionage.

The officer charged with manslaughter is Col. Isser Beeri, former chief of Haganah intelligence who participated in the court martial which sentenced Tobiansky to death during last year's Palestine fighting.

Prime Minister David Ben Gurion publicly denounced the Tobiansky death sentence and execution as a "tragic miscarriage of justice" The government exonerated Tobiansky recently, following a six-month investigation. It had his body exhumed and reburied with full military honors.

AUG 24 1949

KARACHI, PAKISTAN, AUG.23-(AP)-GEN. NE WIN, DEPUTY BURMESE PREMIER, TOLD A NEWS CONFERENCE HERE TODAY THAT HIS GOVERNMENT IS WATCHING MILITARY DEVELOPMENTS IN CHINA AND ALREADY HAS DECIDED WHAT STEPS IT WILL TAKE IN CASE BURMA IS ATTACKED BY COMMUNISTS FROM THE NORTH OR NORTHEAST.

NE WIN, WHO ALSO IS BURMA'S COMMANDER-IN-CHIEF, DIDN'T SPECIFY WHAT STEPS WERE CONTEMPLATED. ASKED IF BURMA INTENDED TO SEEK AID FROM THE UNITED STATES OR BRITAIN, HE SAID THE SUBJECT WAS ONE THE WESTERN POWERS THEMSELVES SHOULD INITIATE. HE ADDED:

"IF GIVEN IN GOOD FAITH BURMA WOULD WELCOME ALL KINDS OF AID FROM THE WESTERN POWE[illegible]F WE FIGHT COMMUNISM IT WOULD BENEFIT BOTH US AND THEM."

HA719[illegible]

BATAVIA, JAVA, AUG.23-(AP)-HO CHI MINH, THE VIET NAM COMMUNIST LEADER, SAID TODAY IN A LONG DISTANCE QUESTION-AND-ANSWER INTERVIEW THAT CHINESE COMMUNIST VICTORIES MEANT THERE IS A BASIC SHIFT IN THE ASIAN BALANCE OF POWER FAVORABLE TO VIET NAM. HE ADDED, HOWEVER, THAT VIET NAM WILL RELY ON HER OWN FORCES TO WIN HER INDEPENDENCE.

HO CHI MINH ANSWERED A SERIES OF QUESTIONS SENT HIM AT HIS SECRET HEADQUARTERS IN TONKIN BY ANDREW ROTH, A WRITER FOR THE AMERICAN WEEKLY, THE NATION. THE QUESTIONS AND REPLIES WERE RELAYED BY RADIO THROUGH THAILAND.

THE VIET NAM NATIONALISTS ARE OPPOSING FRENCH CONTROL OF INDO CHINA. RADIO VIET NAM SAID LAST MARCH THAT INDO-CHINESE REBELS ARE CONDUCTING "COMBINED OPERATIONS" WITH CHINESE COMMUNISTS AGAINST THE FRENCH ARMY.

HO CHI MINH WAS ASKED BY THE AMERICAN CORRESPONDENT: DO YOU FEEL THE APPROACH OF THE MAIN CHINESE COMMUNIST FORCES TO THE VIET NAM BORDER HAS THE EFFECT OF PULLING VIET NAM TOWARD THE SOVIET SIDE IN THE

COLD WAR? THE ANSWER: NO.
SOME OF THE OTHER QUESTIONS WITH ANSWERS:
DO YOU THINK THE UNITED STATES SUPPORT FOR FRANCE'S RESTORATION OF EMPEROR BAO DAI IS AN ATTEMPT TO PULL VIET NAM ONTO THE UNITED STATES SIDE OF THE COLD WAR? ANSWER: PERHAPS NOT.
DO YOU THINK AMERICAN MILITARY-ECONOMIC AID TO FRANCE IN VIET NAM WOULD COMPEL VIET NAM TO LEAN TOWARD AMERICA'S COMPETITOR IN ASIA? (RUSSIA). ANSWER: NO.

HA708PED

san salvador, el salvador, aug. 23--(AP)--the governing council of the ~~w~~ revolutionary ~~government~~ announced today a law that bars the communist party from el salvador.

the same law ~~w~~ bans political parties which have religious aims, receive aid from foreign countries and ~~those~~ "organized on the basis of sex or class."

~~w~~ el salvador is ruled by a revolutionary junta that overthrew presdient salvador castaneda castro in december, 1948.

~~th~~ there are NO traditional politicial parties.

mb/lpa/407p

AUG 24 1949

ONDON, AUG. 18--(AP)--BRITAIN MADE IT PLAIN TODAY SHE WANTS EGYPT AND IRAQ TO FREE THE FLOW OF OIL TO HAIFA WHERE GREAT REFINERIES ARE STANDING IDLE.

A FOREIGN OFFICE SPOKESMAN SAID THE ARAB GOVERNMENTS CONCERNED ARE WELL AWARE OF THIS BRITISH DESIRE. HE TOLD A NEWS CONFERENCE BRITAIN HOPES THE OIL FLOW WILL BEGIN AGAIN NOW THAT ARAB-JEWISH ARMISTICES HAVE BEEN SIGNED AND THE UNITED NATIONS ARMS EMBARGO HAS BEEN LIFTED.

THE BRITISH-OWNED HAIFA REFINERIES SHUT DOWN WHEN THIS COUNTRY GAVE UP ITS PALESTINE MANDATE IN MAY, 1948. THEY HAVE BEEN IDLE EVER SINCE EXCEPT FOR A SHORT WHILE IN JULY, 1948.

ISRAEL HERSELF HAS NO PRODUCING OILFIELDS. THE HAIFA REFINERIES NORMALLY GOT THEIR RAW OR CRUDE OIL FROM IRAQ, SAUDI ARABIA, SYRIA.

MOST OF THE ARAB COUNTRIES CONCERNED ARE BELIEVED READY TO BEGIN SENDING OIL TO HAIFA AGAIN. IRAQ, SYRIA AND SAUDI STAND TO GAIN BY DOING SO THROUGH INCREASED OIL ROYALTIES AND EMPLOYMENT.

BUT A GOOD DEAL OF ANTI-ISRAEL FEELING STILL REMAINS AMONG THE ARAB POLITICIANS.

AUG 24 1949

NOBODY WANTS TO MAKE THE FIRST MOVE AND RISK BEING ACCUSED OF SELLING OUT HIS FRIENDS.

BRITAIN BEHIND THE SCENES HAS BEEN TRYING TO BREAK THIS VICIOUS CIRCLE, HER OFFICIALS SAID, SO FAR WITHOUT SUCCESS.

FULL OPERATION OF THE REFINERIES WOULD SAVE DOLLAR-HUNGRY BRITAIN ABOUT $50,000,000 ANNUALLY. SHE AND OTHER STERLING AREA COUNTRIES--HARD-PRESSED FOR OIL-REFINING FACILITIES--HAVE HAD TO GET THEIR FUEL FROM THE UNITED STATES FOR DOLLARS.

REOPENING OF THE HAIFA REFINERIES WOULD SAVE ISRAEL DOLLARS AND BOOST EMPLOYMENT.

SHE HAD TO BUY FUEL FROM DOLLAR COUNTRIES AT PRICES MUCH HIGHER THAN SHE WOULD HAVE NORMALLY TO PAY.

JS520PED

END AUG 23 1949

30.24- 5227

Yugoslav Military Promises To Give Tito Loyal Defense

Vital Groups Tell Him They Will Resist All Attacks—Moscow Press Makes New Blasts at Belgrade Premier.

Belgrade, Aug. 24 (A. P.).—Premier Marshal Tito received assurances today from important segments of his military forces that they were ready to defend Yugoslavia against all attacks.

The pledges came after Tito put the possibility of easing tension in the Communist family feud squarely up to Moscow by offering to negotiate "all disputed questions" between Yugoslavia and Russia.

Yugoslavia's Air Force and the military-political school of the Corps for National Defense of Yugoslavia sent Tito the assurances of support. Leaders of crack military units are trained at the school.

A telegram from the school said: "We are proud to be members of the Yugoslav Communist party and we shall be ready to defend our fatherland, no matter from whom, under your leadership."

A similar promise was contained in a letter sent Tito by the Air Force.

Foreign observers in Belgrade thought there was little likelihood that Russia will accept the Yugoslav bid for an across-the-table settlement.

slavia and Russia has put the possibility of easing tension in the explosive Balkans squarely up to the Soviet Union.

But, among foreign observers here, there seemed little likelihood Russia will accept the Yugoslav bid for an across-the-table settlement of the Communist family row.

Bitterness of the feud apparently has gone too far. It has been marked by border shootings between Yugoslavia and Soviet-controlled Cominform neighbors, charges and counter charges of espionage and sabotage.

Tito Doesn't Budge Easily

Perhaps more important, the depth of the rift has been reflected on both sides by demands that the other must change its basic political philosophy of what constitutes a Communist state.

Since expulsion from the Cominform (Communist International Information Bureau) fourteen months ago, Tito has shown no sign of budging from his position that all Communist parties can exist only as equal partners with equal rights.

And Neither Does Moscow

And over the same period, Moscow has shown no intention of relinquishing its bandmaster's role of calling the tune—on both domestic and foreign policy—for other eastern European countries.

Yugoslavia made it plain that it will not dance to this tune in a statement yesterday through the Ministry of Information replying to Russian charges that a number of Soviet citizens have been imprisoned here without justification.

Firm On Domestic Affairs

The reply emphasized Yugoslavia "under no conditions" will allow anyone to interfere in its domestic affairs and would resist in the future, as it had in the past, "pressure from outside."

Simultaneously, it served notice that Yugoslavia intends to pursue an independent foreign policy free from outside pressure.

This may prove particularly interesting in the future.

In the past, despite the Cominform dispute, Yugoslav diplomats have sided with Communist colleagues in decisions taken at international conferences such as the United Nations.

Another Shift Of Importance

This singleness of foreign policy may be affected in the future, however, by Russia's action in shifting her previous position and joining the Western powers to reject Yugoslavia's claim for part of Austria's southern Carinthia.

Should this develop, it would prove important not only in lessening Russia's strength at international councils but in demonstrating that a Communist country can rebel at Moscow decisions—and get away with it.

How Far Will Soviets Go

This could prove of highest importance in the long-range future as a lesson for a Communist China—a fact Russia undoubtedly is well aware of.

So it poses this question: How far is Russia willing to go in an effort to bring Tito into line beyond present steps of economic pressure and denunciation of Yugoslavia as an "enemy" country?

Coffee houses here are full of rumors, without foundation. That's not uncommon in the Balkans. But there's no solid evidence here, at least, of differences going beyond the present stage.

Russia Unlikely To Accept Tito Parley Offer

Belgrade, Aug. 24 (AP)—Marshal Tito's offer to negotiate "all disputed questions" between Yugo-

YUGOSLAV FORCES PROMISE TO FIGHT

Air And Future Army Leaders Pledge Tito Support

ALEX H. SINGLETON

Soviet *New Times* charges treachery to Tito ..... Page 9

Belgrade, Yugoslavia, Aug. 24 (AP)—The air force and the future leaders of Yugoslavia's best army units pledged to fight today against any aggression.

There seemed little likelihood that this tough little country's offer to settle her row with Russia over Communist politics would ease the tension soon.

Foreign observers believed the feud had gone too far and too deep, particularly since Yugosalvia has clearly stated she is not going to climb down from her position of independence from Moscow in domestic and foreign affairs.

Conscious Of Situation

A letter to Premier Marshal Tito from the air force declared: "Conscious of the situation we are in, we are prepared to defend our Socialist homeland against anyone —no matter from which side it comes."

Another message to the Moscow-trained guerrilla chieftain who became the defiant leader of the nation was from the School of Knoj (corps for national defense), where leaders of crack army units are given military and political training.

"In the world has appeared a new fortress of socialism and peace, Yugoslavia, which is now being attacked. We are proud to be members of the Yugoslav Communist party and we shall be ready to defend our homeland, no matter from whom, under your leadership," said this message.

Moscow Attacks Continue

[The Moscow press continued to attack Marshal Tito furiously today. So far it had not printed or commented on the Yugoslav note of Tuesday offering to negotiate "all disputed questions."

[The Soviet army newspaper published a cartoon depicting the Yugoslav Premier as a bloodthirsty dog, paws dripping with blood and reaching for a sack of Wall Street gold. *Pravda* and *Izvestia* used many columns to report reaction in Hungary, Czechoslovakia, the Chinese Communist press and elsewhere to Moscow's charge that Tito is a terroristic Fascist enemy of the Soviet Union and all Communist parties. Hungarian papers were quoted as saying the "Tito clique became the paid agents and fifth column of imperialism in eastern Europe."]

Philosophy Alteration

The Yugoslavia note offering to return to Russia 31 Soviet citizens held here as confessed spies as well as all other Russian nationals who wish to go, put the possibility of smoothing over the Communist family dispute squarely up to Moscow.

The Yugoslav condition—that Russia must understand Yugoslavia is going to stay independent in foreign and domestic policy regardless of all pressure—showed plainly the depth of the differences, however.

One side or the other would have to make a profound alternation of its basic philosophy to patch up the quarrel. Since his expulsion from the Cominform nearly fifteen months ago, Tito has declared again and again that his fight is for the equality of all Communist parties. He shows no signs of budging.

Repercussions In U.N.

Moscow, on the other hand, is pressing with increasing vigor for what Soviet Communists regard as their right to leadership of Communists everywhere in the world.

Yugoslavia's declaration that she intends to pursue an independent foreign policy could have far-reaching repercussions in the future on the strength of the Communist bloc at international councils such as in the United Nations.

In the past, Russia could rely on Yugoslav support in these meetings despite the feud over party affairs. The parting of the ways seems to have been marked, however, when the Soviet Union abandoned Yugoslav territorial claims against Austria at the Paris meeting of the Foreign Ministers Council last spring.

Trade Talks Advance

Belgrade is still full of rumors concerning what steps Moscow may attempt to demonstrate—perhaps for the benefit of Chinese Communists—that Tito cannot get away with his rebellion.

There are no solid signs, however, of any steps beyond the present campaign of economic pressure and name-calling against Tito.

Two other developments today highlighted the Yugoslav declaration that she will not submit to the role of Russian satellite. Responsible sources said the long British-Yugoslav talks on a big trade treaty may be concluded in three weeks. A report by Peter Stambolic, Prime Minister of Serbia, disclosed the determined measures taken to suppress pro-Cominform elements in the Yugoslav Communist party.

Stambolic's report, dated May 30, said an unspecified number of party members in the district of Zajechar near the Bulgarian border had been expelled. Previously it had been disclosed that more than 1,700 had been expelled from the party in Croatia.

Tito Again Under Fire From Red Newspapers

Moscow, Aug. 24 (AP)—The Moscow press blasted Premier Marshal Tito again today, carrying columns of comment against the Yugoslav leader and his regime.

The Soviet army newspaper *Red Star* pictured Tito as a blood thirsty dog of "Fascist Gestapo breed."

The paper ran a cartoon depicting the Premier as a dog, its paws dripping blood, begging for a sack of American dollars from a pot-bellied individual labeled "Wall Street."

Foreign Comment In Pravda

The Communist party newspaper *Pravda* and the Government organ *Izvestia* carried four columns of foreign comment on the recent Soviet note to Yugoslavia, including opinion from China.

Tass, the Soviet news agency, quoted several foreign papers including the Budapest paper, *Vilagossag*, which said: "Tito's terror is not an internal affair in Yugoslavia." *Tass* said the paper devoted special attention to a phrase from the Soviet note to the effect that Russians would be forced to resort to other more effective measures to defend Soviet citizens in Yugo-

slavia.

Budapest Paper Criticizes

The Budapest paper *Nepszava* was quoted as asking how Tito's "pirates" can escape without punishment for mistreating Soviet citizens.

The Prague newspaper *Rude Pravo* was quoted as saying the Belgrade clique cannot resume its terrorist regime and cannot escape without punishment if it threatens the freedom of U.S.S.R. citizens and others in Yugoslavia.

The Moscow press also ran the text of Soviet Marshal Klement Voroshilov's speech in Bucharest on Monday denouncing Tito.

'TREACHERY' LAID TO TITO

Soviet New Times Charges Perfidy To Slav Premier

Moscow, Aug. 24 (AP)—The Soviet publication *New Times* declared tonight that Premier Marshal Tito of Yugoslavia has reached "herculean pillars of treachery and perfidy."

The Soviet foreign affairs weekly devoted its lead editorial to comment on the note sent by the Soviet Union to the Yugoslav Government protesting the arrests of Soviet citizens.

[Apparently *New Times* made no mention of Tito's reply to the Soviet note.]

New Times said there were few diplomatic documents in recent times which had such "immense international significance" as the notes sent by the Russians to Marshal Tito on August 11 and August 18.

In Marsh Of Fascism

The August 11 note described Yugoslavia as an enemy of the Soviet Union. The one a week later declared Russia's intention to take "more effective measures" to safeguard Soviet citizens in Yugoslavia.

New Times said that Tito had sold out to the "imperialists" and had descended into "the marsh of fascism."

It challenged Tito with taking part in "secret plots with foreign imperialist circles," capitulating to imperialist demands, and teaming up with "the most evil enemies of democracy and socialism against the U.S.S.R. and the countries of the people's democracy (Communist nations)."

New Times said "having completed the path of treason, the Tito clique has led the country exactly to such a situation as puts it under foreign control."

Fulfills American Instructions

The publication charged the Yugoslav Government "blindly fulfills the instructions of American business men," who, *New Times* said, dominate the World Bank.

New Times said a bank commission is already in Belgrade to adapt Yugoslavia to the role of supplier of food and raw material for the "imperialist bloc," and that "Tito diplomats have taken their place in the American waiting rooms fawning before the State Department and begging sops."

[A special commission of the World Bank is in Yugoslavia considering Tito's request for a loan estimated unofficially in the neighborhood of $280,000,000.]

MARSHALL AID WASTE IS CHARGED

FRANK O'BRIEN

European Assembly Told Plan Benefits Are Frittered Away

AUG 24 1949

Strasbourg, France, Aug. 24 (AP). The European Consultative Assembly wound up its economic debate today with the generally expressed conviction that the Marshall plan is being frittered away and disaster impends.

No one disputed warnings from Socialists, Conservatives and middle-of-the-roaders that if Europe cannot remedy its economic disunity before the end of the European Recovery Program in 1952 she is in for an economic collapse, social upheavals and perhaps war.

Totally Changed

There was general agreement that two world wars fought in Europe the rise of the United States and the industrialization of agricultural countries overseas had totally changed the Continent's economic position in the world.

Statements that little long-range constructive work is being done under the Marshall plan also went unchallenged.

United States aid has been praised as generous and wise. But criticism has been turned upon representatives of the Marshall plan countries themselves. It has been charged that these representatives in the Organization for European Economic Co-operation (OEEC) have not been able to submerge national interests in behalf of Europe's welfare.

Paul Reynaud, former French Premier, yesterday urged that a real European parliament be elected by direct suffrage with power to knock together the conflicting economies.

Resolution Presented

One resolution introduced today by Winston Churchill's European Movement declared that "unless immediate steps are taken to promote a European economic union, there must inevitably be a European economic collapse involving a catastrophic decline in the standard of living of the European peoples and social disturbances endangering their democratic way of life."

Another resolution proposed by Andre Philip, French Socialist, said the economic unification of Europe is the only way of avoiding "a social crisis of extreme gravity."

British laborites, however, cautioned against the "union or collapse" spectre raised by these resolutions. They said an economic union stripping tariff protection from some industries would throw great numbers of people out of work and the medicine would be worse than the disease.

Real Battle In Committee

Britain's laborites generally advise a go-slow, take-a-good-look policy toward proposals to unite planned and free economies.

The real battle will come over the Churchill-backed resolution in the committee on economic affairs and when that committee makes a report, probably in about ten days. As introduced it bore 46 signatures from among the 101 delegates from twelve countries.

Lord Layton, a British Liberal, predicted the British pound would be devalued soon, and urged that other European currencies be devalued in concert.

"I do not believe that present exchange ratios can be long maintained," he said. "If this is so, the sooner they are changed the better."

Other Aid Asked On Devaluation

DYNAN

Strasbourg, France, Aug. 24 (AP). Lord Layton, British Liberal party representative, today predicted that the British pound will soon be devalued, and urged that other European currencies be revalued simultaneously.

Speaking to the European Consultative Assembly on monetary "decisions shortly to be taken," Layton said:

"For my part I do not believe that present exchange ratios can be long maintained. If this is so, the sooner they are changed the better."

Years Of Strain Otherwise

Otherwise, he asserted, the attempts to adjust national economies to exchange rates which are out of scale may mean "years of strain, widespread distress and unemployment."

Layton continued: "It is most undesirable for any one nation to act alone. That would be starting on a dangerous road. Combined action is needed to insure that the era of the 1920 does not occur again."

Would Shelve Bretton Woods

He urged that the Bretton Woods monetary agreement be shelved temporarily for a completely free-currency market.

"It would be better in present circumstances to let certain currencies go free for a time in order that they should find their natural level.

"I doubt whether the Bretton Woods plan of moving from one fixed point to another will now meet the case," said Layton, the only Liberal party member of the British delegation here.

Layton said that if currencies were given free play, it would be essential for the various finance ministers to be in "formal and continuous association with one another" to reassure world money markets that the operation would not get out of hand.

Following the currency operation, said Layton, the European governments must renew their efforts to draft a joint production program under the Marshall plan, for America's charity "cannot last indefinitely."

BRITISH ALARMED AS GOLD RESERVES SHOW BIG DROP

Sag to $1,200,000,000 Is Expected in London by Sept. 30.

AUG 24 1949

London, Aug. 24 (A. P.).—Britain's gold reserves are continuing to sink at a "very grim" rate, despite stringent import cuts, a reliable informant reported here today. Reserves which support Britain's pound sterling are expected to sag to $1,200,000,000 by September 30—a cut of a fourth in three months.

The disclosure came as Paul G. Hoffman, head of the European Co-operation Administration, began talks with British officials preliminary to next month's Anglo-American financial conference at Washington. Britain was down to her last $1,624,000,000 in reserves at the end of June.

Heavy spending in Belgium and Switzerland—where payment in gold has become necessary under certain European Recovery Progam arangements—contributed largely to the drop in the country's gold and dollar holdings.

Bevin Host at Lunch.

Earlier in the day, the economic crisis was discussed at a luncheon given by Foreign Secretary Ernest Bevin for Hoffman and W. Averell Harriman, America's chief European ECA representative.

Two main issues came up at Bevin's private lunch, it was said. One was Britain's rejection of the $850,000,000 proposed as her second year's share of European recovery aid. Britain had asked $1,500,000,000.

The other issue was how this country could earn more dollars in the United States. ECA spokesmen stressed that Hoffman and Harriman are not negotiating, their talks with British leaders mainly affecting only this country's part in the recovery program.

Dollars

AUG 24 1949

London, Aug. 24 (AP)—A reliable informant said today Britain's Labor Government may have to consider doing away with its free medical service if next month's dollar-pound talks in Washington fail.

This informant, a man close to the Government, said Laborite leaders are waiting until the talks are over before deciding whether to call a quick election this year or carry on until near the end of their five-year term next July.

The Government expects its gold and dollar reserves to sag more than one fourth by September 30—down to $1,200,000,000—the informant said.

Grim Despite Import Cuts

At the end of June Britain was down to her last $1,624,000,000. The treasury's goal had been to keep the reserves at a "safe" margin of $2,000,000,000.

The informant, who refused to be identified but who is close to the Government, said Britain's balance-of-payments position for the current quarter looks "very grim" despite rigid import cuts.

If the Washington talks do not solve Britain's growing dollar crisis, he added, "drastic new cuts" in British dollar spending on food, tobacco, and other items are bound to follow.

He made his disclosures as Paul G. Hoffman, American head of the European C-Operation Administration, began talks with British officials before the United States-British financial conference in Washington September 7.

Spending On Continent

The London informant expressed the view that heavy sterling area spending in Belgium and Switzerland is contributing largely to the dive in Britain's dollar and gold holdings. In those two countries, payment in god has become necessary under certain European recovery program arrangements.

Britain is banker for the sterling area countries. As such it supplies gold and dollars to most of them. The latter pay for the gold and dollars in trade or in sterling. The countries are India, Pakistan, Ceylon, Australia, New Zealand, Iceland, Iraq and the colonies of the empire.

There was some speculation among diplomatic observers that disclosure of Britain's expected big gold and dollar losses was aimed at arousing American sympathy for this country's economic plight.

Decisions Suspended

30.24- 5229

At the Washington meetings the idea is to find ways of removing the unbalance between the British pound and the American dollar systems.

A series of measures—like the United States loan to Britain and the aid program—which the big Western countries have taken since the war to redress that unbalance, have not stopped Britain's dollar drain.

The British Government has suspended decisions on several major issues affecting the life of the nation until after the talks. ADD

British Bonds Advance In Cautious Market

London, Aug. 24 (AP)—Government bonds continued their slow climb back toward prices of earlier in the year today with small gains on the London stock exchange.

Buying was generally in small amounts and largely by professional dealers. Most dealings were restricted to speculative operations because of uncertainty about the outcome of the forthcoming Washington dollar talks.

The rise in Government issues was led by the War Loan 3½, which gained ¾ of a point to 95½. Treasury 2½ jumped to 72¼, from 71½. Transport advanced to 91.

The gilt-edged, however, still have a long way to go before reaching their quotations of May 2, when Government bonds began their slide.

For Short, They Call Him 'The Dear One'

London, Aug. 24 (AP)—The Indian delegate to the Commonwealth Relations Committee arrived by air from Delhi tonight.

He laughingly told perspiring newsmen trying to get his name spelled right:

"They tell me I have the longest name in the world. In Canada, where I am going, they call me 'the dear one.'"

His name?

Sir Tirvyalyangiudi Vijayaraghavacharya.

Eden Would End Bickering Between U.S., Britain

Plas Newydd, Wales, Aug. 24 (AP). Anthony Eden pleaded today for an end to "bickering and hard words" between the United States and Britain.

The deputy Conservative leader and wartime Foreign Secretary told a political meeting:

"Relations between the British Commonwealth and the United States are much bigger than any political party in either country. They are the future of the world."

If trans-Atlantic name calling takes the place of "sympathetic understanding and stern effort," he said, "then no one will gain except Moscow."

Criticisms Resented

Members and supporters of the ruling Labor party have become sharply resentful of criticism by some United States politicians and sections of the American press. They especially object to any charges that Britain has failed to make an all-out postwar recovery effort.

Tom O'Brien, Labor member of Parliament and one of the top union leaders in Britain, accused "American big business" in a speech Monday night of "conspiring to overthrow the Labor Government."

Said Eden:

"The Government should disabuse their minds and the minds of their supporters of the idea that any responsible American wishes to try to dictate to the British Government and the British people how we should run our own country. . . .

"The truth is that our American friends have given to us and to Europe as a whole in these postwar years the most generous help without making the least attempt to interfere in any way in our own political controversies."

4 FRENCH COPS HURT IN BATTLE WITH REDS

MARSEILLE, France, Aug. 24—(AP) Four policemen were injured today in a fiercely-fought battle with 500 demonstrators at a communist-led protest meeting.

Three policemen were hit by flying rocks, bolts and other missiles. Another had his fingers bitten by a woman. About 40 demonstrators were arrested.

The demonstration, called by the communist-led General Federation of Labor (CGT), was in protest against a "lockout" in the shipyards at Port-De-Bouc, about 25 miles from Marseilles. The yards have been idle for 59 days, since the workers struck for wage concessions and shorter working hours.

German Reds Plan 'Peace Day'

BERLIN, Aug. 24 (AP).—The Communist-dominated German People's Council today asked churches in the Soviet zone to join in observing Sept. 1, the tenth anniversary of the outbreak of World War II, as "Peace Day." The Soviet-licensed news agency ADN said the request was made in a letter to the Bishops of the Evangelical and Roman Catholic Churches. It said: "This profession for peace is not the cause of a party or ideology but the common cause of all who are of good will."

FRENCH ZONE NABS NEW PARTY CHIEF

Anti-Moscow Communist To Face Political Charge

Berlin, Aug. 24 (AP)—Karl Heinz Scholz, leader of the new Free Communist party, was arrested by French military police today for "illegal political activity" in the French zone of Germany.

The 41-year-old veteran German Communist and anti-Hitler underground campaigner, founded his new party only two days ago. Scholz's slogan is "to fight imperialist bolshevism."

He will appear before a French military court on Friday, charged with unlicensed political activity. The French said his application for a license had not reached the Allied or the West Berlin city government.

NEWSPAPER DEFIES COURT

Frankfort Journal Sees 'Free Press' Test in Disputed Order

FRANKFORT, Germany, Aug. 24 (AP)—The German newspaper Frankfurter Rundschau today defied a court order to print a retraction of a headline. The paper said it would test "whether we in Germany have a free press."

The paper carried a front page announcement of the court's order that unless the retraction was printed the paper would be heavily fined and its editors jailed.

The paper asserted the headline was a factual summary of the story quoting United States Military Government officials and announced it would not print a retraction. Its editors will appear in court tomorrow to contest the order. ADD

GERMANY GAINS IN FOREIGN TRADE

Frankfurt, Aug. 24 (A. P.).—Bizonal Germany's imports and exports climbed to a new postwar high in July.

The Joint Export-Import Agency (JEIA) officials said today that imports totaled $240,000,000, an increase of more than 45 per cent over June.

Exports amounted to $113,000,000, an increase of $9,000,000 over the previous record set in June.

Imports purchased with the proceeds of exports totaled $162,500,000 or 67.5 per cent of the July total. This also represented a new record. The remainder of imports were financed with foreign aid.

Exports consisted of 38,000 individual shipments, the highest number recorded in any month since the war, and 9,500 more than the previous month.

William John Logan, JEIA director general, said that coal exports in July were at approximately the same level as previous months, so the export gain resulted from an increase in general exports.

MRS. MESTA IS IN MIX-UP

Goes to Wrong Border Point to Enter Luxembourg

LUXEMBOURG, Aug. 24 (AP)—Mrs. Perle Mesta, new United States Minister to Luxembourg, arrived in Luxembourg City this afternoon after a slight mix-up with customs guards.

The mix-up came because Mrs. Mesta's car went to the wrong border point to enter the country. All arrangements had been made for her to cross at Rodange. Instead she went first to St. Martin, about two miles away, where no one was expecting her and no arrangements had been made.

She was finally directed to Rodange where the crossing was without incident.

She quickly made the twenty-mile trip to Luxembourg City and was met at the official residence by George L. West Jr., Chargé d'Affaires.

Adenauer Denies Intent To Join Atlantic Group

Bonn, Germany, Aug. 24 (AP)—Dr. Konrad Adenauer said tonight he does not think Germany is eligible now to join the Atlantic treaty. He suggested Germany should first become a member of the Council of Europe.

Adenauer, who will be West Germany's first chancellor (premier) denied he told a news conference yesterday his Government would seek Atlantic pact membership.

"Germany does desire to join the Council of Europe," he said in an interview.

"As things stand at present, Germany in my opinion would not now be eligible to join the Atlantic pact. First we must be a member of the Council of Europe. Then we must quietly await further developments."

In Line With British View

This statement was in line with the view expressed today by a spokesman of the British Foreign Office. The spokesman suggested Germany's co-operation with the west should be through the Council of Europe rather than the Atlantic treaty.

At his news conference yesterday Adenauer predicted the Allies will soon begin to consult the new German Government on questions which the Allies used to decide without consulting Germans. ADD

FINNISH LABOR 'ANARCHY' SEEN

Premier Makes Prediction As Four Unions Are Ousted

Helsinki, Finland, Aug. 24 (AP)—Prime Minister Karl A. Fagerholm predicted tonight a period of "anarchy" in Finnish labor as a result of expulsion of four insurgent unions from the Trade Union Federation.

The defiant, Communist-led unions were expelled because they refused to heed a federation ultimatum ordering them to end their wildcat strikes.

When the Communist-inspired strike offensive hit Finland last Thursday, the federation warned striking unions to end their walkouts by August 23. The deadline passed last night with Communist leaders declaring the strikes would continue.

Subject To Confirmation

The federation's executive committee then voted eight to six to toss out the four dissident unions. A conference of federation delegates is scheduled to confirm the ouster September 4.

The unions expelled were the transport workers, the food industry workers, the building construction workers and the union of log-

ges and forestry workers.

Their combined membership was estimated at about 80,000, including 30,000 Communists. The federation had about 330,000 members. Non-Communists in the expelled unions may, however, form new unions loyal to the federation, Fagerholm said.

Fifth Given Deadline

A fifth striking union, the wood-industry workers, did not receive the federation's ultimatum in time and was not included in the expulsion order. It has been told either to end its strike by August 27 or consider itself expelled. The federation also refused to sanction a bricklayers' union strike scheduled to start August 27.

Fagerholm said the formation of non-Communist unions to take the place of the expelled unions would mean "there will be two organizations in the same field of work, competing with each other. And this, in turn, will lead to anarchy and trouble on the labor market."

Assails Reactionaries

Meanwhile, the nation's ports were virtually shut down by strikes. The walkout in the building industry was about 100 per cent effective. Many workers in the trucking and food industries continued on strike.

Mrs. Hertta Kuusinen-Leino, Finland's No. 1 Communist, described the strike offensive as a "fight against the reactionaries."

In an interview published in some Finnish newspapers she said: "It is a question of the daily bread, but also something far greater—to nullify the plan created by the reaction at home and abroad against the security and freedom of our people."

Government spokesmen have described the strike offensive as a planned maneuver to create chaos, seize power and turn Finland into a Communist state. They have vowed to smash the offensive and send the Communists into a crushing defeat.

Finnish Federation Votes To Oust Four Unions

Helsinki, Finland, Aug. 24 (AP)—Finland's Central Trade Union Federation voted today to kick out four Communist-led unions which refused to stop their wildcat strikes.

The federation's executive committee voted 8 to 6 in favor of the action. The committee decided, however, to let the delegate conference of the TUF make a final decision September 4.

Observers predicted that the action might split the Finnish trade-union movement wide open.

Total About 80,000

The unions expelled were the Transport Workers, the Union of Forestry Workers and Log Floaters, the Food Industry Workers and the Building Construction Workers.

Their combined membership was estimated by a Government source at about 80,000.

A fifth striking union, the Wood Industry Workers, was not included in the expulsion edict. A TUF spokesman said they had not received the TUF ultimatum to stop their walkout by Tuesday, but were given an August 27 deadline to go back to work.

The executive committee also refused to sanction a strike scheduled by the Bricklayers Union for August 27.

As a result of the expulsions, Social Democratic workers are expected to form new unions. This cleavage may cost the federation some 40,000 members.

Prime Minister Karl August Fagerholm said today he regretted what had occurred but said the TUF had shown patience as long as possible with the Communist-dominated unions.

Fear Metal Strike

Meanwhile, observers said they feared the Communists would try to extend their strike offensive to the metal industry. This would endanger Finland's war reparations to Russia. It would affect shipbuilding yards in Turki and Helsinki which are delivering new ships to the U.S.S.R.

No one seemed certain how many workers still are out on strike. Estimates ranged from 13,000 to more than 30,000. At the peak of the six-day-old offensive, an estimated 45,000 were out.

The Helsinki workers' strike committee held an open-air mass meeting in the capital yesterday. One food industry worker claimed 10,000 were on strike in his industry.

Communists Patrol Streets

A dockworker said "tens of thousands" of stevedores were out. Most of Finland's harbors are tied up by the longshoremen's strike.

Communist strike patrols roamed Helsinki streets yesterday. Propaganda groups were active in other communities and pickets marched in the port cities.

At the outset of the labor offensive a Government spokesman described it as a maneuver to seize power and turn Finland into a Communist state.

Reds Of Slovakia Renew Fight Against Bishops

Prague, Czechoslovakia, Aug. 24 (AP)—Slovak Communist spokesmen today launched a new series of attacks upon the nation's Roman Catholic Bishops. Church authorities here believed the attacks might herald a fall offensive by the Government to win the state-church fight.

The attacks, reported by the Slovak Communist organ, *Pravda*, came after several weeks of relative quiet in the controversy. Generally they fell into two classes—accusing the Catholic leaders of having collaborated with the Nazis during the occupation and of now promoting "subversive activities" against Czechoslovakia's Communist-led government.

Considered Significant

Church sources considered the timing of the new assaults significant.

They pointed out that a bountiful harvest has now been virtually completed. While it was being gathered, the government went out of its way to keep things quiet in strongly Catholic Slovakia in order to gain the utmost co-operation from the peasants.

Now the need for wooing such co-operation is passing and the government may feel free to push ahead with its plans, not only for enacting further church controls but also with its schemes for collectivizing the farms.

Church Control Law

A broad church control law comes up for action when Parliament concludes its summer recess.

A further significant factor was that the new blasts at the church came in advance of a big week-end celebration in Slovakia sponsored by the Government to commemorate the fifth anniversary of the Slovak uprising against the Nazis.

This uprising was crushed by the occupiers, but the remnants of Slovak resistance fighters then retreated to the mountains or otherwise went underground to sabotage German communication lines.

Gottwald To Speak

The celebration will be held Saturday, Sunday and Monday and top Government figures from Prague, led by Communist President Klement Gottwald, will speak.

The theme of the celebrations is announced as "forward with the Soviet Union, then (in 1944) toward revolt and freedom, and now toward socialism."

Czechoslovak Army Outlaws Pin-Up Girls For Barracks

Prague, Czechoslovakia, Aug. 24 (AP)—The Czechoslovak army today outlawed the pin-up girl.

The army decreed that, in place of pictures of shapely cuties wearing not much of anything, the soldiers should put in their barracks "slogans, pictures of shock workers and examples of our fighting tradition."

The army newspaper *Obran Lidu* in announcing the decree said "the bathing beauty can be a model for American and British soldiers but not for the Czech soldiers of the peoples' democratic army."

The newspaper said one "model company" had been demoted already because the men posted pictures of scantily-clad women in the barracks.

Fairy Tale Princes Out

The school children of Czechoslovakia won't read about fairy tale princes any more. Instead, they'll read about Klement Gottwald, Communist leader, and president of the country.

The purging of the princes and the elevation of Gottwald to the role of a school-book hero was announced today by Bohumir Kujal, chairman of the Government's editorial committee. The committee's job is to prepare new text books to speed Czechoslovakia's educational system along the road to communism.

"Our youth is to form a permanent outlook on life according to the Marxist-Leninist teaching," Kujal said, addressing a school conference.

"We shall show our youth the great example of the president of the republic, the first worker of the state, who is leading us all to a better future.

"Our children shall no longer find their examples in the princes of fairy stories, but in the shock workers and heroes of work. The first duty of the teachers is to deepen and intensify the education of your youth toward socialism." ("Shock worker" is Czechoslovakia's equivalent of Russia's *Stakhanovite*, or above-quota producer.)

New Attacks On Bishops

Slovak Communist spokesmen, meanwhile, launched a new series of wordy attacks on Czechoslovakia's Roman Catholic bishops.

Church authorities in Prague believed they might be the forerunner of an autumn offensive by the government to win the current church-state fight.

The new attacks fell generally into two classes—accusing Catholic leaders of having collaborated with the Nazi during the German occupation, and of promoting "subversive activities" against the present regime.

Chiang Delays Meeting, Flies To Chungking

Canton, Aug. 24 (AP)—Chiang Kai-shek today flew to Chungking in an apparent attempt to foil any secret agreements between war lords of Szechwan and the Communists.

He postponed a meeting of the Kuomintang party's Emergency Council to make the trip.

Szechwan's war lords have been at odds with Chang Chun, commander of the Nationalists in Southwest China. His jurisdiction embraces the provinces of Szechwan, Kweichow, Yunnan and Sikang.

There are rumors here that Chang wishes to resign. Chiang, these rumors say, wishes to prevent this.

New Army Chief Named

In Central China, the Nationalists presented Chiang with reports of successes. Chiang named a new army chief during the day.

Gen. Pai Chung-hsi, commander in Central China, announced his counteroffensive had registered two new victories over the Communists on both eastern and western flanks of Hengyang, the Hunan province defense bastion 265 miles north of Canton on the Canton-Hankow railway.

Yuhsien, 50 miles east-northeast of Hengyang, was recaptured from the Reds, he said, by forces which had struck back from Leiyang, rail town 230 miles north of Canton. On the way they also retook Anjen, almost midway between Leiyang and Yuhsien.

On Pai's western flank, the Reds were reported thrown out of Lantien, 70 miles northwest of Hengyang.

The victories put the Nationalists in a better position in Hunan than at any time since they lost the provincial capital of Changsha early this month.

Before leaving for Chungking, Chiang named Gen. Kwan Ling-tsun commander in chief of the army, succeeding Gen. Chang Fa-kwei. Kwan, who has been superintendent of the military training center at Chengtu, was in the first graduating class of the Whampoa Military Academy. There he was a favorite student of Chiang, the academy's founder.

Lull On Northeast Front

The lull continued on the Kiangsi-Kwangtung front northeast of Canton where the Communists have come as close as 170 miles to Canton.

This city's future depends largely upon the course of battle in that area where both sides are massing forces. The Reds are preparing an invasion of Kwangtung. Canton's province. The Nationalists are setting up a counteroffensive.

In the far Northwest, the Kansu provincial capital of Lanchow was reported still in Government hands. The Ministry of National Defense said Communist attacks were continuing but their losses were heavy.

30.24- 5231

CHIANG LAYS WOES OF CHINA TO REDS

Says Chungking Will Become 'Center of Fight' Against Communist Foes

CANTON, China, Thursday, Aug. 25 (AP)—Chiang Kai-shek today blamed the "Communist International" for Nationalist China's woes and said Chungking "will again become the center for the fight against aggression."

The Nationalist Generalissimo, in a statement issued after he arrived in Chungking yesterday from this Government refugee capital, said:

"In the past four years the Communist International first robbed us of the land, people and resources of Manchuria, then extended its dark, gloomy iron curtain to North and Central China.

"Today Chungking will again become the center for the fight against aggression."

Recalling that he spent eight years in Chungking when it was the provisional capital during the war against the Japanese, Generalissimo Chiang said:

"Today I come back here as if to my birthplace and I feel a deep stirring within me."

The Generalissimo's hurried flight to Chungking reportedly was made to keep the warlords of western China from making a deal with the Communists.

By The Associated Press.

SAIGON, Indo-China, Aug. 24—French military officials said today that French parachute troops had won important victories in Indo-China, pushing Viet-Namese Nationalist units back forty-eight miles from the city of Hanoi.

The troops, dropped from fifty-one planes last week, captured the towns of Phucyen and Vinhyen, thirty and thirty-nine miles northwest of Hanoi respectively, the informants said.

They said that the operation had occurred in a "rice bowl" area a few weeks before harvest time and that the Viet-Namese Nationalists now were cut off from an important food source. Two months ago Moscow-trained Ho Chi Minh's Nationalists forces were on the outskirts of Hanoi.

Nehru Urges Soviet Accord

NEW DELHI, Aug. 24 (AP)—Prime Minister Jawaharlal Nehru said tonight it is vital for India to maintain a sound relationship with her powerful neighbor, the Soviet Union. Mr. Nehru made the statement in a farewell reception for India's eminent educator, Professor S. Radhakrishnan, newly appointed Ambassador to Moscow, who leaves next week to assume his duties.

Malaya Police At Full Strength

Kuala Lumpur, Aug. 24 (AP)—The Federation of Malay's police force is now at full strength—14,522 men—for the first time since the liberation in August, 1945.

At the time of the liberation the police force strength was 7,663, which was considered 289 below the approved prewar establishment. With the declaration of an emergency in Malaya as a result of the outbreak of a Communist campaign last year it was decided to bring the total to its present peak.

Union Officials Freed After Apology

Sydney, Australia, Aug. 24 (AP)—An Australian arbitration court today ordered the release of eight trade-union officials serving jail sentences for contempt of court.

The officials were jailed for contempt during the recent coal strike. They refused to obey orders of the court impounding union bank accounts soon after the strike began. The union leaders apologized to the court yesterday.

Appendectomy Performed At Sea

Singapore, Aug. 24 (AP)—A Royal Air Force surgeon was reported today to have performed a successful appendectomy on Douglas Semple, third engineer of the American tanker Pecos, while the vessel was sailing the South China Sea, 250 miles from Singapore.

The Pecos, which is operated out of San Francisco by Pacific Tankers, Inc., is bound for Singapore. Semple will be removed to an RAF hospital here.

An RAF flying boat took the surgeon and a nurse to the tanker yesterday.

British Represent U.S. In Canton

Canton, Aug. 24 (AP)—The British Consulate General in Canton today began representing American interests in this provisional capital area.

The action followed official closure of the American Consulate General here—the oldest American consular office in China.

The last batch of American consular officers motored to the airport and boarded a naval plane late in the day. They flew to the British crown colony of Hong Kong.

ACHESON HITS RED 'SABER RATTLING' AGAINST YUGOS

WASHINGTON, Aug. 24—(AP)—Secretary of State Acheson said today that Russia's "saber rattling" in the Balkans exposes Moscow's so called peace offensive as a giant hoax.

Acheson told a news conference communists everywhere will have great difficulty reconciling the increasingly violent attacks against Marshal Tito of Yugoslavia with Moscow's often repeated desires for peace.

That is, he said, if communists anywhere possess any intellectual honesty, which they do not.

Of course, Acheson said wryly, communists will try to pass off this saber rattling as the cooing of a dove.

But, he added with a smile, it seems that the dove has a somewhat sore throat. Acheson's remark touched off a burst of laughter among newsmen attending his conference.

Tito Warned By Reds

The secretary spoke out on the Yugoslav situation a few days after Radio Moscow and satellite spokesmen bluntly warned Marshal Tito he will have to pay with his head for splitting the communist ranks in the Balkans.

During the past few days, Moscow's denunciations of Tito have reached such a fever pitch that dispatches from Belgrade speculated on the possibility of an invasion of Yugoslavia by Russian and satellite armies.

Acheson declined to give his interpretation of the significance of the barrage of accusations that Moscow has been aiming at Tito recently. He asserted, however, that the State department is carefully following all developments.

Ambassador Confers

Yugoslavia's Ambassador, Sava Kosanovic, has conferred twice during the past week with Acheson and other high State department officials. But each time he told reporters he talked about general economic problems and not politics.

State department experts connected with Yugoslav affairs said they do not believe the Soviet diplomatic attacks against Tito are a preliminary to imminent armed action against Yugoslavia by Russia.

Rather they said they believed the bitter criticisms are a maneuver to worry Tito and at the same time stir up a revolt to replace him with a communist willing to take Moscow's orders.

Russia, they reason, will not risk outright war against Yugoslavia at present for fear of the repercussions it would create in the United Nations and in non-communist nations everywhere. They have not ruled out the possibility, however, that an unforseen incident might mushroom into a war.

ACHESON DENIES FACTS WITHHELD IN CHINA REPORT

WASHINGTON, Aug. 24—(AP) Secretary of State Acheson sharply rejected today charges by Rep. Judd (R-Minn) that the State department tried to make itself look good by suppressing important documents on American relations with China.

He also released some of the documents Judd had referred to.

Acheson declared at a news conference that the "White Paper" published Aug. 5 is a "fair and honest" record.

Although Judd argued otherwise, Acheson said the white paper shows that the State department fully understood the "true nature" of the communist movement in China.

1,000 Word Statement

Acheson's lengthy reply to Judd consisted of a 1,000-word statement and an 1,800-word rejection of Judd's 16 points of criticism of the white paper.

Last week Judd reviewed the white paper in a House speech. He contended that various pieces of vital information had been withheld.

On Saturday Judd released conclusions which he said came from a military estimate of the Chinese situation in 1945.

The military estimate, he said, did not appear in the white paper. Judd maintained that it had stressed the Moscow connections of the Chinese communists and indicated a different development of American policy toward China than that which actually occurred.

Judd has long been an advocate of aid to the Chinese nationalist government.

Acheson said in his statement that "it is insinuated that documents were deliberately omitted in order to falsify the record."

Not Supported by Evidence

"These insinuations are not supported by any evidence," he said. "They could not be supported because there is not an iota of truth in them."

Acheson said that it was impossible to publish all the papers bearing on the subject but that those in the record published Aug. 5 were a "fair and objective sampling."

Acheson said that the military report to which Judd had referred presumably was a paper by the military intelligence division of the War department. It was dated July 1945 and entitled "The Chinese Communist Movement."

Said Acheson:

"I have just obtained a copy of a so-called summary of this report "which was never previously submitted to the Department of State.

"It is my understanding that this summary represented the views of the officer who wrote it and not of the War department and was therefore not circulated."

SAYS SOVIET DOVE HAS SORE THROAT

Washington, Aug. 24 (A. P.)—Secretary of State Acheson declared today that Communists the world over would have difficulty reconciling Russia's violent diplomatic attacks on Marshal Tito of Yugoslavia with the Soviet peace offensive.

He told a news conference that of course the Communists would try to pass off the sword rattling of the Soviet as the cooing of a dove. But the dove seemed to have a somewhat sore throat, he said.

Acheson did not spell out what he meant in using the term Soviet peace offensive. For many months, however, Moscow-led Communist parties have held rallies and built their propaganda lines on the argument that Western "imperialists" and "warmongers" want to start a third world war while the Soviets, heading the forces of peace, are blocking them.

Truman Signs Atlantic Treaty In Simple White House Ceremony

WASHINGTON, Aug. 24 (AP)—In a simple White House ceremony, the United States today committed itself through the Atlantic pact to resist any attack on western Europe.

Russia was thus confronted with one of history's greatest peacetime combinations of potential military power.

The final steps necessary to bring the 12-nation alliance legally into existence were taken in President Truman's oval office in the presence of Secretary of State Acheson, Defense Secretary Johnson and diplomats representing most of the other member nations.

France Ratifies Pact

Ambassador Henri Bonnet of France first presented to Acheson notice that France had ratified the treaty requirements for its coming into force and the president signed a proclamation declaring the pact in existence.

In a statement, the chief executive declared that "no treaty nation need fear the results of our cooperation" under the treaty which he described as a purely defensive arrangement within the framework of the United Nations charter.

"By this treaty," he declared, "we are not only seeking to establish freedom from aggression and from the use of force in the North Atlantic community, but we are also actively striving to promote and preserve peace throughout the world."

He also asserted that "this is a momentous occasion not only for all the signatories of the treaty but for all peoples who share our profound desire for stability and peaceful development."

His signature on the proclamation at 11:42 A.M., Eastern Standard Time, brought into force a pledge by all 12 pact nations to take whatever action each considers necessary to resist an attack on any one of them.

Council to Meet

The first moves to establish an organization charged with coordinating the defenses of the whole western world, from Alaska to Norway and from the American west coast to Italy, were already underway in the State Department. Diplomats representing the 12 nations were preparing plans for a meeting of the "council" of the North Atlantic Treaty which is expected to be held here by mid-September. The council will establish a defense committee, to be responsible for developing a grand strategic plan of defense.

While the terms of the pact are general and will apply to any attack against any of the member nations for at least 20 years, the alliance actually is the western answer to any threat of Russian aggression against western Europe. It was entered into by the United States for the specific purpose, according to official statements, of giving western Europeans a greater sense of security so that they might go forward more confidently with the European recovery program.

Navy Official Suspended For Starting B-36 Probe

Cedric Worth, Aide to Under-Secretary, Admits Filing Anonymous Report

WASHINGTON, Aug. 24. — (AP) A U. S. Navy official was suspended today after admitting he wrote an anonymous memo darkly implying that the Air Force's B-36 superbomber program was a billion-dollar lemon foisted on the taxpayers by "unscrupulous" men.

The official is Cedric R. Worth, former movie script writer and newspaperman who became special assistant to Undersecretary of the Navy Dan Kimball.

Less than four hours after he testified before the House Armed Services committee, Secretary of the Navy Matthews announced his suspension "pending further investigation."

Victory For Air Force

His testimony had caused somewhat the same sensation as if a Navy torpedo had boomeranged. It was considered a major round for the Air Force in its never-ending struggle with the Navy for strategic bombing assignments. This was so because:

1. The memo had formed the basis for charges that the B-36 program, which is costing more than a billion dollars, resulted from political connivance between such men as Louis A. Johnson, now secretary of defense; Floyd Odlum, financier whose Atlas corporation controls the company making the B-36, and Air Secretary Symington.

2. An investigation launched by the House committee has turned up testimony mostly favorable to the B-36. Generals have testified that while some officers once had doubts about it, it is now considered an extremely potent weapon, relied upon to carry the atom bomb to the enemy in case of war.

3. Secretary Johnson, Symington and others have roundly denounced the charges and said their only thought was the country's welfare. Many legislators came to the conclusion that the charges had turned out to be a dud.

For days, rumors had circulated on Capitol Hill that Worth was the author of the mysterious memo. Today Joseph Keenan, counsel to the House committee, threatened to resign unless the author were named and called to the stand. He said everybody seemed to know who wrote the paper except the committee staff.

Admits Writing Memo

Chairman Vinson (D-Ga) then called Worth, who said simply:

"I wrote it."

He said he did so at the request of Democratic Representative Charles B. Deane (NC). He said Deane told him last spring of disturbing reports about the B-36 and "asked me to compile everything I had heard."

Worth said that Rep. Deane wanted the information for the benefit of Jonathan Daniels, Raleigh, N. C., newspaper publisher who was considering taking the position of Secretary of the Navy.

Chairman Vinson asked Worth what his motive was in preparing the document, part of which was placed in the records of the hearing Aug. 9.

Worth replied: "I was greatly concerned and concluded that the defenses of the country were going into the wrong direction and were being weakened by propaganda that is not true."

He said he gave copies of the paper to Deane, Rep. Van Zandt (R-Pa), Senator Bridges (R-NH), and to airplane manufacturer Glenn Martin of Baltimore, who turned it over to Senator Tydings (D-Md), chairman of the Senate Armed Services committee.

It was Rep. Van Zandt, a Navy veteran of both world wars, who sparked the drive for the investigation.

Talked With Martin

Vinson asked Worth if he contacted any aircraft firm to get information.

"I talked with Glenn Martin," Worth replied.

Martin's company at Baltimore does not make the B-36. The B-36 is manufactured by the Consolidated Vultee Corp., at Fort Worth, Tex.

As the committee ferreted out the source of this document, Gen. Omar Bradley, chairman of the joint chiefs of staff, put his stamp of approval on the merits of the big B-36.

Bradley said the B-36 is "the best bomber available when you consider its range, altitude and takeoff abilities."

Questioning of Bradley also brought out that he feels strategic bombing "would be more effective if we operated from bases closer to our targets"—such as bases overseas.

But in answer to whether the nation has such bases abroad, Bradley said he preferred not to answer the question specifically—obviously on grounds of security. He was not pressed for an answer.

Bradley said, too, that he thinks the Air Force now is in "proper balance" with respect to the numbers of various types of aircraft.

Although Bradley put his okay on the B-36, he cautioned against too much reliance on air power.

"A defense based on air power alone would be a very dangerous defense," he said.

House Committee members peppered Worth with questions about his memorandum.

Quizzed on Motives

Chairman Vinson asked if Worth considered everything in the document as true. Worth said "the facts are."

Vinson asked: "is it true that Odlum contributed $1,500,000 to the Democratic campaign last fall?"

"That was not stated as a fact," Worth said.

"What was your motive in putting that in?" Vinson pressed.

Worth said he couldn't remember.

Vinson asked where Worth got the information about the contributions.

"I don't know. I don't remember," Worth replied.

Secretary Johnson, who was fund raiser for the Truman campaign last fall, has testified that Odlum contributed only $3,000.

Worth said that his boss, navy undersecretary Kimball, didn't know he was working on the memo. He said he didn't talk to Kimball about it until three or four days ago and that Kimball then "expressed surprise."

STUDY ORDERED OF SPARE ARMS TO AID EUROPE

Senate Groups Want Data Before Vote on Limiting Surplus Grants.

Washington, Aug. 24 (A. P.).—A quick study to see what surplus arms this country can spare for Western Europe was ordered today.

The order, from the Senate Foreign Relations and Armed Services committees, was prompted by a proposal from Senator Russell (D.-Ga.) to limit to $450,000,000 the amount of surplus arms to be sent to European members of the Atlantic alliance.

Russell's amendment to President Truman's arms aid program came up at a closed session of the combined committees. They are preparing the military assistance bill for Senate consideration.

Sub-Committee Named.

Senator Tydings (D.-Md.), chairman of the Armed Services Committee told reporters after the session that a sub-committee was appointed to discuss arms values with officials of the Department of Defense. He said the combined committees want definitions of surplus, reserve and other terms used in this field.

The sub-committee is composed of Senators Tydings, Russell, Saltonstall (R.-Mass.) and Knowland (R.-Cal.). Tydings said it hoped to confer with defense officials today to be ready to report to the full committee tomorrow morning.

The President's program, in addition to authorizing the spending of $1,160,990,000 cash on arms for European members of the Atlantic alliance, provides that surplus arms which originally cost $450,000,000 may be sent to the same countries. Approximately $77,000,000 of the proposed cash outlay is earmarked to repair and ship these surplus arms.

Tydings said the committees ran into several questions among them "what is surplus?" and decided to seek answers before proceeding.

Senator Connally (D.-Texas), chairman of the Foreign Relations Committee observed: "In handling this we want to preserve our own national defense at home and not deplete it."

Tydings said the committees wanted to find out, among other things, whether "we have enough to meet our needs."

He told reporters the combined committees did not reach the controversial question of arms aid for non-Communist China at today's session.

Knowland was pushing hopefully to put Chinese aid into the program.

30.24- 5233

JOHNSON TO URGE FURTHER CUTS IN MILITARY BUDGET

Firing of 135,000 Civilians Only a Starter, Defense Head Asserts

LAWMAKERS PROTEST

$1,500,000,000 Reduction in Military Spending Will Be Sought

By FRANCIS J. KELLY

WASHINGTON, Aug. 24 (AP)—Secretary of Dfense Johnson slammed a massive brake on military spending today amid pained cries from lawmakers.

Johnson ordered:

The firing of 135,000 civilian employes of the Army, Navy and Air Force.

The locking up of 50 installations, ranging from Navy yards to recruit training camps, and heavy reductions in many others.

Whacking 12,000 reserve officers off the active duty list.

It was the most drastic military economy move since the reductions at the end of World War II. It is expected, Johnson's office said, to save $200,000,000 between now and next June 30, and $500,000,000 a year thereafter.

Just A Starter

Moreover, the reduction was reported to be just a starter.

Johnson is aiming at an additional cut of $1,500,000,000 in the military budget for the next fiscal year which begins July 1, 1950. Even with that pruning and paring, military spending would account for $13,400,000,000 of the national budget. But further deep cuts would be needed to effectuate the $1,500,000,000 saving.

The defense secretary broke the news to Congress members at a gloom ridden conference at his Pentagon building headquarters. Special invitations went out to congressmen whose districts would be mostly directly affected.

Their groans were anguished, keen, and quick. Cut somewhere else, they urged; make the reductions in overseas forces, "fire the flunkies and baby-sitters."

But Johnson told them he wasn't going to tolerate "a defense WPA". He said he aimed to give the country a dollar's worth of defense for every dollar Congress provided for that purpose.

Some Laud Move

Here and there, a few lawmakers applauded the move, on the theory that saving a million here and a million there soon counts up.

One of these was Senator Byrd, (D-Va), who has been thumping his economy drum for 15 years.

Although Navy cuts alone wipe out 2,803 jobs in his home state, Byrd said Johnson's move was great stuff.

"It is the first honest-to-goodness effort that has been made toward reduction in government personnel during the 10 years I have been chairman of the joint committee on reduction of nonessential federal expenditures," Byrd said.

He added he is convinced that Johnson has worked out "a fair and equitable adjustment in consideration of the requirements of national defense."

On the other hand—Rep. Rankin (D-Miss), called the reduction of Air Force programs "absolutely unjustified."

Senator Pepper (D-Fla), warned that the corner grocer, other merchants and the landlords are going to be affected, too, when 135,000 breadwinners lose their jobs.

Rep. Sikes (D-Fla), Senator Knowland (R-Calif), and others protested scheduled cutbacks at individual installations.

Rep. August H. Andresen (R-Minn), commented tartly that the defense establishment spent an estimated $1,000 on telegrams and other notices to members of Congress advising them of the Pentagon meeting. He said that didn't seem to indicate a desire to save money.

Navy Hit Hardest

As had been widely predicted in advance, the Navy took the hardest blow. The civilian personnel cuts broke down this way:

Navy, 76,000.

Army, 41,000.

Air Force, 18,000.

The Navy shipyard at Long Beach, Calif., now employing 5,800 persons, was ordered cut to 400, which puts it practically on a custodial basis. One reason the big cut was ordered, the Navy explained, is that man-made Terminal Island, on which the yard is located, is slowly sinking into the Pacific Ocean.

California appeared to be hit harder than any other state by the Navy's decisions. Fifteen hundred employes are to go at the Oakland naval supply center: 864 at Moffett field; 499 at the San Pedro supply depot; 1,165 at the Marine Corps air station at Santa Ana.

California was not alone, however. Brooklyn Navy yard is to sustain a cut of 3,385, nearly a third of its present employes. The Naval base at Philadelphia loses 2,114. The payroll of the Naval shipyard at Portsmouth, N. H., drops from 5,340 to 4,100.

New Hampshire's Senator Tobey, a Republican, said he stood up to Johnson and told him "this is a poor time to throw 135,000 persons out of work. It will place them in a desperate economic situation."

9 Air Bases Cut

Nine Air Force bases were cut down to a caretaker basis, with 12 men on duty at each. This includes bases at Colorado Springs, Colo.; Orlando, Fla.; Salina, Kas.; and Bangor, Maine.

The Army's Camp Chaffee, in Arkansas, is to be closed by next April 15. Camp Jackson, S. C., goes out next year; so do Camp Kilmer, N. J., Camp Ellis, Ill., and miscellaneous other installations scattered over the United States.

Deep as the cuts are, they still leave 770,000 civilians on the payrolls of the three services. After the reductions, the Army will have 336,000, the Navy 283,000 and the Air Force 151,000.

Johnson told the Congressmen that the economy program resulted from studies made by the three individual services. They themselves told what cuts could be made in their operations.

Of the reserve officers who are to be returned to inactive status, 5,787 are in the Army, 3,157 in the Navy and 3,129 in the Air Force.

In announcing the cuts, Johnson bluntly told the lawmakers that they know as well as he does that there have been persons employed in defense jobs who didn't render a nickel's worth of service. The waste has been terrific, he said, adding:

"So help me God, I pledge to stop it."

Senator Ferguson (R - Mich) spoke out in favor of the economy move. He said he thinks private industry can absorb those laid off.

"More of us ought to be for this program instead of looking at our particular district," he chided. "Geography counts, but America counts more."

Senator Hunt (D-Wyo) also congratulated Johnson on his decision. Hunt said that many of the installations were built for wartime needs, and "we all realize that the prospect of war now is not what it was a year or so ago."

Total Arms U.S. Can Spare To Be Studied

Washington, Aug. 24 (AP)—A quick study to see what surplus arms this country can spare for western Europe was ordered today.

The order, from the Senate Foreign Relations and Armed Services committees, was prompted by a proposal from Senator Russell (D., Ga.) to limit to $450,000,000 the amount of surplus arms to be sent to European members of the Atlantic alliance.

Russell's amendment to President Truman's arms aid program came up at a closed session of the combined committees. They are preparing the military assistance bill for Senate consideration.

Seek Definitions

Chairman Tydings (D., Md.) of the Armed Services Committee, said after the session that a subcommittee was appointed to discuss arms values with officials of the Defense Department. He said the combined committees want definitions of surplus, reserves and other terms used in this field.

The subcommittee is composed of Senators Tydings, Russell, Saltonstall (R., Mass.) and Knowland (R., Cal.). Tydings said it hopes to confer with defense officials today and to be ready to report to the full committee tomorrow morning.

The President's program, in addition to authorizing the spending of $1,160,990,000 cash on arms for European members of the Atlantic pact, provides that surplus arms which originally cost $450,000,000 may be sent to the same countries.

For Repair And Shipment

About $77,000,000 of the proposed cash outlay is earmarked to repair and ship these surplus arms.

Tydings said the committees ran into several questions, among them "what is surplus?" and decided to seek answers before proceeding.

Chairman Connally (D., Texas), of the Foreign Relations Committee, observed:

"In handling this we want to preserve our own national defense at home and not deplete it."

Tydings said the committees want to find out, among other things, whether "we have enough to meet our needs."

Aid To China Not Discussed

He said the combined committees did not reach the controversial question of arms aid for non-Communist China at today's session.

Senator Knowland was pushing hopefully to put Chinese aid into the program.

He has been plugging for this goal for weeks. Observers say that now it is at least in sight.

Atlantic Alliance in Effect

Frenchman Hands Ratification to Truman in White House Ceremony for Twelve Nations.

Washington, Aug. 24 (A. P.).—The twelve-nation Atlantic pact, binding North America and Western Europe in a common defense alliance, went into force here today.

The historic moment came at 12:42 P. M., when President Truman signed a proclamation declaring the treaty to be in effect. High officials of this country and most of the eleven other pact nations witnessed the signing at a White House ceremony.

Threat of Aggression.

Though the alliance was frankly formed under the threat of Russian aggression, Mr. Truman said in a statement that no nation need fear the results of the cooperation of the western Powers.

"This is a momentous occasion, not only for all the signatories of the treaty," Mr. Truman said, "but for all peoples who share our profound desire for stability and peaceful development. By this treaty we are not only seeking to establish freedom from aggression, and from [illegible] of force in the North [illegible]antic community, but we are also actively striving to promote and preserve peace throughout the world."

Standing immediately behind Mr. Truman, at the big desk in his oval office, was Henri Bonnet, French Ambassador, who had just deposited his country's ratification, by which the French Government formally notified the American Government that it adhered to the pact. The treaty, signed last April 4, pledges the twelve Allies to strike back in the case of an attack against any one of them.

Senators Demand D.P. Bill Action

Washington, Aug. 24 (AP)—An effort to force a House-passed bill liberalizing the displaced persons act out of the Senate Judiciary Committee was initiated today by top Senate leaders of both parties.

Democratic Leader Lucas, of Illinois, Senator Taft, of Ohio, chairman of the Senate Republican Policy Committee, and others introduced a resolution to discharge the committee from further consideration of the measure.

The resolution, if approved by a majority of the Senate, would have the effect of taking the legislation away from the committee and putting it before the Senate.

House Bill Provisions

Lucas said the bill passed by the House would permit the entry of "many more persons with Catholic and Jewish backgrounds. It also would increase the number of displaced persons who could be admitted to this country from 205,000 in two years to 339,000 in three years.

Besides Lucas and Taft, senators who joined in introducing the resolution were Ferguson (R., Mich.), Alexander Smith (R., N.J.), Magnuson (D., Wash.), McMahon (D., Conn.), Myers (D., Pa.), Morse (R., Ore.), Saltonstall (R., Mass.), Ives (R., N.Y.), Douglas (D., Ill.), Neely (D., Wa.Va.), Graham (D., N.C.), Dulles (R., N.Y.).

Truman Drops U.S. Bars To Orphan, Bride-To-Be

Washington, Aug. 24 (AP)—President Truman agreed with Congress today that the gates of this country should open for the 25-year-old Japanese bride-to-be of a former Army corporal and a 7-year-old Greek war orphan.

He signed two special congressional acts that removed usual immigration restrictions barring their entry.

Eiko Nakamura, formerly employed by United States Army headquarters in Tokyo, is the bride-to-be. She is to marry James L. West, of Carabelle, Fla., 31, who met her while on army duty in Japan.

Vasilios Kotsakis is the 7-year-old Greek war orphan who will find a new home here with his uncle and aunt, Mr. and Mrs. Nick Canelis, of Billings, Mont.

HOUSE LETS 2 WARORPHANSIN

Boy, As Baby, Thrown By Mother From Nazi Death Train

Washington, Aug. 24 (AP)—A small boy whose mother saved him from extermination by pitching him from a train headed for a Nazi death camp was given permission of the House today to become a United States citizen.

The child, now 7 years old, is living in Canada awaiting action by Congress to let him enter the United States for adoption by Mr. and Mrs. Morris L. Shafer, of Detroit.

The Shafers obtained the child, known as Itzchak Shafer, from a French orphanage. He reached the orphanage by way of Poland. The House Judiciary Committee, which approved the bill, said the child was thrown by his mother from a prison train headed for Germany when he was 2 years old.

No one sems to know where he was born or what happened to his mother.

Before the child can be admitted to this country there must be a legal determination of his birthplace so immigration and quota regulations can be met.

The bill the House passed and sent to the Senate says that for the record, at least, Itzchak is a Frenchman.

The House passed and sent to the Senate another bill to permit a Spanish war orphan to come to the United States to live with her foster parents, a University of Kansas professor and his wife.

The child is Hermina Ricart, 15, who now is living in England. She was adopted thirteen years ago in Spain by Mr. and Mrs. Domingo Ricart, who since have come to the United States, where Ricart is a language teacher at the University of Kansas.

The Ricarts found her in an orphanage where she was taken after her home and family were bombed.

Without a special act of Congress, the child can't come to the United States until there is a Spanish quota vacancy.

Jessup Calls On Russia to Drop 'Dream' of Rule

Says in Address to V. F. W. That U. S. Co-operation Awaits a Peaceful Move

MIAMI, Aug. 24 (AP)—Phillip C. Jessup, American ambassador at large, called on Russia's leaders today to give up their "dream of world domination." History records that this ambition has led "such blind dreamers" to destruction, he said.

The United States is prepared to offer Moscow a full share in international co-operation if the Russians will work together in peace with other nations, Mr. Jessup declared. But he added: "We are not going to exchange arms for empty promises."

"Domination and Dictation"

Mr. Jessup, one of Secretary of State Dean Acheson's highest ranking assistants, addressed the national convention of the Veterans of Foreign Wars. He said Russia's leaders believe in the tactics of "domination and dictation" in dealing with other nations—"as did Hitler."

In contrast, he said, the United States is fighting with like-minded nations for "freedom and a good life" for all peoples of the world.

"Unlike the Soviet Union, we do not want more territory or subject peoples," he said. "We want all peoples to be free and prosperous because we believe that progress means a united move upward rather than climbing on the backs of others who are pushed down."

Mr. Jessup, who often represents Mr. Acheson at international conferences, said Russia thus far has not only been "obstructive, but aggressively so" in opposing the efforts of the Western nations to insure peace and international security by international co-operation through such organs as the United Nations.

Denies Rivalry For World

"One of the plain facts in the present situation is that the Soviet Union is contemptuous of weakness but respects strength," he noted. "We are not trying to conquer Russia. We are not rivals for the domination of the world because we do not want to dominate the world.

"If their government will abandon the dream of world domination, which throughout history has destroyed such blind dreamers, a full share in international co-operation will be theirs."

Mr. Jessup extended his criticisms to Communists all over the world who, he said, are trying to "capture the mind and spirit of men so that they can then enslave them by the ruthless totalitarian methods which kill the spirit, darken the mind and torture the body."

Dollars Will Buy You A Nigerian 'Pen Pal'

Chattanooga, Tenn., Aug. 24 (AP). A 16-year-old native of Nigeria wrote the Chattanooga *News Free Press:* "I have a very keen desire to have pen pals in your country of both sexes.

"I collect American dollars as my hobby.

"Please tell the writer to enclose dollars when writing to me . . ."

For pen pals who can afford it, the newspaper today published the address: Bob Anderson, 27 Evans street, Lagos, Nigeria, British West Africa.

Caldwell Saucer Link Is Denied

Las Vegas, Nev., Aug. 24 (AP)—An attorney for Jonathan Caldwell, mysterious inventor of unorthodox aircraft, declared today her client had nothing to do with flying saucers.

The attorney, Emilie Wanderer, said right now Caldwell is experimenting with a machine he calls the roto-wing, a helicopter sort of arrangement.

When two of Caldwell's earlier disk-type projects were found in an abandoned tool shed near Glen Burnie, Md., last week, Air Force officials started wondering.

For the past nine years, Mrs. Wanderer said, Caldwell has lived in Las Vegas, Reno, Nev., and Manhattan Beach, Cal. His wife, Olive Elizabeth Caldwell, lives in Las Vegas now.

The inventor left Maryland, his attorney said, because he couldn't get backing for his saucer-style flying machines. Caldwell has been studying the flight of birds for the past twenty years, she explained, and his latest creation, the roto-wing is a product of that study.

General Clark Favors Strong Alaska Defense

San Francisco, Aug. 24 (AP)—Gen. Mark W. Clark, new chief of Army field forces, said todal "from my point of view the more troops we have in Alaska, the better."

At a press conference after the Washington announcement of his elevation from commanding general of the Sixth Army, Clark in answer to questions said:

"I think it (Alaska) is a very important strategic area. We should be prepared to take care of its defense. I hope to have the opportunity of going up there very promptly to see what the situation is."

Canada Consulted

The general said the Army is in contact with the Navy, the Air Force and the Canadian Government on Alaska problems.

"All our plans for defense of the northwest are being integrated," he added.

Commenting on the order of Louis Johnson, Secretary of Defense, today to reduce civilian personnel at military establishments, Clark said he had anticipated the move and already had taken steps to reduce army civilians pay rolls in the 6th Army area.

Clark also said that after a recent survey of all land the Army owns in the western states, he has recommended that "considerable" portions of military property be declared surplus.

Backs Guard And Reserves

Clark in his new post will be responsible for training programs of the military forces. He expressed his interest in the National Guard and the Reserves.

"Enlisted men in reserve training should be considered as officer candidates when they go to camp," he said. "They should be given an opportunity to train in their specialties."

Clark also said he believed enlisted men and officers in reserve training should be treated equally.

COMMUNISTS ASK MISTRIAL

Defense Charges Juror With Prejudgment On Case

New York, Aug. 24 (AP)—The defense today asked a mistrial in the 31-week-old Communist conspiracy trial on grounds that one juror long ago decided the eleven top Communist leaders were guilty.

The Government immediately promised an all-out legal fight to save the trial, which has cost it well over $1,000,000.

Federal Judge Harold R. Medina adjourned the hearing overnight to give undivided attention to the defense charges.

The defense accused Russell Janney, a juror, author of the best-selling novel "Miracle of the Bells," of showing bias against the Communist leaders even though he had sworn in advance of the trial to keep an open mind.

3 Alternates Available

The defense sought to prove also that he prejudged the defendants guilty and "may well have attempted to communicate his prejudice to the other jurors."

Three alternates still are available if Judge Medina should decide to dismiss Janney and continue the trial. The defense said the elimination of Janney would not satisfy it.

"The Government will oppose the (mistrial) motion in all respects," said John F. X. McGohey, United States Attorney, who has been pressing the case since last January 17.

Defense displeasure with Janney's service became apparent yesterday at a private conference in Judge Medina's chambers.

Today George W. Crockett, Jr., defense attorney, moved for a mistrial. The jury was out of the courtroom.

Say He Discussed Case

"Russell Janney has flagrantly and repeatedly violated the instructions of the court," Crockett argued, "by discussing the case with various persons and by reading newspapers and periodical literature dealing therewith."

The defense mistrial motion was based in large part on an affidavit from Carol Nathanson, who identified herself as an actress and singer. She repeated conversations purportedly occurring when she

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visited Janney's New York office. He is a theatrical producer.

Miss Nathanson in her affidavit said Janney once called her a Communist. She neither confirmed nor denied the accusation in the affidavit.

Quoted On Jury Pay

Janney was quoted by Miss Nathanson, in the affidavit, as saying: "The jury likes the trial—they make $10 a day sitting there—they were mad at the layoff—they don't get paid for days off, of course."

Miss Nathanson said she jokingly suggested Janney organize the jurors into a union that could draw time and a half overtime pay.

"I am," she said he replied.

"I don't know what he meant," she added.

On last July 2, Miss Nathanson's affidavit alleged that Janney said:

"How can you believe anything they (the defendants) say on the witness stand—you don't know when they're lying and when they are telling the truth."

LONDON, AUG.24-(AP)-PRELIMINARY ANGLO-AMERICAN POUND-DOLLAR TALKS BEGAN TODAY AT A LUNCHEON GIVEN BY FOREIGN SECRETARY ERNEST BEVIN FOR PAUL G.HOFFMAN AND AVERELL HARRIMAN, TOP EUROPEAN COOPERATION ADMINISTRATION CHIEFS.

APART FROM HIS OWN FOREIGN OFFICE AIDES, BEVIN ASKED TREASURY AND BOARD OF TRADE CHIEFS TO THE LUNCHEON. ACCOMPANYING HOFFMAN AND HARRIMAN WERE THE AMERICAN AMBASSADOR LEWIS DOUGLAS, AND U.S. MINISTER JULIUS C.HOLMES.

DOUGLAS LEAVES SATURDAY FOR WASHINGTON TO JOIN THE ANGLO-AMERICAN-CANADIAN ECONOMIC CONFERENCE WHICH BEGINS SEPTEMBER 7.

HE HAD A LONG TALK WITH BEVIN YESTERDAY OVER WAYS AND MEANS OF REDUCING CURRENT POLITICAL ACRIMONY IN THE BRITISH AND AMERICAN PRESS ON THE SUBJECT OF BRITAIN'S DOLLAR WOES.

HOFFMAN AND HARRIMAN GOT HERE LAST NIGHT. HOFFMAN IS ON THE LAST LAP OF A SWIFT EUROPEAN TOUR WHICH HAS TAKEN HIM TO IRELAND, FRANCE, ITALY, GREECE, WEST GERMANY AND BELGIUM.

TWO MAIN ISSUES CAME UP AT BEVIN'S PRIVATE LUNCH, DIPLOMATIC INFORMANTS REPORTED.

ONE WAS BRITAIN'S REJECTION OF THE $850,000,000 PROPOSED AS HER SECOND YEAR'S SHARE OF EUROPEAN RECOVERY AID. BRITAIN HAD ASKED FOR $1,500,000,000.

THE OTHER ISSUE WAS HOW THIS COUNTRY CAN EARN MORE DOLLARS IN THE UNITED STATES.

ECA SPOKESMEN STRESSED THAT HOFFMAN AND HARRIMAN ARE NOT NEGOTIATING. THEIR TALKS WITH BRITISH LEADERS MAINLY AFFECT THIS COUNTRY'S PART IN THE RECOVERY PROGRAM.

AUG 24 1949

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LONDON, AUG. 24-(AP)-GERMANY'S COOPERATION WITH THE WEST SHOULD BE THROUGH THE COUNCIL OF EUROPE RATHER THAN THE ATLANTIC PACT, A FOREIGN OFFICE SPOKESMAN SAID TODAY.

IT WAS BRITAIN'S VIEW, THE SPOKESMAN SAID AT A NEWS CONFERENCE THAT "GERMANY'S ASSOCIATION WITH THE COUNCIL OF EUROPE WOULD BE A MORE APPROPRIATE FORM OF COOPERATION."

WITH DIPLOMATIC CAUTION HOWEVER, HE WOULD NOT SAY DIRECTLY THAT BRITAIN DID NOT WANT GERMANY IN THE ATLANTIC PACT.

TO REPEATED REQUESTS BY REPORTERS FOR A DIRECT STATEMENT, THE SPOKESMAN SIMPLY REPLIED THAT HE HAD PURPOSELY EMPHASIZED BRITAIN'S VIEW THAT GERMANY OUGHT TO COOPERATE INSTEAD THROUGH THE COUNCIL OF EUROPE.

THE 12-NATION COUNCIL OF EUROPE IS HOLDING ITS FIRST MEETING IN STRASBOURG FRANCE. INFORMAL BRITISH SUGGESTIONS THAT WEST GERMANY BE ADMITTED TO THE COUNCIL HAVE GOTTEN A LUKEWARM RESPONSE FROM SOME FRENCH LEADERS.

THE SPOKESMAN WAS COMMENTING ON A STATEMENT MADE YESTERDAY BY DOCTOR KONRAD ADENAUER, CHANCELLOR DESIGNATE OF THE WEST GERMAN FEDERAL REPUBLIC, WHO SAID HE BELIEVED HIS COUNTRY SHOULD BECOME A MEMBER OF THE ATLANTIC PACT.

THE SPOKESMAN NOTED THAT ADENAUER WAS TALKING ONLY AS A PRIVATE INDIVIDUAL, SINCE HE HAS NOT YET TAKEN OFFICE IN WEST GERMANY'S NEW GOVERNMENT.

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AUG 24 1949

THESE ARE THE INFORMANT:
1--WHETHER THERE IS TO BE A QUICK ELECTION BEFORE THE YEAR'S END.
2--THE FUTURE OF BRITAIN'S SOCIAL SERVICES, INCLUDING ITS NATIONAL HEALTH SCHEME. THESE COST ONE-QUARTER OF THE COUNTRY'S WHOLE ANNUAL BUDGET OF DOLLARS $12,000,000,000.
3--THE FUTURE OF BRITAIN'S ANNUAL DEFENSE BILL, WHICH ENABLES IT TO MAINTAIN 769,000 MEN AND WOMEN IN THE ARMED FORCES AT AN ANNUAL COST OF $3,000,000,000.

BRITONS NOW CAN CALL ON DOCTORS WITHOUT PAYING FEES UNDER THE 13-MONTH-OLD NATIONAL HEALTH SERVICE, THOUGH EACH PAYS UP TO SIX SHILLINGS, EIGHTPENCE WEEKLY ($1.33) TO HELP SUPPORT IT.

THE INFORMED SOURCE SAID BRITAIN'S LEADERS MAY HAVE TO THINK ABOUT HAVING EACH PERSON PAY A SHILLING (20 CENTS) FOR EACH VISIT TO THE DOCTOR IF THE WASHINGTON TALKS FLOP.

HE EXPLAINED THAT CALLS ON THE SERVICE HAVE FAR EXCEEDED ADVANCE ESTIMATES AND IF BRITAIN MUST PULL IN HER BELT, THE INFORMANT SAID, SHE CANNOT GO ON SPENDING SO MUCH ON THE SERVICE OUT OF GENERAL TAXATION.

THE GOVERNMENT DOES NOT WANT TO TOUCH THE SOCIAL SERVICES, BUT LEFT-WING POLITICAL PRESSURE MIGHT COMPEL IT TO IF PRIME MINISTER CLEMENT ATTLEE, HE DECLARED, SOON WILL MAKE A MAJOR STATEMENT ON THE GOVERNMENT'S WAGE PROFITS, PRODUCTION AND PRICE POLICIES.

SIR STAFFORD CRIPPS AND FOREIGN SECRETARY BEVIN ARE GOING TO WASHINGTON WITH A SIX-POINT PLAN TO EARN MORE DOLLARS. CRIPPS IS CHANCELLOR OF THE EXCHEQUER.

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THEIR PROGRAM ENVISAGES:
A--A SERIES OF COMMODITY AGREEMENTS WHICH WOULD COMMIT THE U.S.

AUG 24 1949

AND CANADA TO BUY CERTAIN STERLING AREA PRODUCTS (LIKE RUBBER, TIN, WOOL, JUTE AND COCOA) IN FIXED AMOUNTS AT FIXED PRICES FOR FIXED PERIODS. THIS IDEA ALSO FORESEES WAYS AND MEANS OF STEPPING UP AMERICAN DEMAND FOR THESE GOODS.

B--REVAMPING ANGLO-AMERICAN OIL PRODUCTION AND REFINING POLICIES TO ALLOW FOR A SHARING OF WORLD MARKETS.

C--LIBERALIZATION OF U.S. IMPORT POLICIES BY CUTTING DOWN TARIFFS AND CUSTOMS.

D--FAST WORK ON PRESIDENT TRUMAN'S PROGRAM TO DEVELOP THE WORLD'S "BACKWARD AREAS" THROUGH PRIVATE AMERICAN DOLLAR INVESTMENTS THROUGHOUT THE BRITISH COMMONWEALTH, HER COLONIAL EMPIRE, AND SOME STERLING AREA COUNTRIES (LIKE HASHEMITE JORDAN AND IRAQ).

E--AN INCREASE IN THE PRESENT WORLD GOLD PRICE OF $35 AN OUNCE, TO TAKE INTO ACCOUNT RISES IN PRODUCTION COSTS SINCE THE WAR BEGAN.

F--INTENSIFICATION OF BRITAIN'S SALES DRIVE IN THE U.S. THIS WOULD BE ACCOMPANIED BY A BRITISH CAMPAIGN TO SLASH PRODUCTION COSTS TO MAKE HER GOODS CHEAPER IN FOREIGN MARKETS.

DEPRESSED WAGES, REDUCED CAPITAL INVESTMENT, A CUTDOWN OF PROFITS, A LIBERALIZATION OF TAXATION, AND MORE EFFICIENT TECHNIQUES ARE WAYS IN WHICH BRITAIN COULD ACHIEVE A COST CUTDOWN, INFORMANTS SAY.

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AUG 24 1949

ROME, AUG 24-(AP)-THE COMMUNIST-LED CONFEDERATION OF LABOR (CGIL) ANNOUNCED TODAY THAT IT WILL DEMAND THAT PARLIAMENT NATIONALIZE ITALY'S ELECTRIC POWER INDUSTRY.

THE ANNOUNCEMENT WAS PUBLISHED IN UNITA, THE COMMUNIST PARTY ORGAN. THE REQUEST WILL BE PRESENTED TO PARLIAMENT AFTER IT RECONVENES NEXT MONTH.

IT BLAMED ITALY'S CURRENT ELECTRICITY CRISIS ON THE FAILURE OF PRIVATE INDUSTRY TO KEEP PACE WITH DEMAND. IT CHARGED THE INDUSTRY HAD FAILED TO BUILD NEW PRODUCING PLANTS AND, INSTEAD, HAD THRUST RATIONING AND SHORTAGES ON THE NATION.

ELECTRICITY HAS BEEN RATIONED IN MOST OF ITALY FOLLOWING LAST WINTER'S SEVERE DROUGHT, THE WORST IN SOME 30 YEARS. THE DROUGHT DRIED UP WATER RESERVOIRS IN NORTHERN ITALY AND CUT DOWN THE PRODUCTION OF POWER. ROME, FOR EXAMPLE, IS WITHOUT POWER AN AVERAGE OF 20 HOURS WEEKLY.

THE RATIONING HAS AFFECTED INDUSTRY AS WELL AS DOMESTIC CONSUMERS, FORCING THE LAY-OFF OF WORKERS AND REDUCTION OF HOURS OF PRODUCTION.

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AUG 24 1949

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CLAYTON INSISTED ON THE NEED FOR POLITICAL COOPERATION TO MAKE ECONOMIC COLLABORATION EFFECTIVE.

"IF WE ARE TO MOVE TOWARDS EFFECTIVE ECONOMIC UNION THERE MUST FIRST BE A STRONG POLITICAL BOND BETWEEN US," HE SAID, "THAT POLITICAL ASSOCIATION CANNOT WAIT WHILE WE DEBATE THE MERITS OF FEDERATION. WE NEED HERE AND NOW IN 1949, EFFECTIVE COLLABORATION."

TWO RESOLUTIONS WERE SUBMITTED TO THE ASSEMBLY DEMANDING THAT CONCRETE STEPS BE TAKEN TOWARDS EUROPEAN ECONOMIC UNITY. BOTH RESOLUTIONS REQUESTED A SPECIAL SESSION OF THE ASSEMBLY IN JANUARY TO DEAL WITH THE ISSUE.

ONE, WITH THE BACKING OF WINSTON CHURCHILL'S EUROPEAN MOVEMENT, SAID THAT IF ECONOMIC UNITY IS NOT ACHIEVED "THERE MUST INEVITABLY BE A EUROPEAN ECONOMIC COLLAPSE, INVOLVING A CATASTROPHIC DECLINE IN THE STANDARDS OF LIVING OF THE EUROPEAN PEOPLES AND SOCIAL DISTURBANCES ENDANGERING THEIR DEMOCRATIC WAY OF LIFE."

THE OTHER, PROPOSED BY FRENCH SOCIALIST ANDRE PHILIP SAID "THE ECONOMIC UNIFICATION OF EUROPE IS THE ONLY MEANS OF AVOIDING A GENERAL LOWERING OF THE STANDARD OF LIVING AND A SOCIAL CRISIS OF EXTREME GRAVITY."

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HE SAID IT WOULD BE DANGEROUS FOR ONE NATION TO ACT ALONE, AND THAT COMBINED ACTION WAS DESIRABLE "TO ENSURE THAT THE ERA OF THE 1920'S DOES NOT OCCUR AGAIN."

HE ALSO URGED THAT THE BRETTON WOODS AGREEMENT, WHICH HE SAID PROVIDED FOR ORDERLY MONETARY ADJUSTMENTS BY "MOVING FROM ONE FIXED POINT TO ANOTHER," BE SHELVED.

HE URGED THAT THE AGREEMENT BE LAID ASIDE TEMPORARILY TO ALLOW "CERTAIN CURRENCIES TO GO FREE FOR A TIME IN ORDER THAT THEY SHOULD FIND THEIR NATURAL LEVEL."

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AUG 24 1949

LAUSANNE, SWITZERLAND, AUG.24-(AP)-THE U.N. PALESTINE CONCILIATION COMMISSION REACHED QUICK AGREEMENT WITH ISRAELI AND ARAB REPRESENTATIVES TODAY FOR A THOROUGH ECONOMIC SURVEY OF THE NEAR EAST BY A UNITED NATIONS COMMISSION OF 40 MEMBERS.

THE SURVEY GROUP WILL BE UNDER THE CHAIRMANSHIP OF AN AMERICAN. IT WILL INVESTIGATE ALL PHASES OF ECONOMIC LIFE IN ISRAEL AND THE ARAB COUNTRIES WITH A VIEW TOWARD EXTENDING TECHNICAL AID AND ECONOMIC "KNOW HOW" IN THE SAME PATTERN AS PRESIDENT TRUMAN'S PROGRAM TO AID UNDERDEVELOPED AREAS.

ONE UNITED NATIONS OFFICIAL SAID TODAY THAT -- IN THE LIGHT OF THE NEW PROGRAM -- INITIATED BY PAUL A.PORTER, UNITED STATES MEMBER OF THE COMMISSION, ON HIS RETURN FROM THE UNITED STATES--THE TALKS HERE LOOKED MORE PROMISING THAN EVER.

THE COMMISSION HAS CABLED SECRETARY GENERAL TRYGVE LIE ALL DETAILS OF THE PLANNED SURVEY AND ASKED HIM TO SUGGEST MEMBERS OF THE SURVEY GROUP.

THE COMMISSION, AFTER STUDYING THE PLAN BROUGHT BACK TO LAUSANNE BY PORTER, VOTED TODAY TO SET UP THE SURVEY GROUP ON A MULTI-NATIONAL BASIS WITH THE UNITED STATES, FRANCE AND TURKEY HOLDING THE TOP POSTS AS MEMBERS OF THE COMMISSION.

MOST COUNTRIES WITH INTERESTS IN THE NEAR EAST WILL BE INCLUDED IN THE GROUP.

THE COMMISSION HOPES THAT SOME OF THE POLITICAL PROBLEMS CONFRONTING THE COMMISSION WILL BE SOLVED MORE EASILY IF THE ECONOMIC EXPERTS CAN REACH SOLUTIONS OF DIFFICULT ECONOMIC PROBLEMS INVOLVED. ONE OF THESE PROBLEMS, BOTH POLITICAL AND ECONOMIC, IS THE ARAB REFUGEES, ESTIMATED BY THE COMMISSION AT BETWEEN 600,000 AND 700,000.

JJ440PED

30.24- 5237

NIGHT LEAD (230)
LUXEMBOURG,AUG.24-(AP)-MRS.PERLE MESTA, NEW UNITED STATES MINISTER TO LUXEMBOURG, ARRIVED TODAY TO TAKE UP HER POST.
HER ARRIVAL WAS MARKED BY A SLIGHT BORDER-CROSSING MIXUP, BEFORE SHE COULD ENTER THE COUNTRY. WHEN SHE REACHED A CROSSING POINT AT THE BORDER SHE WAS TOLD PAPERS FOR HER CAR WERE NOT IN ORDER. SHE WAS DETOURED TO ANOTHER CUSTOMS STATION TWO MILES AWAY WHERE ARRANGEMENTS HAD BEEN MADE IN ADVANCE FOR HER ENTRY.
AT A NEWS CONFERENCE, CHARGE D'AFFAIRES GEORGE L. WEST JR., STEPPED IN TO HELP MRS.MESTA WITH QUESTIONS ABOUT EUROPEAN UNIFICATION.
MRS. MESTA WAS ASKED WHETHER SHE THOUGHT PLANS TO UNITE EUROPE WOULD SUCCEED.
"I AM VERY OPTIMISTIC ABOUT THAT. I DO," SHE REPLIED.
WEST INTERRUPTED TO ASSERT THAT PRESIDENT TRUMAN SEVERAL TIMES SAID HE APPROVED OF PLANS TO UNITE EUROPE, BUT ADDED, HOWEVER, IT WAS NOT FOR AN AMERICAN TO SAY ONE PLAN IS BETTER THAN ANOTHER. HE SAID IT WAS SIMPLY THE OBJECTIVE THAT THE UNITED STATES APPROVES.
"THAT'S PERFECTLY RIGHT," SAID MRS. MESTA.
THE WELL-KNOWN WASHINGTON HSTESS WAS ASKE

AUG 24 1949

SIMPLY THE OBJECTIVE THAT THE UNITED STATES APPROVES.
"THAT'S PERFECTLY RIGHT," SAID MRS. MESTA.
THE WELL-KNOWN WASHINGTON HOSTESS WAS ASKED WHEN SHE WOULD HOLD HER FIRST PARTY HERE.
"THIS IS A PARTY," SHE TOLD THE NEWSMEN. "WHENEVER YOU GET PEOPLE TOGETHER, IT'S A PARTY."
IT WAS THEN POINTED OUT THAT DIPLOMATIC PROCEDURE REQUIRES THERE BE NO FORMAL ENTERTAINING UNTIL MRS. MESTA HAS PRESENTED HER CREDENTIALS TO GRAND DUCHESS CHARLOTTE, RULER OF THE LITTLE COUNTRY.
THE GRAND DUCHESS LEFT HERE LAST SATURDAY TO SPEND TWO TO FOUR WEEKS IN BRITAIN WHERE SHE HAS AN ESTATE. THE LUXEMBOURGERS CAREFULLY EXPLAINED THAT NO SLIGHT WAS INTENDED TO MRS. MESTA, SINCE THE GRAND DUCHESS USUALLY WENT TO BRITAIN AT THIS SEASON.
WB916PED

THE HAGUE, AUG. 24-(AP)-THE ROUND TABLE CONFERENCE ON INDONESIA IS MEETING IN "GREAT HARMONY," A CONFERENCE ANNOUNCEMENT SAID TODAY.
THE STEERING COMMITTEE HAS CLEARED THE DECKS FOR ACTION BY DIVIDING THE TASKS AMONG FIVE COMMITTEES WHICH WILL GET DOWN TO WORK FRIDAY. THEY ARE POLITICAL AND CONSTITUTIONAL, FINANCIAL AND ECONOMIC, MILITARY, CULTURAL AND SOCIAL.
THE CENTRAL COMMITTEE, WHICH INCLUDES TOP DEVEGATION LEADERS, MET BEHIND CLOSED DOORS. DR.J.H.VAN MAARSEVEEN, DUTCH MINISTER FOR OVERSEAS TERRITORIES, PRESIDED.
ATTENDING TODAY'S MEETING WERE LEADERS OF THE NETHERLANDS, INDONESIAN REPUBLICAN AND INDONESIAN FEDERALIST GROUPS AND MEMBERS OF THE UNITED NATIONS COMMITTEE FOR INDONESIA.
A COMMUNIQUE AFTER THE MEETING SAID THE SENTIMENT UNANIMOUSLY EXPRESSED WAS THAT "THE CONFERENCE HAS STARTED IN GREAT HARMONY" AND DELEGATES "FULLY TRUST IT WILL HAVE A SMOOTH COURSE IF CONTINUED IN THIS SPIRIT."
VS926PED

BERLIN, AUG.24-(AP)-KARL HEINZ SCHOLZ, LEADER OF THE NEW FREE COMMUNIST PARTY, WAS ARRESTED BY FRENCH MILITARY POLICE TODAY FOR "ILLEGAL POLITICAL ACTIVITY" IN THE FRENCH ZONE OF GERMANY.
THE 41-YEAR-OLD VETERAN GERMAN COMMUNIST AND ANTI-HITLER UNDERGROUND CAMPAIGNER, FOUNDED HIS NEW PARTY ONLY TWO DAYS AGO. SCHOLZ'S SLOGAN IS "TO FIGHT IMPERIALIST BOLSHEVISM."
HE WILL APPEAR BEFORE A FRENCH MILITARY COURT ON FRIDAY, CHARGED WITH UNLICENSED POLITICAL ACTIVITY. THE FRENCH SAID HIS APPLICATION FOR A LICENSE HAD NOT REACHED THE ALLIED OR THE WEST BERLIN CITY GOVERNMENT.
WB822PED

AUG 24 1949

frankfurt, germany, aug. 24 - (AP) - an f-80 jet fighter plane - one of four american airforce fighters ~~xxxx~~ caught in a severe thunderstorm -- was reported missing tonight.

the group of jet fighters was on a training flight from ~~xxxxx~~ champino, ~~xxxxxxxxxxxxxxxxxx~~/italy, when it encountered the storm over southern germany.

one pilot bailed out and landed safely near augsburg, germany, u. s. airforce headquarters in wiesbaden reported. another plane landed safely at the u. s. airbase at fuerstenfeldbruck, germany. the third plane turned back and landed safely at ~~xxxxxxx~~ champino.

the pilot who bailed out was identified at airforce headquarters as ~~xxxxxxx~~ second lieutenant harold wallace, of 345 west point street, roanoke, ala. none of the other three was identified.

AUG 24 1949

"WE SEE IN THIS ORDER A FLAGRANT ATTEMPT AGAINST FREEDOM OF THE PRESS GUARANTEED BY THE CONSTITUTION," THE PAPER'S ANNOUNCEMENT SAID.

THE STORY IN QUESTION QUOTED MILITARY GOVERNMENT OFFICIALS AS CRITICIZING FINDINGS OF A STATE GOVERNMENT INQUIRY INTO THE CASE OF FRITZ DIETZ. DIETZ, FORMER HEAD OF THE HESSE STATE FOOD RATIONING OFFICE, WAS CLEARED BY THE INQUIRY OF USING HIS OFFICIAL POSITION FOR PRIVATE PROFIT.

THE PAPER'S HEADLINE SAID "MILITARY GOVERNMENT AGAINST DIETZ INQUIRY REPORT."

IT WAS DIETZ WHO OBTAINED THE COURT ORDER AGAINST THE NEWSPAPER.

TA1019PED

AUG 24 1949

AT HIS NEWS CONFERENCE YESTEGDAY ADENAUER PREDICTEDMTHE ALLIES WILL SOON BEGIN TO CONSULT THE NEW GERMAN GOVERNMENT ON QUESTIONS WHICH THE ALLIES USED TO DECIDE WITHOUT CONSULTING GERMANS.

HE SAID "THE ALLIES ARE NOW NEGOTIATING THE QUESTION WHETHER GERMANY SHOULD BE DEFENDED ON THE ELBE RIVER (WEST BORDER OF THE RUSSIAN ZONE) OR ON THE RHINE (NEAR GERMANY'S WESTERN BORDER."

"THIS DECISION INVOLVES THE FATE OF 45,000,000 GERMANS," HE SAID. "THEREFORE A WEST GERMAN GOVERNMENT WILL HAVE TO TRY TO COME IN CONTACT WITH THE ALLIED GOVERNMENTS. I CAN NOT IMAGINE THAT THE ALLIES WOULD SIMPLY BYPASS THE GERMAN GOVERNMENT ON SUCH A DECISIVE MATTER."

SJ532PED

bonn, germany, aug. 24 - (AP) - dr. konrad adenauer, who was president of the bonn parliamentary convention which wrote the new west german republic's constitution, will become chancellor (premier) of the republic, he said last night.

the 73-year-old adenauer, chairman of the christian democratic party, said the coalition government his party would form would maintain a free economy, without socialism.

party participants in the coalition cabinet have not

AUG 24 1949

been selected, he said. indications are, however, that adenauer's conservative group will call in the free democrats and the extreme right wing german party, leaving the socialist democrats outside as the principal opposition.

dr. adenauer, a catholic, was born in rheindorf-on-the-rhine, may 5, 1876. he received his law degree at the university of bonn. he was elected lord mayor of cologne in 1917 and held the post for 16 years. he was president of the prussian state council for 13 years during the hitler regime, a gestapo agent was assigned to watch dr. adenauer, and in 1944, following the unsuccessful revolt against hitler, he and his wife were imprisoned both finally were released but required to report to the gestapo regularly.

30.24- 5239

after world war II he helped to found the christian democratic party.

a tall, lean, clean-shave , sedate and courteous man, dr. adenauer was married twice, both wives died. he has seven children. he still lives in his own small cottage at his birthplace. gardening is his hobby.

AUG 24 1949

FRANKFURT, GERMANY, AUG 24-(AP)-A TWO-SEATER U.S. ARMY OBSERVATION PLANE CRASHED ON A TAKE-OFF YESTERDAY AT ODENBURG NEAR NUERNBERG, KILLING THE PILOT, INJURING AN ARMY OFFICER PASSENGER AND SETTING FIRE TO THREE CIVILIAN HOUSES, THE ARMY ANNOUNCED TODAY.

NAME OF THE PILOT WAS WITHHELD.

LT. THOMAS B.JOHNSTON, OF 3817 EAST 15TH COURT, TULSA, OKLA., RIDING IN THE PLANE AS AN OBSERVER, WAS TAKEN TO AN ARMY HOSPITAL WITH SECOND AND THIRD DEGREE BURNS.

THE ARMY SAID THE PLANE, ON A ROUTINE TRAINING MISSION, FAILED TO CLEAR OBSTRUCTIONS AT THE END OF A LANDING STRIP. IT STRUCK A TREE AND BURST INTO FLAMES. NO CASUALTIES WERE REPORTED IN THE HOUSES THAT WERE SET AFIRE.

ME903AED

AUG 24 1949

FIRST LEAD MANSTEIN

HAMBURG, GERMANY, AUG. 24-(AP)-COUNSEL FOR ERICH VON MANSTEIN SAID TODAY RUSSIA'S FORCED LABOR PRACTICES WILL BE CITED IN DEFENSE OF THE FORMER GERMAN FIELD MARSHAL WHO IS ON TRIAL FOR WAR CRIMES BEFORE A BRITISH MILITARY TRIBUNAL.

THE 17 WAR CRIMES CHARGES AGAINST VON MANSTEIN INCLUDE ACCUSATIONS THAT HE ILLEGALLY COMPELLED RUSSIANS TO DO FORCED LABOR.

"OUR LINE WILL BE THAT NO NATION CAN COMPLAIN OF PRACTICES WHICH SHE HERSELF CARRIES OUT," DEFENSE ATTORNEY R.T.PAGET SAID. HE CONTENDED SUCH A JUDGMENT WAS GIVEN AT THE NUERNBERG INTERNATIONAL TRIBUNAL REGARDING SUBMARINE WARFARE.

EARLY THIS MONTH A BRITISH DELEGATE TO THE UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL AT GENEVA, SWITZERLAND, CHARGED THAT ABOUT 10,000,000 PERSONS HAVE BEEN SENT TO FORCED LABOR CAMPS IN RUSSIA FOR POLITICAL DIFFERENCES WITH THEIR GOVERNMENT. THE DELEGATE, CORLEY SMITH, CHARGED THAT RUSSIA HAS ORGANIZED SLAVE LABOR ON A MASS PRODUCTION BASIS.

VON MANSTEIN PLEADED INNOCENT TO THE CHARGES AGAINST HIM. THE READING OF THE 39-PAGE INDICTMENT BEGAN AT THE OPENING OF HIS TRIAL YESTERDAY BUT WAS NOT COMPLETED UNTIL TODAY BECAUSE OF INTERRUPTIONS CAUSED BY LEGAL ARGUMENT.

THE PROSECUTOR, SIR ARTHUR COMYNS-CARR, SAID IN HIS OPENING ADDRESS THAT THE PROSECUTION WOULD PRODUCE CAPTURED GERMAN DOCUMENTS WHICH WOULD GIVE A "TERRIBLY VIVID PICTURE OF WHAT WENT ON" IN VON MANSTEIN'S VARIOUS COMMANDS IN POLAND AND RUSSIA.

THE 61-YEAR-OLD FORMER WEHRMACHT OFFICER IS CHARGED WITH WAR CRIMES ALLEGEDLY COMMITTED WHILE HE SERVED IN VARIOUS HIGH COMMANDS IN POLAND AND RUSSIA DURING WORLD WAR II.

THE CHARGES INCLUDE MASS EXTERMINATION OF JEWS; ATROCITIES AGAINST POLISH CIVILIANS AND WAR PRISONERS; FORCIBLY EMPLOYING RUSSIAN WAR PRISONERS ON WORK CONNECTED WITH MILITARY OPERATIONS AND FORCIBLY RECRUITING THEM TO FIGHT AGAINST THE SOVIET ARMY.

M802AED

NIGHT LEAD MANSTEIN (200)

BY GEORGE BOULTWOOD

HAMBURG, GERMANY, AUG.24-(AP)-FORMER GERMAN FIELD MARSHAL ERICH VON MANSTEIN TODAY WAS DESCRIBED AS A WILLING TOOL OF HITLER IN THE MASS EXTERMINATION OF NAZI VICTIMS DURING WORLD WAR II.

PROSECUTOR SIR ARTHUR COMYNS-CARR TOLD A SEVEN-MAN BRITISH WAR CRIMES TRIBUNAL VON MANSTEIN WAS "CRIMINALLY RESPONSIBLE" FOR CARRYING OUT THE HUMAN EXTERMINATION POLICY IN POLAND AND RUSSIA.

"THE ACCUSED GAVE HIMSELF UNSPARINGLY FOR ALMOST FIVE YEARS OF HITLER'S CAMPAIGNS TO THE SERVICE OF THIS BARBAROUS (EXTERMINATION) POLICY AND WAS ONE OF ITS PRINCIPAL EXECUTANTS," SAID THE PROSECUTOR.

IF VON MANSTEIN HAD OBJECTED TO THE "ILLEGAL AND BRUTAL ORDERS" HE RECEIVED, HE MIGHT HAVE GOT HIS OWN WAY, SIR ARTHUR SAID.

VON MANSTEIN PLEADED INNOCENT TO A 17-COUNT INDICTMENT COVERING 243 INCIDENTS IN WHICH AN ESTIMATED 500,000 POLES AND RUSSIANS, BOTH SOLDIERS AND CIVILIANS, WERE SLAUGHTERED BY TROOPS UNDER VON MANSTEIN'S COMMAND. MANY OF THE VICTIMS DIED DURING THE PERIOD WHEN THE VICTORIOUS VON MANSTEIN WAS PROMOTED TO FIELD MARSHAL FOR HIS CONQUEST OF THE CRIMEA.

SIR ARTHUR SAID THE DEFENDANT NOT ONLY FAILED TO PREVENT HIDEOUS ATROCITIES DURING THE NAZI INVASION OF POLAND, BUT ADDED SUPPLEMENTARY ORDERS OF HIS OWN THAT MADE MATTERS WORSE FOR THE VICTIMS.

VON MANSTEIN'S COUNSEL, R.T. PAGET, INDICATED HE WOULD CITE RUSSIA'S FORCED LABOR PRACTICES AND ARGUE THAT NO NATION CAN COMPLAIN ABOUT PRACTICES IT CARRIES OUT ITSELF.

LS308PED NM

AUG 24 1949

BONN, GERMANY, AUG. 24-(AP)-DR. KONRAD ADENAUER, PRESIDENT OF THE PARLIAMENTARY CONVENTION WHICH WROTE THE NEW WEST GERMAN REPUBLIC'S CONSTITUTION, WILL BECOME CHANCELLOR (PREMIER) OF THE REPUBLIC, HE SAID LAST NIGHT.

THE 73-YEAR-OLD ADENAUER, CHAIRMAN OF THE CHRISTIAN DEMOCRATIC PARTY, SAID PARTY PARTICIPANTS IN THE COALITION CABINET HAVE NOT BEEN SELECTED. INDICATIONS ARE, HOWEVER, THAT ADENAUER'S CONSERVATIVE GROUP WILL CALL IN THE FREE DEMOCRATS AND THE EXTREME RIGHT WING GERMAN PARTY, LEAVING THE SOCIAL DEMOCRATS OUTSIDE AS THE PRINCIPAL OPPOSITION.

DR. ADENAUER, A CATHOLIC, WAS BORN IN RHINDORF-ON-THE-RHINE, MAY

5, 1876. HE RECEIVED HIS LAW DEGREE AT THE UNIVERSITY OF BONN. HE WAS ELECTED LORD MAYOR OF COLOGNE IN 1917 AND HELD THE POST FOR 16 YEARS. HE WAS PRESIDENT OF THE PRUSSIAN STATE COUNCIL FOR 13 YEARS.

DURING THE HITLER REGIME, A GESTPO AGENT WAS ASSIGNED TO WATCH DR. ADENAUER, AND IN 1944, FOLLOWING THE UNSUCCESSFUL REVOLT AGAINST HITLER, HE AND HIS WIFE WERE IMPRISONED. BOTH FINALLY WERE RELEASED BUT WERE REQUIRED TO REPORT TO THE GESTAPO REGULARLY.

AFTER WORLD WAR II HE HELPED TO FOUND THE CHRISTIAN DEMOCRATIC PARTY.

TALL, LEAN, CLEAN-SHAVEN AND SEDATE, ADENAUER WAS MARRIED TWICE. BOTH WIVES DIED. HE HAS SEVEN CHILDREN. HE STILL LIVES IN HIS OWN SMALL COTTTAGE AT HIS BIRTHPLACE. GARDENING IS HIS HOBBY.

JR413AED

AUG 24 1949

BELGRADE, AUG. 24-(AP)-YUGOSLAVIA DENIED OFFICIALLY TONIGHT ANY PART IN A PURPORTED PLOT TO CARVE UP LITTLE NEIGHBORING ALBANIA UNDER AN AGREEMENT BY WHICH IT WOULD ACQUIRE PART OF THE TERRITORY WITH THE BALANCE GOING TO GREECE.

IN A STATEMENT ISSUED THROUGH THE MINISTRY OF INFORMATION, MARSHAL TITO'S GOVERNMENT SAID IT WANTED NO PART OF ALBANIA'S TERRITORY AND THAT ON THE CONTRARY, IT HAS PROTECTED ALBANIA'S INTERESTS IN THE PAST IN INTERNATIONAL AFFAIRS.

THE STATEMENT WAS ISSUED IN RESPONSE TO A NOTE OF PROTEST DELIVERED ABOUT "SUPPOSED PROVOCATIONS" BY YUGOSLAV BORDER PATROLS ON ALBANIA'S NORTHERN BOUNDARY.

THE YUGOSLAV STATEMENT FLATLY DENIED THESE CHARGES. IT SAID THE BORDER INCIDENTS HAVE BEEN THE RESULT OF ALBANIA'S ATTEMPT TO STIR UP TROUBLE AT THE DIRECTION OF THE RUSSIAN-DOMINATED COMINFORM.

YUGOSLAVIA CONDEMNED THE "MONARCHO-FASCIST PROVOCATIONS AND ALL ATTEMPTS TO INTRODUCE UNCERTAINTY AND UNREST IN THIS PART OF EUROPE, AS WELL AS ALL ATTEMPTS AT INTERFERENCE IN ALBANIA'S INTERNAL AFFAIRS."

"IN THIS WAY," THE STATEMENT ADDED, "YUGOSLAVIA IS SHOWING THAT IN HER RELATIONS WITH NEIGHBORING COUNTRIES SHE IS GOVERNED BY PRINCIPLES WHICH WERE TRAMPLED UPON BY THE INITIATORS OF THE SLANDEROUS HUE AND CRY AGAINST YUGOSLAVIA."

THIS WAS A DIRECT REFERENCE TO THE COMINFORM'S ANTI-TITO CAMPAIGN AND PERHAPS A BID FOR SUPPORT AMONG YUGOSLAVIA'S NEIGHBORS IN ITS OWN COUNTER-CAMPAIGN FOR EQUAL RIGHTS AMONG ALL COMMUNIST COUNTRIES.

THE STATEMENT ADDED: "WHILE TRYING TO PUT THE BLAME FOR THE SITUATION IN ALBANIA UPON YUGOSLAVIA AND LYING ABOUT YUGOSLAVIA'S "SPLANS' FOR A DIVISION OF ALBANIA, IT ONLY GOES TO SHOW THAT THE COMINFORM LEADERS ARE THEMSELVES NURTURING SIMILAR CHAUVINISTIC DESIGNS FOR VARIOUS KINDS OF DIVISIONS AND SPHERES OF INTERESTS -- ESPECIALLY IN RELATION TO YUGOSLAVIA."

SJ6PED

AUG 24 1949

BELGRADE--FIRST ADD YUGOSLAV (A90) X X X PRESENT STAGE.

RED FLAG, ORGAN OF THE SERBIAN COMMUNIST PARTY, PRESENTED NEW EVIDENCE TODAY OF THE STERN MEASURES WHICH YUGOSLAVIA HAS TAKEN TO COMBET UNRULY PRO-COMINFORM GROUPS WITHIN HER BORDERS.

THE MAGAZINE FURNISHED FOR THE FIRST TIME A REPORT ON THE SITUATION MADE BY PETER STAMBOLICH, PREMIER OF SERBIA, TO THE SERBIAN COMMUNIST CENTRAL COMMITTEE ON MAY 30.

HE SAID AN UNSPECIFIED NUMBER OF COMMUNIST PARTY MEMBERS--PARTICULARLY IN THE AGRICULTURAL DISTRICT OF ZAJECHAR NEAR THE BULGARIAN BORDER-- HAD BEEN EXPELLED FROM THE PARTY FOR SUPPORTING AN ANTI-TITO COMINFORM RESOLUTION.

STAMBOLICH SAID SOME OF THE DISSIDENTS HAD SHIFTED TO ANOTHER DISTRICT TO CARRY ON THEIR WORK AND SUBSEQUENTLY HAD FLED TO BULGARIA AFTER DETECTION.

IT WAS THE SECOND OFFICIAL REPORT ON ACTION WITHIN YUGOSLAV COMMUNIST PARTY RANKS TO REMOVE PRO-SOVIET FACTIONS. PREVIOUSLY THE CROATIAN COMMUNIST PARTY DISCLOSED THE EXPULSION OF MORE THAN 1,700 MEMBERS. SERBIA AND CROATIA ARE PARTS OF YUGOSLAVIA.

B1007AED

PRINCES

Prague, Aug. 24--(ap)--Czechoslovakia's government today purged the[r]

of fairy tales from school children's books and replaced them with a new

[hero]--communist president Klement Gottwald.

The acti n was announced by Bohumir Kujal, chairman of a government

editorial committee which prepared new text books for the nation's

educati nal system.

AUG 24 1949

Addressing a school conference, Kujal said: "Our youth is to

form a permanent outlook on life according to the [redacted]

Marxist-Leninist teaching." He added that "our children shall no longer

find their examples in the princes of fairy stories."

spr/kasischkes 1605s/thd/1210p

30.24- 5241

BY FRED HAMPSON

SHANGHAI,AUG.24-(AP)-A NUMBER OF FOREIGN FIRMS ARE TRYING TO REDUCE THEIR STAFFS AND GET THEM OUT OF SHANGHAI, IT WAS LEARNED TODAY.

AUG 24 1949

THEY FEAR FOREIGN EMPLOYES MAY BE FORCIBLY DETAINED AS A METHOD OF FORCING HEAD OFFICES ABROAD TO SEND MORE MONEY INTO CHINA TO MEET PAYROLLS OR DEMANDS FOR SEVERANCE PAY.

SOME CONCERNS WERE REPORTED TRYING TO GET OUT ALL THEIR FOREIGN NATIONALS. OTHERS WERE REPORTED TRYING TO CLOSE DOWN ENTIRELY.

NONE WOULD ADMIT SUCH PLANS, PROBABLY BECAUSE THEY FEARED PUBLICITY WOULD HASTEN THE LABOR CRISIS. UNEMPLOYMENT IS GROWING IN SHANGHAI.

THERE HAS BEEN A STEADY FLOW OF RUMORS THE NATIONALIST BLOCKADE WOULD BREAK SOON, OR THAT ENOUGH TRADE WOULD BE RESUMED TO EASE THE SITUATION.

SO FAR, HOWEVER, NO SHIPPING OF ANY IMPORTANCE HAS APPEARED. THE ONLY SHIP SCHEDULED INTO SHANGHAI IN THE FORESEEABLE FUTURE IS THE AMERICAN PRESIDENT LINES GENERAL GORDON. IT IS COMING NEXT MONTH UNDER A SPECIAL PERMIT TO TAKE OUT FOREIGNERS.

THE CASE OF THE AMERICAN-OWNED SHANGHAI POST AND MERCURY REMAINED IN A IMPASSE DESPITE A HEARING YESTERDAY BEFORE THE COMMUNIST LABOR BOARD.

THE NEWSPAPER WAS CLOSED JUNE 15 BY LABOR TROUBLE AND BECAUSE EDITOR RANDALL GOULD FELT A FREE, AMERICAN-TYPE NEWSPAPER COULD NO LONGER OPERATE IN SHANGHAI.

GOULD SAID THE BOARD MADE NO RULING IN HIS CASE, BUT TOLD HIM WAGES MUST BE PAID PENDING A SETTLEMENT. GOULD REPLIED THE PAPER HAD NO MORE FUNDS AND HE NOW IS TRYING TO SELL NEWSPRINT AND MACHINERY TO RAISE MONEY TO SETTLE CLAIMS OF HIS WORKERS. THEY ARE DEMANDING SEVERANCE PAY WHICH AMOUNT TO ABOUT $80,000 U.S.

HH802PCS

CANTON--FIRST ADD SECOND NIGHT LEAD CHINESE (A116KX) X X X COMMUNISTS.

IF THERE HAD BEEN NO COMMUNIST REBELLION AT THE END OF WORLD WAR II, CHIANG SAID, CHINA'S POSITION AMONG THE NATIONS OF THE WORLD WOULD NOW BE HIGH.

"AT THIS HOUR OF LIFE AND DEATH OF OUR NATIONALIST EXISTENCE X X X I APPEAL TO THE PEOPLE OF OUR AREAS TO FIGHT TO THE BITTER END."

SINCE THE REDS CROSSED THE YANGTZE RIVER IN APRIL, HE CONTINUED, THEY HAVE BEEN CONFRONTED WITH EVER INCREASING DIFFICULTIES.

HE SAID THEIR MORALE WAS DECLINING AND THEIR POLITICAL POSITION WAS FADING. HE ATTRIBUTED THIS TO THE COMMUNISTS' TROUBLES IN OPERATING SUCH BIG CITIES AS SHANGHAI AND NANKING.

"THE COMMUNISTS HAVE UNMASKED THEMSELVES AS INTERNATIONAL AGENTS," THE NATIONALIST LEADER SAID.

"THEY ARE BREAKING UP CHINA'S FAMILY SYSTEM X X X. THEY ARE ABANDONING OUR HISTORY AND CULTURE, AND WRECKING OUR COMMERCE AND INDUSTRY.

"THAT'S WHY TENS OF THOUSANDS OF PEOPLE IN THE COMMUNIST-HELD AREAS ARE RISING UP EVERYWHERE TO FIGHT AGAINST THEM."

AUG 24 1949

(IN TWO DAYS OF FEVERISH ACTIVITY IN CANTON, CHIANG APPEARS TO HAVE THROWN OFF ALL PRETENSE OF RETIREMENT AND AGAIN SEEMS TO BE ACTIVELY DIRECTING THE CIVIL WAR. HE RETIRED LAST YEAR IN FAVOR OF LI TSUNG-JEN, WHO STILL IS ACTING PRESIDENT OF CHINA.)

CHIANG'S DECISION TO FLY TO CHUNGKING WAS SUDDEN. HE CANCELLED A DEFENSE COUNCIL MEETING WHICH HAD BEEN SCHEDULED FOR TODAY.

THE WARLORDS OF SZECHWAN PROVINCE, IN WHICH CHUNGKING IS LOCATED, ARE KNOWN TO BE EAGER TO KEEP THEIR DOMAINS INTACT, EVEN AT THE COST OF AN UNDERSTANDING WITH THE REDS TO REMAIN NEUTRAL IN THE CIVIL WAR.

THEY HAVE QUARRELED WITH GEN. CHANG CHUN, COMMANDER IN THE SOUTHWEST, AND THERE ARE RUMORS CHANG WANTS TO RESIGN. CHIANG WANTS HIM TO STAY ON THE JOB.

POLITICAL QUARTERS HERE BELIEVE FEELERS TO THE SZECHWANESE WARLORDS ALREADY HAVE BEEN PUT OUT BY TENG PAO-SHAN. HE IS THE FORMER NATIONALIST GENERAL WHO HELPED TO ARRANGE THE SURRENDER IN NORTH CHINA.

THE QUESTION OF THE NORTHWEST GENERALS' SQUABBLE IS ALSO LINKED WITH THE WESTERN WARLORDS.

MOSLEM GENERALS MA PU-FANG AND MA HUNG -KWEI, ARE SUPPOSED TO BE ANGRY WITH GEN. HU TSUNG-NAN, WHO ONLY TODAY WAS NAMED COMMANDER OF NATIONALIST FORCES BORDERING ON THE MAS' NORTHWEST FRONT.

THE TWO MOSLEMS ARE REPRESENTED AS AGGRIEVED BECAUSE HU FAILED TO ATTACK THE COMMUNISTS ON THE FLANKS WHEN THE REDS INVADED THE NORTHWEST PROVINCE OF KANSU.

ON THE OTHER HAND, THE SZECHWANESE WARLORDS DON'T WANT HU TO ATTACK. THEY ARE AFRAID THE REDS WILL DRIVE HIM INTO SZECHWAN AND UPSET THEIR BALANCE OF POWER.

THE ONLY NEWS OF FIGHTING CAME FROM THE NORTHWEST FRONT. GEN. MA PU-FANG, WHO IS THE NORTHWEST COMMANDER, MESSAGED THAT HIS CAPITAL OF LANCHOW STILL WAS STANDING FIRM. HE SAID THE ATTACKING REDS WERE WEARY AND SHORT OF FOOD.

A SPOKESMAN FOR MA IN CANTON ASSERTED ONE ATTACKING RED ARMY HAD BEEN ALMOST WIPED OUT AND ANOTHER WAS BADLY CRIPPLED. AN APPEAL WAS SENT TO CANTON TO FLY AMMUNITION TO LANCHOW.

THE FRONT NORTHEAST OF CANTON, WHERE RED FORCES LAST WERE ABOUT 170 MILES FROM THE CITY, REMAINED QUIET, THE MINISTRY OF NATIONAL DEFENSE REPORTED.

A SPOKESMAN SAID THE COMMUNISTS STILL WERE WITHDRAWING ON THE FRONT NORTH OF CANTON, BUT CONCEDED IT WASN'T UNDER NATIONALIST PRESSURE. THAT FRONT ALSO HAS BEN QUIET SINCE THE NATIONALISTS PUSHED BACK RED ATTACKS EAST AND WEST OF HENGYANG, 265 MILES NORTH OF CANTON.

?/FJ825PCS

RANGOON, BURMA, AUG. 24-(AP)-THE BURMESE ARMY ANNOUNCED TODAY ITS PLANES HAVE BOMBED AND STRAFED REBEL KAREN STRONGHOLDS AND SUPPLY DEPOTS NEAR TAUNGGYI, SOUTHERN SHAN STATE CAPITAL.

THE ANNOUNCEMENT SAID OTHER GOVERNMENT FORCES, AFTER SEVERE FIGHTING, DROVE KAREN UNITS FROM SEIKKYI, A SOUTHEAST COASTAL TOWN. THERE 1,000 MEN AND WOMEN WERE LIBERATED FROM A CONCENTRATION CAMP BY GOVERNMENT FORCES, THE STATEMENT SAID.

ELSEWHERE ON THE SOUTHEAST COAST 20 COMMUNISTS WERE KILLED AND 10 WOUNDED IN A CLASH WITH GOVERNMENT TROOPS, THE ARMY ANNOUNCED.

FD1127AED

AUG 24 1949

BATAVIA, JAVA, AUG 24-(AP)-THE DUTCH GUILDER DROPPED IN VALUE ON THE BLACK MARKET HERE TODAY AS INDONESIAN LEADERS DISCUSSED THE FUTURE OF THEIR ISLANDS AT A ROUNDTABLE CONFERENCE IN THE HAGUE.

FOR THE FIRST TIME THE RED AND WHITE FLAG OF THE INDONESIAN REPUBLIC WENT UP IN MANY PLACES AROUND BATAVIA. THE LEGALIZING OF THE REVOLUTIONARY COLORS WAS A CONCESSION MADE BY THE DUTCH AT THE OPENING OF THE HAGUE TALKS.

OFFICIALS WERE UNABLE TO EXPLAIN THE DEVALUATION OF THE GUILDER. MOST OF THEM SAID IT HAD NOTHING TO DO WITH THE ROUNDTABLE CONFERENCE WHICH IS EXPECTED TO GIVE THE INDONESIANS SOVEREIGNTY OVER THE EAST INDIES ISLANDS THE DUTCH HAVE RULED FOR 300 YEARS.

SOME OFFICIALS SAID THE DECLINE OF THE GUILDER WAS CONNECTED WITH MARKET CHANGES IN OTHER PARTS OF THE ORIENT. OTHERS CONTENDED IT WAS MERELY DUE TO AN UNUSUALLY LARGE NUMBER OF PERSONS DUMPING GUILDERS LOCALLY.

ON THE BLACK MARKET THE DOLLAR BROUGHT 24 GUILDERS. THIS CONTRASTED WITH THE OFFICIAL RATE OF 2.65 GUILDERS TO THE DOLLAR. UNTIL TWO WEEKS AGO THE AVERAGE OPEN RATE FOR THE PAST FOUR YEARS HAS BEEN 15 GUILDERS TO THE DOLLAR.

AUG 24 1949

ME923AED

ALEXANDRIA, EGYPT, AUG. 24-(AP)-GEN. NURI PASHA EL SAID, PREMIER OF IRAQ, SAID TODAY HIS COUNTRY DOES NOT INTEND TO IMPOSE ANY FORM OF A "GREATER SYRIA" PLAN ON OTHER ARAB STATES.

IN A WRITTEN STATEMENT TO THE PRESS THE VETERAN IRAQI MILITARY AND POLITICAL LEADER EXPRESSED IRAQ'S DESIRE TO FOSTER INTRA-ARAB COLLABORATION.

NURI PASHA GAVE THIS ASSURANCE AFTER A CAIRO NEWSPAPER HAD QUOTED KING ABDULLAH, RULER OF THE OTHER HASHEMITE KINGDOM, JORDAN, AS SAYING IN LONDON THAT "A GREATER SYRIA WILL BE FORMED." THE PAPER QUOTED ABDULLAH AS SAYING SUCH AN AREA, "RULED BY HASHEMITES, X X X IS A NATURAL THING AND NOTHING CAN OPPOSE ITS REALIZATION."

THE "GREATER SYRIA" PLAN, WHICH FIRST CAME INTO LIFE IN 1918-19 AFTER THE COLLAPSE OF THE TURKISH EMPIRE, ENVISAGES A FEDERATION OF SYRIA, ARAB PALESTINE, IRAQ, JORDAN AND PARTS OF LEBANON UNDER HASHEMITE RULE. IT IS OPPOSED BY EGYPT, SYRIA, LEBANON AND SAUDI ARABIA.

WHEN THE TURKVSH EMPIRE BROKE UP, EMIR HUSSEIN, HEAD OF THE PRINCELY HASHEMITE FAMILY, STROVE TO BECOME THE SOVEREIGN OF AN ARAB KINGDOM COMPRISING AREAS INCLUDED IN THE "GREATER SYRAIA" PLAN.

HUSSEIN DIED WITH HIS DREAM UNFULFILLED, BUT HIS PROJECT REMAINED CLOSE TO THE HEARTS OF HIS TWO SONS -- FEISAL, NOW DEAD, WHO BECAME KING OF IRAQ, AND ABDULLAH.

LAST MAY 24, ABDULLAH TOLD HIS ARMY, THE ARAB LEGION, HE INTENDED TO CARRY OUT HIS FATHER'S PLAN FOR A UNITED ARAB KINGDOM.

SJ527PED

GUAM, AUG. 24-(AP)-AN AIR FORCE C-47 CRASHED AND BURNED ON A TAKEOFF FROM GUAM TODAY. ALL NINE MEN ABOARD WALKED AWAY FROM THE WRECKAGE UNINJURED.

THE TWIN-ENGINED TRANSPORT'S LEFT ENGINE FAILED. MAJ. MILBURN L.RICHARDS, 262 MARYLAND, MEMPHIS, TENN., WAS AT THE CONTROLS.

THE PLANE CARRIED A CREW OF SIX AND THREE PASSENGERS. IT WAS ASSIGNED TO THE 19TH BOMBARDMENT WING.

AUG 24 1949

WR1233APS

WHILE STATEMENTS ISSUED AT TODAY'S CEREMONY EMPHASIZED AS THE PRESIDENT DID THE GREATER SECURITY WHICH MEMBER GOVERNMENTS EXPECT TO RESULT FROM THE ALLIANCE, A PARALLEL PROGRAM OF MILITARY ASSISTANCE RECOMMENDED BY THE TRUMAN ADMINISTRATION TO STRENGTHEN THE EUROPEAN ALLIES WAS HAVING SLOW GOING IN CONGRESS. OFFICIALS WERE STILL UNCERTAIN WHETHER THEY COULD EXPECT TO OBTAIN THE SUMS THEY ARGUED WERE NECESSARY TO BEGIN PROVIDING ADEQUATE DEFENSE FOR THE WESTERN EUROPEAN NATIONS. vast Adam program.

BONNET, SPEAKING FOR HIS GOVERNMENT, INDIRECTLY REFERRED TO THE ARMS PROGRAM IN A STATEMENT HE READ AT THE WHITE HOUSE BUT COUCHED HIS REMARKS IN TERMS OF "SELF HELP AND MUTUAL AID" WHICH ARE THE TERMS USED IN THE TREATY.

"THREATENING NO ONE," HE SAID, "BY IMPLEMENTING THE PRINCIPLE OF SELF HELP AND MUTUAL AID, THE SIGNATORY NATIONS WILL STRENGTHEN THEMSELVES TO THE POINT OF MAKING INVASION AND WAR IMPOSSIBLE IN THE ATLANTIC AREA, THUS HELPING EFFECTIVELY TO REALIZE THE IDEAL, TO ATTAIN THE LONGED FOR OBJECTIVE OF MANKIND; NAMELY, THE SAFEGUARDING OF WORLD PEACE."

ALONG WITH THE FRENCH RATIFICATION ACHESON ALSO RECEIVED THE RATIFICATIONS OF ITALY, PORTUGAL AND DENMARK. THOSE COMPLETED THE RATIFICATION NOTICES WHICH ALL 12 NATIONS HAD TO DEPOSIT WITH THE STATE DEPARTMENT, ALTHOUGH ONLY THE RATIFICATIONS OF THE ORIGINAL SEVEN DRAFTERS OF THE ALLIANCE WERE NECESSARY TO PUT IT IN FORCE. THE ORIGINAL SEVEN WERE THE UNITED STATES, CANADA, BRITAIN, BELGIUM, FRANCE, THE NETHERLANDS AND LUXEMBOURG. THE UNITED STATES HAD RATIFIED THE TREATY JULY 25 FOLLOWING SENATE APPROVAL ON JULY 21.

THE OTHER NATIONS WHICH JOINED THE ALLIANCE IN THE WEEKS IMMEDIATELY BEFORE THE TREATY WAS SIGNED HERE BY FOREIGN MINISTERS OF ALL 12 COUNTRIES ON APRIL 4, WERE NORWAY, DENMARK, ICELAND, PORTUGAL AND ITALY.

AUG 24 1949

MD509PED

30.24- 5243

NIGHT LEAD FIVE PERCENTERS

AUG 24 1949

BY ARTHUR EDSON

WASHINGTON, AUG. 24-(AP)-SENATORS HEARD TESTIMONY TODAY THAT AGAIN LINKED THE NAMES OF MAJ.GEN.HARRY VAUGHAN, THE PRESIDENT'S MILITARY AIDE, AND JOHN MARAGON.

THE TESTIMONY CAME FROM AN OLD WARTIME BUDDY OF VAUGHAN'S, JOE F. MAJOR, WHO SAID VAUGHAN GOT HIM HIS JOB WITH THE WAR ASSETS ADMINISTRATION.

MAJOR SAID MARAGON ASKED HIM TO WRITE A PERSUASIVE LETTER TO A NEW YORK FIRM, ASKING IT TO DO BUSINESS WITH GEORGE O.RAGNER OF PITTSBURGH.

MARAGON WAS REPRESENTING RAGNER AT THE TIME.

MAJOR SAID THAT MARAGON TOLD HIM THAT VAUGHAN WOULD SIGN THE LETTER.

MAJOR, WHO IS FROM KANSAS CITY, SAID HE SERVED BRIEFLY IN PRESIDENT TRUMAN'S OLD OUTFIT, BATTERY "D", AND THAT HE NOW WORKS FOR THE WAR ASSETS ADMINISTRATOR.

EVER SINCE 1918, HE SAID, HE HAS BEEN A CLOSE FRIEND OF GENERAL VAUGHAN, THE PRESIDENT'S MILITARY AIDE. MARAGON, A ONETIME KANSAS CITY SHOE SHINE BOY WHO HAS BECOME A MAN-ABOUT-WASHINGTON, ALSO LISTS VAUGHAN AS HIS FRIEND.

MAJOR TOLD THE SENATE INVESTIGATIONS SUBCOMMITTEE THAT HE GOT TWO BUSINESSMEN APPOINTMENTS WITH JAMES V.HUNT, THE WASHINGTON MANAGEMENT COUNSELLOR WHO HAS BEEN CALLED THE "MAIN STAR" OF THE FIVE PERCENTER INQUIRY.

BUT MAJOR INSISTED THAT IT WAS THE BUSINESSMEN'S IDEA, NOT HIS, THAT HUNT SHOULD BE CONSULTED.

IN ADDITION TO MAJOR, THE COMMITTEE ALSO HEARD FROM:

MAJ.GEN.HERMAN FELDMAN, SUSPENDED QUARTERMASTER GENERAL OF THE ARMY. FELDMAN ACKNOWLEDGED HE HAD HAD VARIOUS CONTACTS WITH HUNT, BUT INSISTED--AS HE DID IN A PREPARED STATEMENT YESTERDAY--THAT THERE WAS NOTHING WRONG IN WHAT HE DID.

LT.GEN.EDMUND B.GREGORY (RETIRED), FORMER HEAD OF THE WAR ASSETS ADMINISTRATION (WAA). GREGORY SAID IT WAS "IMPROPER" AND "UNETHICAL" FOR HUNT TO REPRESENT CLIENTS WHO WANTED TO BUY SURPLUS PROPERTY AND AT THE SAME TIME DRAW $50 A DAY FROM THE AGENCY IN CHARGE OF SELLING THIS SURPLUS PROPERTY.

THE SUBCOMMITTEE HEARING LOOKING INTO THE ACTIVITIES OF FIVE PERCENTERS--MEN WHO OFFER TO HELP LAND GOVERNMENT CONTRACTS IN RETURN FOR A PERCENTAGE FEE--IS SLOWLY REACHING A CLIMAX.

A26WX

CHAIRMAN HOEY (D-NC) SAID HE HOPES TO WIND IT UP THIS WEEK, AND GAVE REPORTERS THIS PROGRAM:

TOMORROW--EITHER MARAGON OR HUNT WILL BE ASKED TO TESTIFY. HUNT MAY NOT APPEAR, HOWEVER. HIS LAWYER HAS SAID HUNT IS ILL, AND THAT AN APPEARANCE BEFORE THE COMMITTEE WOULD IMPAIR HIS HEALTH.

FRIDAY--VAUGHAN.

MAJOR SAID THAT MARAGON CAME TO HIM A NUMBER OF TIMES ON BEHALF OF CLIENTS WHO WANTED TO BUY SURPLUS PROPERTY FROM THE GOVERNMENT.

AND, HE SAID, ON ONE OCCASION MARAGON ASKED HIM TO DRAFT A LETTER TO JOHNSON, DRAKE & PIPER, INC., NEW YORK.

THIS LETTER DESCRIBED RAGNER AS PRESIDENT OF THE CONSTRUCTION EQUIPMENT COMPANY OF PITTSBURGH.

THE LETTER SAID RAGNER WOULD CALL ON THE NEW YORK FIRM WITH REFERENCE TO MACHINE TOOLS TO BE USED IN THE GREEK REHABILITATION PROGRAM. RAGNER, IT SAID, HAD AN "EXCELLENT BACKGROUND"--AND WAS A MAN WHO COULD "BE OF GREAT SERVICE TO YOU."

WHO SIGNED THE LETTER?

"I CERTAINLY DIDN'T SIGN IT," SAID MAJOR.

"AS A MATTER OF FACT WASN'T THE LETTER PREPARED FOR HARRY VAUGHAN'S SIGNATURE?"

"I WOULD ASSUME SO," MAJOR REPLIED. "THAT'S WHAT I WAS TOLD BY JOHN MARAGON."

"WHO GOT YOU THE JOB IN WASHINGTON?" SENATOR MCCARTHY (R-WIS) ASKED.

"HARRY VAUGHAN," SAID MAJOR.

WILLIAM P.ROGERS, COMMITTEE COUNSEL, COMMENTED THAT DURING A CLOSED HEARING MARAGON HAD SAID HE NEVER HAD TALKED WITH MAJOR ABOUT ARRANGING PURCHASES FROM THE GOVERNMENT.

REPLIED MAJOR:

"I JUST GOT THROUGH TELLING YOU HE DID, MR.ROGERS."

ROGERS SAID THAT, IN ALL FAIRNESS, IT SHOULD BE POINTED OUT THAT "THERE IS NO INDICATION THAT MARAGON WAS GIVEN SPECIAL CONSIDERATION" BY THE WAA. IN SPITE OF ALL OF MARAGON'S TALKS WITH THE WAA, ROGERS SAID, ONLY ONE OF HIS CLIENTS EVER SIGNED A CONTRACT.

FELDMAN'S TESTIMONY WAS MAINLY A REITERATION OF WHAT HE SAID YESTERDAY.

HE MAINTAINED THAT HE DIDN'T REALIZE HUNT WAS A FIVE PERCENTER. AND WHEN MCCARTHY INSISTED THAT FELDMAN MUST HAVE KNOWN IT, FELDMAN REPLIED:

"I CERTAINLY DID NOT. I DEFINITELY DID NOT."

MCCARTHY WANTED TO KNOW WHAT FELDMAN THOUGHT HUNT ACTUALLY DID.

FELDMAN SAID HE REGARDED HUNT AS ONE WHO WORKED ON A CONTINGENT FEE BASIS. HE SAID SUCH A PERSON WAS PAID ONLY IF HE GOT A CONTRACT FOR HIS CLIENT.

ON THE OTHER HAND, HE SAID, IT WAS HIS UNDERSTANDING THAT A FIVE PERCENTER GETS PAID EVEN IF HE DOESN'T GET THE CONTRACT.

AUG 24 1949

A27WX

FELDMAN DIDN'T BUDGE, DESPITE REPEATED QUESTIONS, FROM HIS STAND THAT THERE WAS NOTHING IMPROPER IN SUPPLYING HUNT WITH HIS PURCHASING PLANS.

HE SAID HE DIDN'T REMEMBER GIVING ANYONE ELSE THESE PLANS, BUT HE SAID HE DIDN'T THINK ANYONE ELSE HAD ASKED FOR THEM.

PASSAGES FROM HUNT'S DIARY--IN WHICH HUNT SAID FELDMAN HAD ASKED HIM TO GET IN TOUCH WITH HIS CONGRESSIONAL "CONTACTS"--WERE READ. THESE SAID THAT FELDMAN WAS INTERESTED IN A BILL HAVING TO DO WITH OFFICERS' RETIREMENT.

FELDMAN ADMITTED THAT HE HAD TALKED WITH HUNT ABOUT THE MATTER, BUT DENIED HE EVER ASKED HIM TO CONTACT ANYONE ON CAPITOL HILL.

THERE'S A LAW AGAINST LOBBYING BY ARMY OFFICERS.

FELDMAN ALSO DENIED THAT HE HAD EVER ASKED ANYONE TO TRY TO GET HUNT TO SEE WHAT HE COULD DO ABOUT GETTING FELDMAN'S APPOINTMENT AS QUARTERMASTER GENERAL CONFIRMED BY THE SENATE.

WHILE GREGORY WAS ON THE STAND, ROGERS PUT IN THE RECORD THAT, AS A WAA CONSULTANT, HUNT WORKED 115 DAYS AT $50 A DAY, FOR A TOTAL OF $5,750.

GREGORY WAS ASKED IF HE KNEW THAT HUNT WAS SERVING CLIENTS INTERESTED IN SURPLUS PROPERTY AT THE TIME HE WAS WORKING FOR WAA.

NO, SAID GREGORY.

more

"DO YOU CONDONE IT?"
"NO, INDEED," SAID GREGORY.
GREGORY SAID HUNT'S CHIEF JOB WAS AS A GO-BETWEEN FOR THE WAA AND CONGRESS. HE SAID CONGRESSMEN WERE ALWAYS WANTING INFORMATION. SAID GREGORY TO HOEY:
"I REMEMBER YOUR OFFICE CALLED UP ONE DAY."
"YES, THAT GOES ON EVERY DAY," SAID HOEY.

AUG 24 1949

MD606PED

ATLANTIC PACT
BY JOHN M.HIGHTOWER
WASHINGTON,AUG 24-(AP)-THE HISTORIC ATLANTIC TREATY, ALLYING THE UNITED STATES WITH 11 OTHER NATIONS IN DEFENSE OF THE WEST, GOES INTO EFFECT TODAY AT A WHITE HOUSE CEREMONY.
THE CEREMONY IS SCHEDULED FOR 11:30 A.M. EST.
FROM THIS HOUR ONWARD THE 12 NATIONS, HAVING FORMED THEIR ALLIANCE UNDER THE THREAT OF RUSSIAN AGGRESSION, WILL BE FORMALLY PLEDGED TO STRIKE BACK IN CASE OF AN ATTACK AGAINST ANY ONE OF THEM.
FORMAL NOTICE BY THE FRENCH GOVERNMENT THAT IT HAD RATIFIED THE TREATY PROVIDED THE OCCASION FOR THE WHITE HOUSE GATHERING. INVITED TO ATTEND WERE TOP RANKING AMERICAN OFFICIALS AND REPRESENTATIVES OF THE 11 OTHER NATIONS WHICH SIGNED THE TREATY HERE LAST APRIL 4.
ALREADY REPRESENTATIVES OF THESE 12 NATIONS ARE AT WORK AT THE STATE DEPARTMENT PLANNING FOR THE FIRST MEETING OF THE COUNCIL OF THE ATLANTIC ALLIANCE. THAT MEETING PROBABLY WILL BE CONVENED IN WASHINGTON ABOUT THE MIDDLE OF NEXT MONTH.
AMBASSADOR HENRI BONNET OF FRANCE WAS CALLED ON TO DEPOSIT THE FRENCH NOTICE OF RATIFICATION WITH THE WHITE HOUSE AS THE FIRST STEP IN TODAY'S CEREMONY. THAT ACTION, AS PROVIDED IN THE TREATY ITSELF, AUTOMATICALLY BRINGS THE PACT INTO FORCE.
THE SECOND STEP, WHITE HOUSE OFFICIALS SAID, WOULD BE THE ISSUANCE OF A PROCLAMATION BY MR.TRUMAN DECLARING THAT THE TREATY WAS EFFECTIVE. SUCH A PROCLAMATION WOULD FORMALLY BRING TO AN END A CENTURY AND A HALF OF AMERICAN POLICY OF STEERING CLEAR OF ANY PEACETIME ALLIANCE WITH EUROPEAN NATIONS.
DIPLOMATIC OFFICIALS ALSO ARRANGED TO RECEIVE THE RATIFICATIONS OF ITALY, PORTUGAL AND DENMARK. THOSE DEPOSITS, HOWEVER, WERE NOT NECESSARY TO MAKE THE TREATY LEGALLY BINDING.
THE EFFECTIVE DATE FOR THE ALLIANCE WAS WORKED OUT IN THIS WAY: THE UNITED STATES, CANADA, BRITAIN, FRANCE, THE NETHERLANDS, BELGIUM, AND LUXEMBOURG MADE UP THE GROUP OF SEVEN COUNTRIES WHICH BEGAN NEGOTIATING THE PACT JULY 6,1948 AND SUBSTANTIALLY COMPLETED IT EARLY THIS YEAR. THE TREATY ITSELF PROVIDED THAT IT SHOULD COME INTO FORCE WHEN ALL SEVEN HAD RATIFIED IT AND FRANCE IS THE LAST OF THE SEVEN TO TAKE THAT ACTION.

AUG 24 1949

A15WX
THE TOTAL MEMBERSHIP OF THE ALLIANCE WAS RAISED TO 12 IN MARCH OF THIS YEAR WHEN FIVE OTHER NATIONS IN THE WESTERN EUROPEAN ATLANTIC AREA ACCEPTED INVITATIONS TO JOIN. THOSE FIVE WERE NORWAY, ITALY, PORTUGAL, ICELAND AND DENMARK.
THE TREATY'S ACTION CLAUSE--IN WHICH THE WESTERN POWERS STATE THE DEFENSIVE NATURE OF THE COMPACT, PROVIDES FIRST THAT AN ATTACK ON ANY ONE OF THE MEMBERS "SHALL BE CONSIDERED AN ATTACK AGAINST THEM ALL," AND THEN ADDS:
"X X X CONSEQUENTLY THEY AGREE THAT, IF SUCH AN ARMED ATTACK OCCURS, EACH OF THEM X X X WILL ASSIST THE PARTY OR PARTIES SO ATTACKED BY TAKING FORTHWITH, INDIVIDUALLY AND IN CONCERT WITH THE OTHER PARTIES, SUCH ACTION AS IT DEEMS NECESSARY, INCLUDING THE USE OF ARMED FORCE, TO RESTORE AND MAINTAIN THE SECURITY OF THE NORTH ATLANTIC AREA."
THE TWO OTHER MAJOR SPECIFICATIONS OF THE TREATY CALL FOR "SELF-HELP AND MUTUAL AID" AND FOR THE ESTABLISHMENT OF A COUNCIL COMPOSED OF REPRESENTATIVES OF ALL 12 NATIONS WHICH SHALL IN TURN SET UP A "DEFENSE COMMITTEE."
UPON THIS DEFENSE COMMITTEE AND THE MILITARY LEADERS WORKING UNDER ITS GENERAL DIRECTION WILL REST RESPONSIBILITY FOR DEVELOPING A GRAND STRATEGIC PLAN FOR THE DEFENSE OF THE WESTERN NATIONS AGAINST RUSSIA.
THE DEFENSIVE AREA WHICH THE PLAN MUST COVER RANGES FROM THE WESTERN TIP OF ALASKA AND THE WESTERN COAST OF NORTH AMERICA TO THE EASTERN BORDERS OF NORWAY IN THE NORTH AND TO ITALY IN THE SOUTH OF EUROPE.
THE PACT, WHICH WAS DESIGNED AS THE KEYSTONE FOR A NEW ERA OF GREATER SECURITY IN WESTERN EUROPE, COMES INTO FORCE AT A TIME WHEN BOTH RUSSIA AND THE WESTERN POWERS ARE CAUGHT UP IN DIFFICULTIES WHICH MAY VITALLY AFFECT THE WHOLE SECURITY PROBLEM AS THE TREATY BEARS UP ON IT.
IN THE EAST, THE INCREASINGLY NOISY ROW BETWEEN THE SOVIET UNION AND YUGOSLAVIA IS CREATING INTERNATIONAL TENSIONS. THESE CONCEIVABLY COULD LEAD TO MORE VIOLENT ACTION THAN ANY YET TAKEN BETWEEN MARSHAL TITO'S GOVERNMENT AND THE RUSSIAN DOMINATED COMBINE OF COMMUNIST STATES ARRAYED AGAINST IT.
TO THE EXTENT THAT THIS WEAKENS RUSSIA'S CONDITION IN EASTERN EUROPE, IT IS REGARDED BY WESTERN LEADERS AS A GAIN IN STRENGTH FOR THE WEST. TO THE EXTENT THAT IT RAISES FEARS OF A BALKAN WAR IT IS CONSIDERED TO CREATE NEW UNCERTAINTIES IN THE MINDS OF EUROPEANS GENERALLY.
ON THE WESTERN SIDE, AMERICAN AND BRITISH OFFICIALS AT THE MOMENT ARE DEEPLY CONCERNED ABOUT BRITAIN'S ECONOMIC DIFFICULTIES.
HY318AED

WASHINGTON,AUG.24-(AP)-THE TEXT OF PRESIDENT TRUMAN'S STATMENT TODAY ON THE NORTH ATLANTIC TREATY FOLLOWS:(ABOUT 250)
WITH THE DEPOSIT OF INSTRUMENTS OF RATIFICATION BY DENMARK, FRANCE, ITALY AND PORTUGAL, THE NORTH ATLANTIC TREATY TODAY ENTERS INTO EFFECT THIS IS A MOMENTOUS OCCASION NOT ONLY FOR ALL THE SIGNATORIES OF THE TREATY, BUT FOR ALL PEOPLES WHO SHARE OUR PROFOUND DESIRE FOR STABILITY AND PEACEFUL DEVELOPMENT.
BY THIS TREATY WE ARE NOT ONLY SEEKING TO ESTABLISH FREEDOM FROM AGGRESSION AND FROM THE USE OF FORCE IN THE NORTH ATLANTIC COMMUNITY, BUT WE ARE ALSO ACTIVELY STRIVING TO PROMOTE AND PRESERVE PEACE THROUGHOUT THE WORLD. IN THESE ENDEAVORS, WE ARE ACTING WITHIN THE FRAMEWORK OF THE UNITED NATIONS CHARTER, WHICH IMPOSES ON US ALL THE MOST SOLEMN OBLIGATIONS.
THESE OBLIGATIONS, WHICH BIND US TO SETTLE INTERNATIONAL DISPUTES, BY PEACEFUL MEANS TO REFRAIN FROM THE THREAT OR USE OF FORCE AGAINST THE TERRITORY OR INDEPENDENCE OF ANY COUNTRY AND TO SUPPORT THE UNITED NATIONS IN ANY ACTION IT MAY TAKE TO PRESERVE PEACE, ARE ALL CLEARLY STATED IN THE NORTH ATLANTIC TREATY.
TODAY AS THIS TREATY COMES INTO EFFECT, IT SEEMS PARTICULARLY APPROPRIATE TO REDEDICATE OURSELVES TO THE CARRYING OUT OF THE GREAT TASK WE HAVE SET FOR OURSELVES--THE PRESERVATION OF STABILITY AND PEACE.
NO NATION NEED FEAR THE RESULTS OF OUR COOPERATION TOWARD THIS END. ON THE CONTRARY, THE MORE CLOSELY THE NATIONS OF THE ATLANTIC COMMUNITY CAN WORK TOGETHER FOR PEACE THE BETTER FOR ALL PEOPLE EVERYWHERE. (END TEXT)

AUG 24 1949

FR322PED

30.24- 5245

(150) NIGHT LEAD CLARK

WASHINGTON,AUG.24-(AP)-GENERAL MARK W.CLARK WHO LED THE FIFTH ARMY THROUGH ITALY IN WORLD WAR TWO, WILL BECOME CHIEF OF ARMY FIELD FORCES SEPT. 30.

THE ARMY ANNOUNCED TODAY THAT CLARK WILL SUCCEED GENERAL JACOB DEVERS, WHO IS RETIRING.

CLARK'S PLACE AS SIXTH ARMY COMMANDER AT SAN FRANCISCO WILL BE TAKEN BY LT.GEN.ALBERT C.WEDEMEYER, NOW DEPUTY CHIEF OF STAFF FOR PLANS AND OPERATIONS.

CLARK, NATIVE OF MADISON BARRACKS,N.Y., WILL HAVE HEADQUARTERS AT FORT MONROE,VA. WEDEMEYER'S SUCCESSOR AS DEPUTY CHIEF HAS NOT BEEN ANNOUNCED.

RECOGNIZED AS ONE OF THE LEADING GENERALS OF THE WAR, CLARK BECAME COMMANDER OF THE 15TH ARMY GROUP IN EUROPE. THIS WAS COMPOSED OF THE U.S. FIFTH ARMY AND THE BRITISH EIGHTH.

MD1107PED

(ADVANCE) CHAMPAIGN,ILL.,AUG.24-(AP)-DR.HAROLD TAYLOR, PRESIDENT OF SARAH LAWRENCE COLLEGE OF BRONXVILLE, N.Y., TOLD THE NATIONAL STUDENT CONGRESS TONIGHT THAT "COMMUNISM IS NOT CORRUPTING AMERICAN STUDENTS.

TAYLOR SPOKE AT THE OPENING SESSION OF A 10-DAY MEETING OF THE U.S. NATIONAL STUDENT ASSOCIATION (NSA) ON THE UNIVERSITY OF ILLINOIS CAMPUS.

"FEAR OF COMMUNIST TEACHERS IN AMERICAN SCHOOLS SHOWS A FAITHLESS ATTITUDE TOWARD THE STUDENT AND AN IGNORANCE OF THE REAL SITUATION," HE TOLD THE 1,000 DELEGATES.

TAYLOR SAID IT IS ONLY BY "ASSUMING THAT STUDENTS ARE IRRESPONSIBLE ADOLESCENTS AT THE MERCY OF ALL IDEAS THAT ONE CAN ARGUE FOR THE POLITICAL SCREENING OF COLLEGE FACULTIES."

"THE STUDENT IS SUSPICIOUS OF ALL DOGMA AND ALL PEOPLE WHO TRY TO TELL HIM WHAT IS TRUE AND WHAT IS FALSE," TAYLOR DECLARED.

HE ADDED THAT A "DIVERSITY OF CONTROVERSIAL OPINION" MUST EXIST OR STUDENTS WILL NEVER GROW TO THE SOCIAL MATURITY THEY NEED TO DEAL WITH THE POLITICAL QUESTIONS OF THEIR AGE.

TAYLOR SAID NSA IS "STRONG, LIBERAL, AND FULL OF NEW IDEAS, SOME OF WHICH MAY CURL THE HAIR OF THE ACADEMIC PROFESSION."

REPRESENTATIVES OF AN ESTIMATED MILLION COLLEGE STUDENTS FROM 350 U.S. COLLEGES AND UNIVERSITIES ARE HERE FOR THE ASSOCIATION'S SECOND ANNUAL CONVENTION.

NSA OFFICIALS PREDICT IT WILL BE THE LARGEST STUDENT MEETING EVER HELD IN THE UNITED STATES.

AMONG THE QUESTIONS SCHEDULED FOR DISCUSSION ARE FEDERAL AID TO EDUCATION, ACADEMIC FREEDOM, DISCRIMINATION AND SEGREGATION ON CAMPUSES, RELATIONS WITH FOREIGN STUDENT ORGANIZATIONS, AND SUBSIDIZATION OF COLLEGE ATHLETICS.

(END ADVANCE FOR USE AT 7:30 P.M., EST, TODAY, WEDNESDAY, AUG. 24)

FY545PCD

DENVER, AUG.24-(AP)-A FORMER ADVISER TO THE STATE DEPARTMENT BELIEVES THAT RUSSIA'S WAR OR PEACE AIMS MAY BE REFLECTED IN WHATEVER THE SOVIET DOES IN AGRICULTURAL PRODUCTION IN EASTERN EUROPE.

PHILIP MOSELY, HERE TO ATTEND THE UNIVERSITY OF DENVER'S SEMINAR ON THE SOVIET UNION, SAID IN AN INTERVIEW TODAY:

"IF THE RUSSIANS BUILD AGRICULTURE IN DOMINATED COUNTRIES, WE CAN ASSUME THAT THEY DO NOT PLAN FOR WAR WITHIN 10 OR 20 YEARS, IF THEN.

"IF, HOWEVER, THE RUSSIANS IGNORE CROP AND LIVESTOCK PRODUCTION WHILE CONTINUING TO BUILD THEIR INDUSTRIAL POTENTIAL WE WILL CONTINUE TO HAVE GOOD CAUSE TO DISTRUST ANY PEACE-LIKE MOVES THEY MAKE."

MOSELY, ADVISER AT THE POTSDAM AND 1943 MOSCOW CONFERENCES, WARNED THAT RUSSIA WILL GO AS FAR AS IT CAN, SHORT OF WAR, IN ITS DRIVE FOR EUROPEAN AND WORLD CONTROL.

HE HAILED THE ATLANTIC PACT AND THE MARSHALL PLAN AS REALISTIC RECOGNITIONS OF RUSSIA'S DESIRE TO AVOID A MAJOR WAR.

"THE ATLANTIC PACT IS PRIMARILY A DETERRENT, WHICH MUST BE BACKED UP BY SMALL, EFFICIENT EUROPEAN ARMIES AFTER OUR TROOPS ARE ABLE TO COME HOME," HE SAID.

FR1230PCS

NITE LEAD TOKYO ROSE (200)

SAN FRANCISCO,AUG.24-(AP)-A DEFENSE WITNESS IN THE TOKYO ROSE TREASON TRIAL TODAY DECLARED THE ACCUSED WARTIME BROADCASTER HAD SAID AMERICA WOULD NEVER LOSE THE WAR.

THIS WITNESS ON BEHALF OF 33-YEAR-OLD, LOS ANGELES-BORN MRS.IVA TOGURI D'AQUINO, SPOKE THROUGH A DEPOSITION.

SHE WAS LILY GHEVENIAN, WHO WORKED WITH MRS.D'AQUINO AT RADIO TOKYO.

MISS GHEVENIAN'S DEPOSITION SAID SHE HAD TALKED WITH MRS. D'AQUINO ABOUT THE WAR AND THAT ONE TIME "SHE TOLD ME AMERICA WOULD NEVER LOSE. SHE SAID 'IF YOU HAVE WATCHED AMERICANS PLAY FOOTBALL, YOU'D KNOW THEY WOULD FIGHT TO THE LAST MAN.'"

MRS.D'AQUINO IS ACCUSED OF TREASONABLE WARTIME BROADCASTS DESIGNED TO SHATTER THE MORALE OF ALLIED FIGHTING MEN. SHE HAS SAID HER BROADCASTS WERE SIMPLY ENTERTAINMENT. THEY CONSISTED, ON THE "ZERO HOUR" PROGRAM, OF PHONOGRAPH RECORDS AND INTRODUCTIONS.

THE DEPOSITION SAID MISS GHEVENIAN WAS ASKED IF SHE REMEMBERED THE ZERO HOUR BROADCAST BEING INTERRUPTED WITH A BULLETIN ON THE FALL OF THE ISLAND OF SAIPAN TO ALLIED FORCES. SHE SAID SHE DID, AND THAT A RECORDING OF "STARS AND STRIPES FOREVER" FOLLOWED.

"EVERYONE MADE A FUSS ABOUT THAT," SHE SAID. "THEY DIDN'T LIKE IT."

THE DEFENSE HAS ABOUT 30 DEPOSITIONS TO PRESENT. THEY WERE TAKEN IN TOKYO BY THEODORE TAMBA, ASSOCIATE DEFENSE ATTORNEY.

HH1008PCSNM

SAN FRANCISCO,AUG.24-(AP)-THE HEAD OF THE CHINESE COMMUNISTS SENT GREETINGS TO THE HEAD OF THE U.S. COMMUNISTS YESTERDAY.

THE CHINESE COMMUNIST RADIO IN PEIPING TOLD ABOUT IT TODAY.

THE TELEGRAM WAS SENT BY MAO TZE-TUNG TO WILLIAM Z.FOSTER. TI SAID THAT "THE CHINESE LABORING PEOPLE WARMLY GREET THE 30TH ANNIVERSARY (FOUNDING) OF THE COMMUNIST PARTY OF THE UNITED STATES."

THE MESSAGE DECLARED "THE FUTURE OF AMERICA BELONGS TO YOU AND THE AMERICAN PEOPLE AND NOT TO THE AMERICAN REACTIONARY FORCES."

THE BROADCAST WAS HEARD BY THE ASSOCIATED PRESS AT SAN FRANCISCO.

HH849PCSNMASKT

SEATTLE, AUG. 24-(AP)-THE FRENCH GOVERNMENT TODAY OFFICIALLY TOOK OVER THREE FORMER U. S. NAVY PATROL VESSELS.

THE CHANGEOVER OF FLAGS TOOK PLACE ABOARD THE 183-FOOT PATROL CRAFT. THEY WILL BE USED IN PATROL DUTY OFF FRENCH-HELD TERRITORY IN THE PACIFIC.

CAPT. GEORGES CABANIER, FRENCH NAVAL ATTACHE FROM WASHINGTON, D.C., TOOK FORMAL POSSESSION OF THE SHIPS AS THE TRI-COLOR WAS HOISTED.

FJ1103PCS

AUG 24 1949

PACT-DATES (160)

WASHINGTON,AUG 24-(AP)-HISTORIC DATES IN THE DEVELOPMENT OF THE NORTH ATLANTIC TREATY:

1948

JUNE 11--SENATE ADOPTS RESOLUTION CALLING FOR REGIONAL DEFENSE ARRANGEMENTS WITHIN UNITED NATIONS CHARTER.

JULY 6--STATE DEPARTMENT OPENS NEGOTIATIONS WITH CANADA, BRITAIN, FRANCE, BELGIUM, NETHERLANDS AND LUXEMBOURG.

1949

MARCH 4--NORWAY BECOMES FIRST OF FIVE ADDITIONAL NATIONS TO JOIN THE ORIGINAL SEVEN. OTHERS WHICH QUICKLY ENTERED NEGOTIATIONS WERE ITALY, PORTUGAL, ICELAND AND DENMARK.

APRIL 2--FIRST MEETING OF FOREIGN MINISTERS OF PACT COUNTRIES TELLS RUSSIA PACT IS WHOLLY DEFENSIVE.

APRIL 4--ALL 12 NATIONS SIGN TREATY IN WASHINGTON.

APRIL 21--PRESIDENT TRUMAN SUBMITS TREATY TO SENATE.

JULY 5--SENATE DEBATE OPENS.

JULY 21--SENATE APPROVES TREATY.

JULY 25--PRESIDENT RATIFIES TREATY FOR U. S. BY SIGNING IT.

AUG. 23--REPRESENTATIVES OF 12 ALLIES HOLD FIRST MEETING TO DISCUSS ORGANIZATION PLANS.

HY323AED

AUG 24 1949

BY WILLIAM L.PHILLIPS

LAKE SUCCESS, N.Y., AUG. 24-(AP)-A COUPLE OF YEARS FROM NOW YOU MAY BE SPREADING YOUR BREAD WITH A PALATABLE FOOD MADE OF POND SCUM FED ON SEAWEED.

IF IT ISN'T THAT, IT MAY COME FROM YEAST THAT GREW TO MATURITY ON A DIET OF WASTE FROM A WOOD PULP FACTORY.

IN EITHER CASE IT WILL BE AS PURE AND WHOLESOME AS ANY OTHER VEGETABLE OIL, AND IT MAY HELP SOLVE THE WORLD'S CHRONIC POSTWAR FATS SHORTAGE, THE U.N. SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES WAS TOLD TODAY.

DR.F.N.WOODWARD OF SCOTLAND'S SEAWEED RESEARCH ASSOCIATION LINKED HIS OWN SUBJECT WITH THAT OF RECENT EXPERIMENTS AT STANFORD UNIVERSITY IN CALIFORNIA. THESE ESTABLISHED THAT FATS "OF A QUALITY ADEQUATE FOR EDIBLE AND CERTAIN INDUSTRIAL PURPOSES" CAN BE MADE FROM THE SINGLE CELL GREEN POND PLANTS KNOWN AS ALGAE.

"IF THIS TECHNIQUE CAN SATISFACTORILY BE TRANSLATED TO THE PRODUCTION SCALE, ITS IMPACT BOTH ON THE FOOD AND COMMODITY INDUSTRIES WILL BE APPRECIABLE," DR.WOODWARD SAID.

HE ADDED THAT EXPERIMENTS IN BRITAIN AND OTHER COUNTRIES INDICATE IT MAY BE POSSIBLE TO TREAT SEAWEED CHEMICALLY FERTILIZE THE GROWING THINGS IN FRESH WATER.

THE STORY OF OBTAINV-;

IT MAY BE POSSIBLE TO TREAT SEAWEED CHEMICALLY FERTILIZE THE GROWING THINGS IN FRESH WATER.

THE STORY OF OBTAINING FATS FROM YEAST NURTURED ON WOOD PULP FACTORY WASTES WAS TOLD BY HARRY LUNDIN OF SWEDEN'S ROYAL INSTITUTE OF TECHNOLOGY.

HE EXPLAINED HOW THE FAT YEAST FEEDS ON SUGARS LEFT OVER IN THE WATER AFTER SULPHITE TREATMENT OF LOGS TO MAKE WOOD PULP.

LUNDIN SAID IN HIS OPINION IT CAN BE EATEN SPREAD ON BREAD. IT CONTAINS ABOUT 50 TO 60 PER CENT FAT, SOME PROTEIN AND APPRECIABLE QUANTITIES OF B-VITAMINS.

J.A.HALL OF THE U.S. PACIFIC NORTHWEST FOREST AND RANGE EXPERIMENT STATION, PORTLAND, ORE., SAID THE FIRST STEPS TOWARD PRODUCING THE YEAST FROM WOOD PULP WASTE HAVE BEEN TAKEN SUCCESSFULLY.

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End August 24, 1949

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BRITAIN TAKES 2 CRISIS STEPS

E K Mills

Cut In Budget Ordered As Export Parleys Begin

AUG 25 1949 N

London, Aug. 25 (AP)—Britain launched a double-barreled attack on its economic crisis today.

First, the Treasury told all department heads to trim their sails for a $600,000,000 cut in next year's national budget.

That means they will have an average of five per cent less to spend than they have under the $12,000,000,000 budget for the fiscal year which began April 1.

Defense Chief Target

Of the current budget, Britain's defense spending will account for approximately one quarter. So the armed forces are expected to be a big target in the economy move. Another target may be the expensive national health scheme whose free medical and dental treatment is costing more than was anticipated.

The second attack on the economic problem went into high gear with talks on how to sell more goods for dollars. The man in the center of things was Paul G. Hoffman, head of the European Co-Operation Administration.

Hoffman spoke first at a private luncheon of an Anglo-American committee on productivity. He arranged to meet Government leaders later at the United States Embassy.

Everything Is Political

He will persue his inquiry into expansion of British exports tomorrow at another luncheon, this time with the dollar export board. Sources close to the ECA chieftain said his meetings with British leaders have been "frank and honest, with no punches pulled."

Lewis W. Douglas, United States Ambassador, invited a group of top British leaders to dinner tonight to meet with Hoffman. They include Prime Minister Attlee, Ernest Bevin, Foreign Secretary, and Harold Wilson, Board of Trade president.

The Government economy order came from Sir Stafford Cripps, Chancellor of the Exchequer. It was made public by a Government source just two weeks before the opening of the British dollar-shortage talks in Washington September 7.

Cripps's advice to department heads was "urgent and emphatic," the informant said.

Not Due To U.S. Pressure

The British Government informant said London's economy drive did not result from any American pressure. Other sources said the word was passed on to Washington in advance.

In Manchester, leaders of the Lancashire cotton industry and members of the dollar export board discussed plans for increasing textile exports.

Despite angry threats of a shopkeepers' strike, the Board of Trade ordered a five per cent cut in the retail price of utility goods as of September 26. These goods include clothing, footwear and household textiles whose production cost is subsidized by the Government to keep prices within reach of the poor.

To soften the blow, Wilson announced at the same time the end of price controls on a long list of other clothing and household articles.

British Treasury Requests Cuts In Spending

Arthur Gavshon

London, Aug. 25 (AP)—Sir Stafford Cripps told department heads of Britain's Labor Government today to get ready for at least a 5 per cent slash in next year's national budget. Such a cut would bring savings of £150,000,000 ($600,000,000).

The Chancellor of the Exchequer passed the word around barely two weeks before the scheduled start of Britain's dollar-crisis huddle with United States officials in Washington beginning September 7.

A Government informant, who told newsmen of the move, stressed that it was not brought on by American pressure, but other informed sources said Washington has been informed in advance of the decision to reduce spending at least an overall five per cent, compared with the budget for the 1949-50 fiscal year which began April 1. The current budget totals £3,000,000,000 ($12,000,000,000).

Under Fire From U.S. Sources

The Labor Government has been under severe fire from some American political leaders and newspapers, who have accused it of inefficient administration and spending too much on social services.

Another Government informant said yesterday that Britain might have to revise drastically its costly cradle-to-grave national health service if the Washington dollar talks fail.

No actual dollars are spent on Britain"s social services, but their cost helps keep taxes high. High taxes increase production costs and production costs affect the price of export goods which Britain must sell in American to earn dollars for raw materials and food imports.

Should Help Talks

Cripps's move to pare Governments costs, and hence taxes, obviously would be a point in Britain's favor a the dollar talks. The informant who told of the economy action said the word from Cripps was "urgent and emphatic."

The Chancellor of the Exchequer did ont specify that he expected each department to reduce spending five per cent, but that is the ovarall goal. Some are expected to save more than others.

One big economy target is likely to be the armed forces. Defense spending totals one fourth of the current budget.

Personnel Cuts Likely

The move is almost certain to force a reduction in the ranks of Britain's 706,000 Government clerks and administrators. It is also expected to affect Britain's social services, including the national health plan. The informant said the Government might have to levy a special charge to keep the public from abusing the free-for-all medical scheme.

Britain's social services, together with food subsidies, account for a quarter of the country's budget.

Britons now can call on doctors without paying fees under the thirteen-month-old national health service, although each pay up to 6 shillings 8 pence weekly ($1.33) to help support it.

May Have To Pay For Visits

If the Washington parley fails, the informant said, British leaders may have to consider each person pay a shilling (20 cents) for each visit.

He explained that the calls on the service have far exceeded advance estimates and, if Britain must tighten her belt, sne cannot go on spending so much on the service out of general taxation.

The source said Laborite leaders are waiting until the Washington talks are over before deciding whether to call a quick election this year, or carry on until near the end of their five-year term next July.

Hoffman Begins Talks

He disclosed this as Paul G. Hoffman, American head of the European Co-operation Administration, began talks with British officials before the Washington parley September 7.

ADB

AUG 25 1949

BRITISH PAPERS BLAME U. S. FOR DOLLAR SHORTAGE

AUG 25 1949 N

LONDON, Aug. 25 (AP)—Three weekly journals of opinion—the Spectator, the Tribune and the New Statesman and Nation—said today Britain's dollar crisis was not all the fault of the British.

The Spectator reflects the views of conservatives. The other two are pro-labor. The tenor of the comment of all three was: "It's not all our fault, cousins."

A British businessman's organization also jumped into the fray with the charge that terms under which America loaned Britain $3,750,000,000 in 1946 had insured that American exports "shall remain the dominant feature of world trade for an indefinite period."

Socialists Not to Blame

The assertion was made in the monthly bulletin of the Empire Industries association, an organization of British businessmen.

The Tribune, which speaks for the left-wing of the ruling labor party, denied the socialists were entirely responsible for Bitain's dollar crisis.

"If the U.S.A. were to step up its purchases from the sterling area by less than one per cent of its national income our dollar problems would be over," it said, adding:

"The U. S. A. has cornered the (gold) market and can dictate the price."

The Spectator deplored recent bitter words between Americans and British on the financial situation. It said:

Increase U. S. Buying

"For better or worse the present government in this country was elected on a nationalization program. That was perfectly well known when the Marshall Aid program was initiated. x x x

The New Statesman and Nation said the most British delegates can expect in the coming Washington dollar talks is "firm American commitments to purchase a minimum of primary products from the sterling area, permission to use Marshall dollars for Canadian wheat, and tariff concessions."

War Secretary Emanuel Shinwell told newsmen at the Royal Air Force station at Cliffe Pypard: "the lion's tail is flying high and we don't care who knows it."

"There is nothing wrong with the youth of this country," he added. "So there is nothing wrong with this country."

Soviet Rewards Security Force

LONDON, Aug. 25 (AP)—The Moscow radio announced today that mass honors had been given to the Soviet Union's security troops "for successful fulfillment of special tasks for the Government." The announcement did not describe the "special tasks."

SINGLE CURRENCY FOR EUROPE URGED

N

STRASBOURG, France, Aug. 25 (AP) — British laborite Ronald Mackay today asked the Council of Europe to wipe out all national European monies and replace them with a single currency.

He suggested in a resolution submitted to the Council's Economic committee that such a single currency originate from a Bank of Europe operating under the council's wing.

Earlier today, the president of the 12-nation Consultative Assembly predicted west Germany soon will be admitted to the council.

Paul-Henri Spaak, Belgian leader of the assembly, told a news conference he believes the new Bonn republic will be invited to join the council "in a more or less short time." He emphasized this was his personal opinion.

The assembly was not in session today. It will reconvene tomorrow to deal with various proposals unifying western Europe's social security systems.

RUSSIANS REVIVE PLEA FOR GERMAN ECONOMIC UNITY

N

Thos. A. Reedy

BERLIN, Aug. 25—(AP) The Soviet-controlled press of the city's eastern sector broke out today with a rash of editorials suggesting economic unity for all Germany.

The principle is not new in the Soviet propaganda machinery but is considered significant when revived in the press. The new campaign dwelt on economic matters but did not rule out political unity as a possibility for the whole country.

AUG 25 1949

Two Factors Cited

German anti-Kremlin communists contend they have information that Russia will spring a proposal for German unity at the fall session of the Big Four foreign ministers tentatively scheduled for New York.

Two factors stood out in the new Russian approach:

1. Officials of the Soviet sector of Berlin said an "understanding" is possible in the ruling of the city;

2. The communist - dominated People's Council of the Soviet zone disclosed that east and west German economics authorities are dealing again for a trade treaty. A communist leader said good results might come out of the trade talks.

Reds Ease Attacks

The Russians also seemed to be easing off their attacks on the west German Republic founded at Bonn.

After a special meeting of the Soviet sector magistrat, it put forward a Christian Democrat, Deputy Mayor Arnold Gohr, to announce: "The magistrat will do everything in its power to relieve the untenable conditions caused by the splitting (of Berlin). The magistrat believes that it will be possible to find a solution x x x."

Mayor Ernst Reuter of west Berlin commented that only one thing would reunite the city—a city-wide free election.

East Proposing New German Unity Move

Reedy

AUG 25 1949

Berlin, Aug. 25 (AP)—The Russians appeared today to be backing a fresh campaign for East and West Germany to get together in some form.

This was evidenced by an outburst of editorials in the eastern press, which is controlled by the

Soviet Military Government.

The emphasis was on economics, rather than politics. But a political agreement was not ruled out.

The appeal for German unity is not new. It has been a standing slogan of the eastern Communists.

Polite Language

However, in this apparently remodeled drive, two factors stand out:

1. Eastern Berlin officials said an "understanding" is possible in the divided city. This was the politest language yet used by the Communists in their references to the anti-Communist West Berlin government.

2. The Soviet zone People's Council, dominated by Communists, disclosed that negotiations have been resumed between East and West German economic officials seeking a trade treaty. And Walter Ulbricht, Socialist Unity (Communist) political leader, declared good results might be achieved.

Vote Held Key

The overtures were accompanied by a statement that only good will is needed to restore the city to normal and that good will exists on the eastern side.

To this, Socialist Mayor Ernst Reuter of West Berlin commented that one thing would reunite the city, and one thing only: "A city-wide free election."

This the Communists are reluctant to chance.

2 U. S. Zonal Aides Resigning

FRANKFORT, Germany, Aug. 25 (AP)—Two officials of the United States Military Government said today that they were resigning and returning to the United States. Leo R. Werts, director of the Military Government's manpower division since 1946, has accepted a post with the United States Department of Labor's Office of International Labor Affairs. The other retiring official is Theodore D. Palmer, chief of the export branch of the Joint Export-Import Agency which directs Western Germany's foreign trade. He will return to business in West Orange, N. J.

BIZONAL TRADE RISES IN JULY IN GERMANY

FRANKFORT, Aug. 25 (AP)—Bizonal Germany's imports and exports climbed to a new post-war high in July, Joint Export-Import Agency (JEIA) officials said today that imports totaled $240,000,000, an increase of more than 45 per cent over June. Exports amounted to $113,000,000, an increase of $9,000,000 over the previous record set in June.

Imports purchased with the proceeds of exports totaled $162,500,000 or 67.5 per cent of the July total. This also represented a new record. The remaineder of imports were financed with foreign aid.

Exports consisted of 38,000 individual shipments, the highest number recorded in any month since the war, and 9,500 more than the previous month.

William John Logan, JEIA director general, said:

"The significance of this trend toward a larger number of transactions is that it shows the constant spread of foreign trade to a greater number of business men and the steady approach to a more normal trade pattern. By contrast, in the early days after the war, coal constituted 70 per cent of Bizonia's exports."

Coal exports in July were at approximately the same level as previous months, Mr. Logan said, so the export gain resulted from an increase in general exports.

U.S. Jets Hit Storm; 1 Crashes; Pilot Killed

Frankfurt, Germany, Aug. 25 (AP). An American pilot was killed in South Germany last night when four United States jet fighter planes ran into a thunderstorm.

The pilot, whose name was withheld by Air Force authorities, crashed with his plane near Landsberg a short time after the four jets hit the storm near Augsburg.

A second pilot, Second Lieut. Harold Wallace, of Roanoke, Ala., bailed safely out of his plane which crashed near Augsburg. Wallace said he was blinded by lightning and lost control.

The third pilot landed without incident at an air base at Furstenfeldbruck.

The leader of the four jets, Capt. James Gleason, of Montrose, Col., flew to Champino airbase near Rome, Italy.

Czechs Lay Sabotage In '44 To U.S.

Richard Kasischke

Prague, Czechoslovakia, Aug 25 (AP)—Czechoslovak Communists accused the United States and Britain today of trying to keep the Russian Army out of western Europe by sabotaging the 1944 Slovak uprising against the Germans.

The Slovak Communist party newspaper, *Pravda*, said the uprising, led by Communist partisans in conjunction with the Red Army, was hampered by the Americans, the British and the wartime Czech Government in exile in London.

The paper claimed the Russians parachuted "all kinds of weapons and ammunition" to the partisans. It said "the Anglo-American air forces made no bombing raids . . . during the uprising although they had been supplied with detailed maps and requests for raids on specified targets."

Partisan Gas Tanks Bombed

"There was one exception," the paper added. "This was a successful attack by American flyers on Dubova in which they wrecked all the gasoline tanks which had been prepared to supply the partisans. This was done in spite of the fact that the London exile government was asked long in advance to advise Western forces not to bombard this place."

Charges against the West also were made by Vaclav Nosek, Czechoslovakia's Communist Minister of the Interior. In an order of the day to the nation's security police he said:

"A weakening of the German front in the East was not desired by the Western powers. They did not send us help because they wanted to bleed and weaken the Soviet Union and keep the Communists from gaining power in Czechoslovakia."

Nazi Victory Masses

Nosek also accused the Catholic Church of having sided with the Germans during the uprising and alleged that Slovak bishops had celebrated masses in honor of the Nazi victory.

A Catholic official who said he had visited Archbishop Josef Beran at his Prague palace today reported the Czech primate is in good health and determined to oppose all Government attempts to gain control of the church.

This churchman said the Archbishop had received no reply to his August 5 letter to the state prosecutor complaining that he was being illegally interned in his palace.

Vatican Envoy Visits Him

In that letter, Archbishop Beran said his mail was being withheld, that he had been deprived of all personal freedom and refused visitors. It is known, however, that the Vatican's diplomatic representative has been permitted to visit the Archbishop.

Archbishop Beran has not appeared in public since June 19, when Communists hecklers shouted him down in St. Vitus Cathedral.

The Communist charges against the United States and Britain were published in advance of a big three-day celebration starting Saturday to mark the fifth anniversary of the Slovak uprising. The tone of the articles indicated that the celebration would feaure attacks on the West.

West Sabotaged War Partisans, Czechs Claim

Richard Kasischke

Prague, Czechoslovakia, Aug. 25 (AP) — Czechoslovak Communists charged today that the Americans and British sabotaged the Slovak uprising against the Germans in 1944 in order to keep the Russian Army from advancing into western Europe.

These allegations were made in the press in advance of a big three-day celebration beginning Saturday to mark the fifth anniversary of this uprising

Attacks On West

The tone of the articles indicated the celebration, in which Communist President Klement Gottwald will be the chief speaker, will feature attacks on the West. The announced slogan for the celebration is "Forward with the Soviet Union."

Pravda, organ of the Slovak Communist party, claimed the uprising was led by the Communists, by arrangement with the advancing Soviet Army. It asserted that the Soviets supported the revolt by parachuting to the Partisans "all kinds of weapons and ammunition."

Pravda contended the Americans and British and the wartime Czech Government in exile in London hindered rather than helped the Partisans.

"No Bombing Raids"

"The Anglo-American air forces made no bombing raids on military objectives or the German lines during the uprising, although they had been supplied with detailed maps and requests for raids on specified targets.

"There was one exception. This was a successful attack by American flyers on Dubova, in which they wrecked all the gasoline tanks which had been prepared to supply the Partisans. This was done in spite of the fact that the London exile government was asked long in advance to advise Western forces not to bombard this place."

The newspaper *Lidove Noviny* claimed that another reason for the alleged Anglo-American non-co-operation was "the fact that the Slovak uprising was led by the Communist party."

CZECH PRELATE'S STAND UNSHAKEN

AUG 25 1948

Prague, Aug. 25 (A. P.).—A Roman Catholic official said today that Archbishop Josef Beran is in good health and unshaken in his determination to oppose all government attempts to gain control of the church.

The churchman reported he visited the Czechoslovak primate in his police-guarded palace. Archbishop Beran has not left the palace since June 19, when he was heckled from the throne in St. Vitus Cathedral by Communist demonstrators.

The Archbishop, the visitor said, has received no reply to his letter of August 5 to the State prosecutor complaining that he was being illegally interned.

PREMIER ASSERTS REDS BEATEN IN FINLAND STRIKES

AUG 25 1948

HELSINKI, Finland, Aug. 25—(AP)—Premier K. A. Fagerholm told a news conference today he is confident the communist-led wave of strikes in this little country has been checked.

"We are confident now," he said, "that the communists will not succeed."

But he expressed the opinion the communist will start other strikes in an attempt to tie up Finland's economy.

Fagerholm said strikes probably will be sought among workers in the war reparations industries, adding:

10 Per Cent Still Out

"The aim of strikes in those industries would be to make it difficult for the government in the foreign policy field. Such action would deter the deliveries of war reparations goods to Russia.

Fagerholm said the government had no definite reports today on the number of strikers. The Central Union of Finland's employers reported that "between five and 10 per cent of the TUF (Trade Union Federation) members" still are on strike.

The TUF has about 330,000 members.

At the peak of the walkouts, VAPAA SAF, popular Democrat newspaper, said 60,000 men were on strike. Other reports said 40,000.

New Unions Formed

Finland's employers said the strikers are returning to their jobs despite communist exhortations. However, dockers and building trades workers are still out. It was estimated about 7,000 dockers and 25,000 building construction workers are still out.

The strikers began setting up their own trade union organizations. A new dockers' local union, independent of TUF, was formed at Kotka.

The TUF expelled four communist-led unions because they refused to recall their strike orders.

A government spokesman said work has begun to establish communist organizations among food industry workers.

Finn Metal Unions Set For Strike

AUG 25 1948

Helsinki, Finland, Aug. 25 (AP)—A metal industry walkout appeared today to be the next in the wave of Communist-led strikes which have swept Finland for more than a week.

The strikes have led to a split in the powerful Central Trade Union Federation which yesterday ordered the expulsion of four Red-dominated affiliates involved in unauthorized walkouts.

Wage Demands

It was reported this morning that demands for higher wages have been made by some groups of metal workers and that a strike was threatened if they were not granted.

Many metal workers are producing war-reparations goods for Russia. Two groups of metal workers—plumbers in Helsinki and Turku—already are out on wildcat strikes. The Metal Trades Union has some 50,000 members.

30.24- 5249

King Paul Watches Greek Air Attack

Athens, Aug. 25 (AP)—With King Paul watching, the Greek Army threw American Helldiver planes and secret-list guns into combat today against Communist guerrillas in the Grammos Mountains.

The air attacks were co-ordinated with infantry thrusts and artillery fire from new American guns—75 and 105 mm. field pieces that absorb recoil.

Reports from the front said a 75-mm. knocked out two strongly fortified pillboxes with five rounds from 600 yards and then moved on.

The King watched the fighting for several hours from a forward observation post on Ammouda Ridge, north of Nestorion, on the Albanian frontier. This is where a Communist die-hard force stopped the Greek Army a year ago and slaughtered many soldiers.

Four to five thousand guerrillas are believed to be in the area of some 250 square miles. ADD

TITO DENOUNCED AT RUSSIAN RALLY

'Peace' Meeting Speaker Calls Slav Regime Fascist

Moscow, Aug. 25 (AP)—Speakers at Russia's all-union conference of "peace" proponents tonight denounced Marshal Tito, Yugoslav Premier.

Guests of the conference, which opened today in Moscow's Hall of Columns, include an American Negro educator and writer, Prof. W. E. B. Du Bois, of Baltimore, and two Britons, Dr. Hewlett Johnson, Dean of Canterbury and Prof. G. Crowther. Pietro Nenni, head of the (pro-Communist) Italian Socialist party, also is present.

Nikolai Rossissky, a leading worker under the *Stakhanovite* system (for increased industrial production), named Tito along with Constantin Tsaldaris, Greek vice premier; Winston Churchill and Spanish Generalissimo Francisco Franco, as enemies of peace.

Calls Tito Regime Fascist

Academician Parcon, president of the Romanian Academy of Sciences, called Tito's regime Fascist.

The Canterbury Dean concluded a half-hour speech tonight with the words:

"Long live the Soviet Union. Long live peace!"

Dr. Johnson said Stalin was completely correct when he said in an interview with the Dean five years ago that the capitalist press might become the greatest menace to peace.

The Dean, wearing his clerical robes and cross, spoke to an audience composed largely of Soviet citizens and including Patriarch Alexei, heading a delegation from the Russian Orthodox Church.

Cites Christian Purpose

Dr. Johnson said Christianity stands for peace, brotherhood and the equality of man, but that many ordinary churchgoers understand this better than their religious leaders.

"In a key address, Nikalai Tikhonov, Soviet writer, attacked American "warmongers and imperialists." He said the Soviet people have the strength again "to defend their country from the threat of destruction." He added that the U.S.S.R. also "has the strength to defend world civilization" and asserted that "we do not want war, but we do not fear our enemies, the enemies of peaceful humanity."

The conference elected as an honorary presidium the members of the Politburo of the Russian Communist party, headed by Prime Minister Stalin. It also elected an active presidium, including: Dmitri Shostakovich, composer; Konstantine Simonov, Alexander Fadeyev and Alexander Korneichuk, all writers; Sergei Vavilov, president of the Academy of Sciences; V. V. Kuznetsov, chairman of the Soviet Trade Unions Council; Ilya Ehrenburg, writer and journalist, and Trofim Lysenko, biologist.

Chiang Asks Last-Ditch Stand Against Red Tide

Canton, Aug. 25 (AP)—Chiang Kai-shek appealed to Nationalist China today for a fight to the finish against the "aggression" of the "Communist International." The Reds answered with a new push on uneasy Canton.

The Chinese Reds have "unmasked themselves as international agents," the Nationalist Generalissimo declared. He saw their power waning as a "strong arrow reaching the end of its flight."

But he also seemed to see the end of Canton as his Government's refugee capital. For he said: "Today Chungking will again become the center for the fight against aggression."

One-Eyed General

The new Communist drive was unleashed by famed one-eyed Gen. Liu Po-cheng in the southwest corner of Kiangsi province. It threatened three towns near the Kwangtung province border—all within an arc 140 miles northeast of Canton.

It was believed the Reds were trying to take Chiennan, Lungnan and Tingnan as springboards for an enveloping movement aimed at cutting the Canton-Hankow railway at Kukong, 125 miles north of Canton.

If the maneuver succeeded, large Nationalist forces would be forced to retreat or risk encirclement. Canton would be seriously threatened.

Some 2,000 Communist irregulars from Kwangtung were moving toward a meeting with Liu's forces. Nationalist troops were sent to try to prevent this juncture.

Issued At Chungking

Chiang's statement was issued at Chungking. He flew from Canton to China's World War II provisional capital yesterday—reportedly to keep western China warlords from dealing with the Reds.

The Nationalist leader said:

"In the past four years the Communist International first robbed us of the land, people and resources of Manchuria, then extended its dark, gloomy iron curtain to North and Central China. Today Chungking will again become the center for the fight against aggression."

He asserted Communist morale was declining and their political position was weakening. Since the Reds crossed the Yangtze in April, he said, their difficulties have increased, especially after they occupied large cities. [The Communists have admitted trouble in handling such complex cities as Shanghai.]

Revolts Cited

"Tens of thousands of people in Communist-held areas are rising up everywhere to fight against them," Chiang declared. [The Reds also have admitted widespread peasant uprisings and Nationalist underground activity in their areas.]

Chiang exhorted the Chinese of the northwest and southwest to rise up and fight to victory. He added: "I myself am confident of victory."

On the Southeast China front, a state of emergency was proclaimed at the big port of Amoy in Fukien Province opposite Formosa. The city is Nationalist mainland headquarters for southeastern China. A rigid curfew was clamped down and civilians were fleeing.

Big Battle Seen

Red forces moving down from Communist-held Foochow of the coastal highway were nearing Chuanchow, 45 miles northeast of Amoy. Reports indicated a big battle would be fought at Chuanchow. ADD

CHINA REDS PUSH DRIVE ON CANTON

CANTON, China, Aug. 25—(AP) The communists were reported threatening points within 140 miles northeast of Canton tonight, but a Chinese nationalist spokesman said they wouldn't dare to go far because of government gains on the western flank.

Unofficial reports said the Reds led by one-eyed Gen. Liu Po-Cheng were thrusting at Kiennan (Chiennan), Lungnan and Tingnan, all within 140 miles of Canton on a 35-mile arc.

No details were given, but there was speculation that the communists were aiming at Kukong, on the Canton railways 125 miles north of Canton and 60 miles west of the reported Red positions. This would force nationalist armies farther north to retreat or risk encirclement.

Precarious Position

Gen. Teng Wen-Yi, nationalist army spokesman, declared, however, that the communists could not risk further advances as long as the situation in Hunan province, some 250 miles to the northwest, remained in favor of the government. In that sector, nationalists officially announced reoccupation of Siangsiang, 35 miles southwest of Changsha, and the Anhua, 90 miles west of Changsha.

Recovery of these towns west of the railway strengthens the left flank of Gen. Pai Chung-Hsi, nationalist commander.

In this uneasy nationalist capital, however, there was a theory that the government gains might be due to a shift of Red troops to the front nearest Canton for an attempted break-through.

Defense Ring Formed

The nationalist spokesman said a strong defense ring was being established around Amoy, seaport 330 miles northeast of Canton. The Reds were reported approaching at undisclosed distances, amid predictions of a big battle 45 miles to the northeast on the coastal highway.

The spokesman also reported fighting was continuing on Tahsieh island, 100 miles south of Shanghai and seven miles off the coast. It is on the fringe of the Chushan group from which nationalist naval and air forces enforce their blockade of Shanghai. The communists landed there recently, but the spokesman said they had not yet been able to invade the main islands.

Official dispatches from the distant northwestern front said the Reds had been repulsed in an all-out attempt to take Lanchow, capital of Kansu province, in bitter all-day and night fighting, the Reds were declared to have lost 3,000 killed and 700 captured.

The Nationalist Emergency Council planned a military-political conference Friday in Canton. Acting President Li Tsung-Jen was to preside in the absence of Generalissimo Chiang Kai-shek. Chiang is in the hinterland trying to whip up new spirit against the Reds.

Canton Removal Job Complete

Manila, Aug. 25 (AP)—Vice Admiral Oscar C. Badger said today the evacuation of American citizens from Canton by the Navy "is now concluded."

The commander of the United States 7th Task Fleet said Navy ships and some air facilities are still being maintained at Hong Kong to provide for emergency "not now foreseen."

Leaving For D.C.

Admiral Badger returned here aboard his flagship St. Paul, a heavy cruiser. On Sunday he will turn over his command to Vice Admiral Russell S. Berkey and emplane for Washington where he is due next Thursday.

In the past year the old Western Pacific Fleet under Badger has helped out in the evacuation of Americans and other nationals from Hopei province in North China to Kwantug province in South China. More than 1,500 families were removed.

Soviet, Iranian Troops Engage In 5-Hour Clash

Tehran, Iran, Aug. 25 (AP)—A military informant said today Russian and Iranian troops exchanged fire for about five hours last Sunday when Soviet soldiers attacked an Iranian army post.

The clash occurred when a considerable number of Russian troops made a foray into Khorasan province in northeaestern Iran, the informant said.

According to another usually reliable source, the Russians reportedly wiped out an Iranian army post at Sari Aslan, near Neftlijeh, in the Gorgan area before returning to Soviet territory.

3 American Flyers Freed by Java Dutch

Batavia, Java, Aug. 25 (A. P.).—The Dutch High Commissioner today pardoned three American flyers convicted last January by a Netherlands court on charges of running guns into Indonesia, a United States consulate spokesman said.

Freed were Albert W. Onstott of Yuba City, Cal.; Connie W. Seigrist of Vian, Okla., and William Hallam of Portland, Ore. They had been sentenced to prison terms ranging from eighteen months to four years. The three men were picked up in Indonesian waters last September with a Catalina flying boat loaded with small arms and ammunition. They contended they thought the equipment they were delivering was for Malayan planters fighting Communists and not for Indonesian Republicans fighting the Dutch. ADD

TRUMAN EXPECTS GOOD RESULTS IN FINANCIAL TALKS

WASHINGTON, Aug. 25 — (AP) President Truman said today he expects good results from the British-American-Canadian financial conference which begins here Saturday.

The President made this statement at a news conference in an apparent effort to dispel the gloom and predictions of failure that surround the forthcoming talks.

The three-power meeting has been called to determine ways of checking the growing British financial crisis and to map a program for expanding trade generally among the western nations.

Expects Little Bickering

Mr. Truman at first declined to express his attitude about the talks. But later he said if he didn't think some good would result from the

discussions, there just wouldn't be any conference.

The President also made it clear he expects Britain and the United States to go into the important meeting without thought of bickering and name calling over who is responsible for Britain's plight.

Answering a question, he said he believes the recriminations that have been tossed back and forth across the Atlantic have been confined entirely to the newspapers. There have been no recriminations between the British and American governments, he said.

He commented that there was a good cartoon in the Washington Evening Star the other day to illustrate his point. The cartoon, by Clifford Berryman, showed an amiable Uncle Sam and an amiable John Bull looking across the ocean at each other, while two other men labelled "U. S. press" and "British press" were throwing bricks at each other. Uncle Sam was saying:

"It's a pretty good way for both of us to let off excess steam, John."

British Group Arrives

The President expressed his views a few hours after a 20-man British financial, and economic delegation arrived from London to participate in the first discussions.

The head of this group of technicians, Sir Henry Wilson, matched President Truman's optimism by telling reporters "we are all optimistic." Sir Henry said he did not expect any decisions to result from the first week of talks. "We are here to set up everything for those who will follow," he said.

British Foreign Minister Bevin, and Sir Stafford Cripps, British chancellor of the exechequer, are scheduled to arrive later for the high-policy talks starting Sept. 6. Lester B. Pearson, the Canadian foreign minister, and Douglas Abbott, Canadian finance minister, will represent Canada at these discussions.

Talks Of British, U.S. On Asia Policy Due

AUG 25 1949

Washington, Aug. 25 (AP)—Secretary of State Acheson and British Foreign Minister Bevin are expected to discuss possible development of an anti-Communist bloc of nations in the Southeast Asia area when they meet here next month.

Formation of such a bloc, to develop that area along Western democratic lines, has been suggested by various leaders, including President Quirino of the Philippines.

It evidently is one of the things on which the American Government will have to make a decision in arriving at a new policy toward the Far East as a result of the Communist successes in China.

Quirino Visit

To date the United States officially has refrained from giving any open encouragement to the plans of Quirino and others for such an organization. On the other hand, during Quirino's official visit here, officials displayed a more friendly attitude toward his idea than they had shown previously.

Responsible informants said there is no doubt that Acheson and Bevin will review the whole Far Eastern situation and seek to lay the groundwork for further British-American co-operation in that area of the world. A similar review is expected between American officials and Prime Minister Nehru of India when Nehru comes here later in the fall.

Acheson's Aim

Acheson is seeking the maximum co-ordination of American policies with other friendly nations in the Far Eastern situation. He also hopes to develop those policies domestically in a "completely bipartisan" manner.

He made that point clear at a news conference yesterday in rejecting charges by Representative Judd (R., Minn.) that the State Department's recent White Paper on China was a "dishonest document." Judd had so labeled it because, he said, it did not contain some documents bearing on past relations with China which he believed would have shown up American policy there in a different light.

His Reply

In his statement, Acheson took the position either that the State Department had been unable to discover the documents Judd listed or that their publication would not have added any substantially new information to that which actually was given in the White Paper.

TRUMAN CLEARED MARAGON'S TRIP, VAUGHAN ASSERTS

President Was 'Personally Interested' in Journey, Note Reveals

GENERAL TESTIFIES

AUG 25 1949

5 Per Cent Probers Told of Visit to Paris by Perfume Co. Head

WASHINGTON, Aug. 25—(AP) Maj. Gen. Harry Vaughan used President Truman's name to ease the way for a perfumery trip to Europe planned by John Maragon, senators were told today.

The president's military aide informed the State department in 1945 that Mr. Truman was "personally interested" in seeing that a passport was given for Maragon, the fabulous ex-shineboy who once sported a White House pass.

Although Mr. Truman's name was brought into the Senate investigations subcommittee hearing, the president still refused to make any comment.

Truman Silent

He told his news conference what he'd said previously: No comment until Vaughan has had a chance to have his say.

Vaughan wasn't the only one to use Mr. Truman's name.

Ed Pauley, then Mr. Truman's reparations commissioner, once started a letter:

"This will introduce Johnny Maragon, who is not only a good friend of mine, but also the president's."

The committee also heard:

1. That Vaughan, the president's army aide, once wrote a letter of introduction for David Bennett, Chicago perfumer, who managed to get to Paris only three days after V-E day.

Less than three weeks after Bennett's return deep freezers were sent to Vaughan and to Mrs. Truman at the "Little White House" in Independence, Mo. Vaughan has acknowledged that Bennett paid for the freezers.

2. That Maragon once claimed an $8,000 fee for work which he said he did for Trans-American Traders, Inc., which dealt in surplus war goods.

Maragon Denied Payments

Maragon, in a closed hearing, has sworn that he never took any money from firms trying to do business with the government.

3. That Maragon paid a $1,145 penalty on perfume he tried to bring into this country labeled as champagne, bound for the White House.

Francis Flanagan, committee lawyer, read into the record a letter Vaughan wrote the State department in August, 1945. In this, Vaughan said Maragon wanted to go to Italy as a representative of the Albert Verley Perfume company—the firm that Bennett heads.

The committee had heard earlier that Maragon had gone to Paris for the same firm in July, 1945.

The memorandum in which Vaughan asked for a passport for Maragon had this pencilled note at the bottom:

"Col. Vaughan informed Mrs. Shipley (Mrs. Ruth B. Shipley, chief of the passport division) that the president is personally interested in Maragon's trip to Italy. Col. S. agrees that he is ID."

Flanagan then read an Army report to show that "ID", in the travel code used then, meant that the president himself wanted the travel order granted. "Col. S." was never identified except as an expert on travel orders.

Pauley, who later became one of Mr. Truman's ambassadors, made his comment on his friendship—and the president's—with Maragon in a letter to Henry F. Grady, chief of an American mission to Greece.

Got Greece Job

Pauley said Maragon, who speaks Greek, "is exceedingly anxious to accompany you to Greece on your new assignment."

Maragon got the job.

Mostly the hearing revolved around Maragon. Running second to him was the name of Bennett, the Chicago perfume man who was his parttime employer.

Committee lawyers read reports to show that Bennett got into Paris on May 11, 1945—only three days after V-E day. With him he carried a letter of introduction from General Vaughan.

Bennett and another member of his firm, flew to Paris in an Army transport plane. They returend the same way—"bumping hospital cases to get transportation," Senator McCarthy (R-Wis), said.

Date of Bennett's return: June 6.

Previous testimony has shown that it was on June 27 that Bennett-paid-for freezers were shipped to Vaughan and Mrs. Truman at the "Little White House" in Independence, Mo.

Maragon Not on Stand

Letters read into the record showed that last year Vaughan attempted to get Bennett into the British zone of Germany. (Bennett wanted to see a sick friend, Vaughan said).

Whether or not Vaughan succeeded in this attempt was not brought out. The committee ran out of time smack in the middle of this discussion, and had to adjourn.

This lack of time prevented Maragon from taking the stand, too. He showed up at the hearing, but found it so crowded there was no place for him to sit.

Most of the time Maragon stood, hat in hand, directly in the path of reporters who were hustling in and out of the room, often with copies of letters Vaughan had written in Maragon's behalf.

Chairman Hoey (D-NC), said Maragon's turn will come tomorrow.

Vaughan must accompany Mr. Truman on his trip to Philadelphia Monday, Hoey said, so he has been put down on a Tuesday date with the committee.

UNANIMOUS VOTE OF HOUSE GROUP REFUTES CHARGES

Evidence Does Not Support Fraud Allegations, Committee Says

SEEK 'HIGHER UPS'

AUG 25 1949

Inquiry Board Will Study Report Which Started Long Investigation

WASHINGTON, Aug. 25 — (AP) The B-36 bomber investigation blew up with a dramatic bang today as a Navy critic of the billion dollar deal confessed he was all wrong, and a House committee exonerated defense officials of any fraud, collusion or dishonesty.

Weeks of rumors and charges of political chicanery were sponged off the books with startling suddenness when:

1. A suspended Navy official, Cedric Worth, who started the whole thing with a sensational anonymous memorandum, admitted he had made a "great error."

Unanimous Vote

2. The House Armed Services committee voted unanimously that its weeks of hearings had found no evidence to "support the insinuation that fraud, influence, collusion, corruption, dishonesty, or favoritism had any part in the B-36 procurement program." These were the words of Chairman Vinson (D-Ga) which the members quickly endorsed.

Voting with Vinson was Rep. Van Zandt (R-Pa) who had touched off the inquiry with a speech in the House calling for an investigation of "disturbing reports" concerning Defense Secretary Johnson, Air Secretary Symington and Floyd Odlum, financier whose Atlas corporation controls the company making the B-36.

The highflying superbombers, counted upon to deliver the atom bomb to the enemy in case of war, are costing over a billion dollars. The charges included: (1) That the plane was obsolete; (2) that Odlum made great campaign gifts to the Truman cause when Johnson was fund-raiser last year; (3) That Symington might quit to take a big job under Odlum.

Late in the day Navy Secretary Francis P. Matthews announced that a court of inquiry under Admiral Thomas C. Kincaid, will convene here Aug. 29 to investigate the circumstances surrounding the preparation of the anonymous memorandum which touched off the Congressional investigation.

Everyone Cleared

Van Zandt told reporters everybody mentioned in the inquiry so far has been cleared and "that is exactly as it should be."

The hearings, he said, have "cleared the air" just as he contemplated in a resolution asking for an investigation. He said it was up to Congress to find out if there was anything wrong and correct it if there was.

After today's extraordinary committee session, Joseph B. Keenan, committee counsel told reporters he thinks the charges Worth spread come from other and higher places.

"The area of infection is wider and deeper," he said.

The committee may go into the question of whether anyone else is behind the charges.

During the hearings, Johnson and Symington had blasted all suggestions of irregularities in their deal-

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ings with the giant, six-engined atom bomb carrier.

Odlum Testifies

Today it was Odlum's turn. Testifying, he said:

"There is not one rivet of politics in the B-36. There is not one ounce of special favoritism in its more than 300,000 pounds of loaded weight.

"The innuendoes and insinuations concerning the B-36 order that caused this investigation by your committee are completely baseless.

"During my more than 30 years of business life I have never once either asked for or received a business fav from any political official."

Odlum took the witness chair after the investigators had just heard him described by Worth as "unscrupulous." Worth's paper had spoken of "efforts of the Atlas Corp., to take over the National Defense Establishment."

But after Odlum had testified, and Worth again was in the witness chair backing down on his charges, he removed the "unscrupulous" designation from Odlum too.

Worth was suspended yesterday from his position as special assistant to the undersecretary of the Navy after admitting authorship of the document.

Today he submitted to an ordeal of lashing questions and said he had a "change of heart."

Keenan demanded:

Worth Changes Mind

"Are you still convinced the B-36 program was brought about through political chicanery or corruption?"

"No," Worth replied.

Rep. Bates (R-Mass) sharply asked:

"Do you have any knowledge, directly or indirectly, of any collusion, fraud, corruption, influence or favoritism in the procurement of the B-36?"

"Nothing that is not in this paper," was Worth's quiet answer, referring to his memo.

"Therefore, you have no such information?"

"Yes, that is right," the witness conceded.

Worth said he regretted the entire affair, and his tagging of Odlum as unscrupulous.

"You realize," Keenan asked, "the heartaches you have brought about by this anonymous document?"

"Yes."

"And the great disservice to the American people?"

"Yes."

Worth was a dejected figure as Vinson brought the hearing to a climax. It had produced hours of testimony from top defense officials that the B-36 was their choice solely because of its performance. Said Vinson:

Lauds Symington, Johnson

"I think the nation should know that Secretary of Air Symington, Secretary of Defense Johnson and Air Force officials have come through this inquiry without the slightest blemish and merit the complete confidence of the American people now and in the future." The committee agreed.

After Keenan and committeemen eased off in their emphatic questioning, Worth was permitted a statement of his own.

He said he believes there is need for serious consideration of the "defense structure, and that is particularly related to the B-36."

The committee will deal with respective roles of the Air Force and Navy when it resumes its work in October.

The whole furore ran parallel with the contest of the Navy with the Air Force for a bigger role in strategic bombing.

Keenan said he wanted to talk to Worth after the hearing to learn who collaborated with him.

Worth said nobody really collaborated, he said he asked people for information and got it; that they didn't know what it was for.

He said his purpose was to obtain an objective look at the B-36 porgram.

Keenan drew an admission that he went about it wrong and had made a "great error."

Contained Secret Data

Before the charges exploded into nothing, investigators drew from Worth testimony that the document contained "confidential" data dealing with B-36 performance.

Worth also testified that he gave a copy of the paper to Glenn L. Martin, Baltimore airplane manufacturer and competitor of Consolidated-Vultee.

He said he conferred with Martin twice and got part of the information in the document from Martin; what part was not brought out at once.

A portion of Worth's paper was put, unsigned, into the committee records recently.

Questioning Worth, Keenan suggested that a potential enemy would be helped by the document's performance figures on the B-36.

"I don't doubt that they had it," Worth replied.

Early in today's session the suspended Navy official backtracked from testimony yesterday that he had told his superior, Navy Under-Secretary Dan Kimball, that he wrote the memorandum. Today he said that what he actually told Kimball four or five days ago was that Chairman Vinson of the committee was saying Worth was the writer.

ECA DECLARES RECOVERY RATE LAGS IN EUROPE

Failure of Nations to Earn Enough Dollars Is Held the Critical Problem.

FIRST YEAR'S WORK REPORTED

Change to Buyers' Market Cited —Inflation Situation Viewed With Optimism.

AUG 25 1949

Washington, Aug. 25 (A. P.).—The Economic Co-operation Administration reported today a slackening in the rate of European recovery.

In a sober report on its first year's operations the agency said the dollars earned by the nations of Europe during the period were enough to pay for only one-fifth of their imports from the Western Hemisphere.

"This was the critical problem which the participating nations faced as the European Recovery Program entered its second year," the ECA said.

However, the report added, the program's "ultimate objective of a 'healthy economy independent of extraordinary outside assistance' remains as a difficult but attainable goal."

Three Aims Set Up.

The report noted that Congress had set up three aims when it authorized the European recovery project: increasing production, stabilizing currencies and stimulating trade among the participating nations.

"In each of these fields," the ECA said, "the Nations of Europe made substantial progress in the first twelve months of the European Recovery Program. As the year drew to a close, however, there were indications of a slackening in the rate of progress, particularly in the export trade, which gave warning of the difficult problems that must be solved before the goal of economic independence can be attained."

Significant Gain.

The agency noted that Western Europe increased its exports during the twelve-month period, through April 2, 1949, until they were about equal to the prewar volume. This, it said, was a significant gain.

"But the persistent difficulties in earning dollars have posed a continuing problem of sustaining the high level of trade which is of paramount importance both to Europe and the United States.

"The change from a sellers' to a buyers' market has placed new emphasis on measures needed to strengthen and expand multilateral trade, particularly the means for rapidly eliminating the cost and trade disparities between dollar and non-dollar areas, the removal of trade restrictions and broadening of areas of free trade."

10 P. C. Export Lag.

While exports as a whole were back on a pre-war footing, the ECA said, trade among the Western European nations themselves lagged at about 10 per cent below pre-war.

However, the report went on, the first three months of 1949 showed a brighter picture than the preceding nine months: Trade as a whole was 18 per cent above the average before the war, while trade among the European nations was 5 per cent higher than pre-war.

The report also took an optimistic view of the European inflation situation.

"The first quarter of 1949," it said, "may well have marked the end of the inflation that has been troubling western Europe since world war II. Wholesale prices and the money supply during the quarter were either unchanged from the previous three-month period or declined somewhat in all ERP countries except Greece, Turkey, and to some extent the Netherlands.

"The continued increase in industrial and agricultural output, the leveling off of the money supply, restrictive credit policies, easing of the labor market, accelerated decline in world commodity prices, and improvements in internal government financing appear to have produced a general relaxing of inflationary pressures."

AEC PROBE CLOSED, M'MAHON ASSERTS

AUG 25 1949

WASHINGTON, Aug. 25—(AP) Chairman McMahon (D-Conn) announced tonight that he considered the joint Senate-House Atomic committee's investigation of the Atomic Energy Commission "to be closed."

But Senator Hickenlooper (R-Iowa), whose charges of "incredible mis-management" last May 22 brought about the lengthy investigation, said he did not consider the announcement "committee action."

He indicated that he thought the way is still open for the investigation to continue despite McMahon's announcement.

"I certainly hope the hearings are not closed, because there are a number of areas yet to be taken up in executive session," he told a reporter.

McMahon's formal announcement came closely on the heels of his attempt to hold a closed door committee meeting on the personnel security phases of the investigation. He failed to muster a quorum of six members.

The personnel security phase deals with the question whether sufficient safeguards have been maintained against entry of possible subversives into the atomic program.

The committee has yet to make a finding on Hickenlooper's mismanagement charges, which were vigorously disputed by Lilienthal and others.

UNITED NATIONS DAY SET

Truman in Proclamation Calls for Observance Oct. 24

AUG 25 1949

WASHINGTON, Aug. 25 (AP)—President Truman today described the United Nations as a "living force for solving the major problems involved in transforming a shattered world into a better habitation for the human race."

He did so in a proclamation calling upon the United States to observe Oct. 24 as United Nations Day. Oct. 24 marks the completion of the fourth year of the United Nations.

D.C. Sees Russ Fanning Revolt To Oust Tito

Washington, Aug. 25 (AP)—United States Government officials expect Russia and her loyal satellites to intensify their violent barrage of threats against Marshal Tito of Yugoslavia during the next few weeks.

However, they see these bitter denunciations as part of a Moscow-directed "war of nerves" against the Yugoslav dictator and not as the forerunner to an outright armed invasion of Yugoslavia.

These officials said they are convinced Moscow is counting on an internal revolt to unseat Tito—or, if that doesn't develop, on the chance that the Russian-inspired economic blockade will bring him to his knees.

Lead Role For Albania

Albania is expected to take a leading role in hurling abuse at Tito as it has in the past months, perhaps in an effort to arouse him into invading the little Balkan country.

Any such Yugoslav move, however, might be the signal for Russian, Romanian, Hungarian and Bulgarian troops to move into Yugoslavia under the guise of helping pro-Moscow Albania repel aggression.

American officials are convinced Tito is thoroughly aware of this danger and intends to avoid any action which might tempt Russia to substitute guns for words in the campaign against him.

"Dove Rattling Saber"

Secretary of State Acheson took note of the tense Moscow-Tito feud and emphasized that the United States is closely following all developments.

Speaking at his news conference, Acheson said he wondered how Communists everywhere could reconcile Russia's "saber rattling" in the Balkans with its much-ballyhooed peace offensive.

Acheson said he supposed the Communists could say this saber rattling was really the cooing of a dove. But, he added with a grin, the dove seems to have developed a sore throat.

NEW B-36 DEFENSE WEAPON REPORTED

Compton Says Guided Missile Can Stop Jet Fighters

AUG 25 1949

Washington, Aug. 25 (AP)—Dr. Karl T. Compton said tonight that the United States is developing an "exceedingly important" guided missile which the B-36 can use to protect itself against speedy jet fighters.

Compton, chairman of the Defense Department's research and development board, spoke with Sumner T. Pike, commissioner of the United State Atomic Energy Commission, over CBS.

Compton said his board is supervising research on four general classes of guided missiles that "are in various stages of development."

He described as exceedingly important the "air-to-air" missile, "which may well become the principal artillery of air combat."

Fighters Have Advantage

The speed of jet fighters gives them both an offensive and defensive advantage over the larger and slower bombers, he said.

"But if the bombers are armed with missiles which can be launched againnst these fighters at considerable range, and if the missiles automatically steer themselves toward the attacking fighter and explode a powerful war head at contact or in close vicinity then again we have an improved countermeasure to protect the bomber against the improved attack.

"This is of great importance to us, since long range strategic bombers are a very significant element in our military arsenal."

Describes Other Types

Compton described the three other types.

One he called the "surface-to-surface" missile. He said it is equivalent to superlong range artillery. It may be fired from shipboard against an enemy ship, or from land against enemy troop concentrations, supply depots or factories.

"Its range may be anything between a few score miles and a few thousand," he said, and then added significantly:

"The development is already well-advanced for those of a few hundred miles range."

Another type under development is the "surface-to-air" missle. This is the equivalent of anti-aircraft shells of greatly increased range and accuracy, he said.

Fourth Weapon Developed

"With the rapid increase in speed and operating altitudes of modern airplanes, such missiles bid fair to become the effective counter measure, insofar as defense from the groud is concerned."

A fourth guided missile under improved development is the "air-to-surface" model.

"We had two or three elementary types of these toward the end of the last war. They proved effective against special kinds of targets, like bridges or ships.

"The newer types will be much more versatile and effective," Compton promised.

1,319 DP'S TO ARRIVE IN BOSTON SATURDAY

WASHINGTON, Aug. 25—(AP) A total of 1,319 displaced persons from 12 European countries will arrive in Boston Saturday, Aug. 27.

Among the families are 166 children under six years of age, 144 between six and 16, and 27 stateless persons.

From Boston they will go to selected homes in 30 states and the District of Columbia.

Nationalities represented include: Polish 487, Ukrainian 237, Lithuanian 185, Latvian 148, Estonian 70, Czechoslovakian 47, Hungarian 35, Russian 31, German 25, Rumanian 13, Yugoslavian 12 and Austrian 2.

HAPPY ENDING FOR DOLLS

Repacking Settles U. S. Customs Dispute Over Shipment

PITTSBURGH, Aug. 25 (AP)—The battle of the United States Customs Office and a young Somerset, Pa., newspaperwoman over a shipment of dolls ended happily today.

Peggy Reiley came to the customs warehouse here and repacked the 200 dolls shipped from Canada for her "Dolls for Europe" campaign.

The dolls then were sent on their way to England where Miss Reiley will pick them up again in October. She will distribute them personally to doll-less little girls in England, France, Germany and Austria.

By repacking the dolls she was able to avoid the $14.63 duty the Government insisted she must pay if the dolls left United States possession.

away.

Voorhees Flying To Japan

Los Angeles, Aug. 25 (AP)—Tracy S. Voorhees, Under Secretary of the Army, leaves here late today by air for Japan to confer with General MacArthur. He declined to comment on Japanese problems.

HOWLEY SAYS REDS 'LIARS, SWINDLERS'

BALTIMORE, Aug. 25 — (AP) The Baltimore Sun quoted the top P. S. military man in Berlin as saying today that the Russians "are liars and swindlers."

The speaker was Brig. Gen. Frank L. Howley, director of the office of military government for the American sector of Berlin.

After interviewing him, Harold Williams, Sun staff correspondent in Berlin, cabled back these other quotes:

On his feelings about the Russians:

"There is no truth in them and the sooner we realize that fact and accept it, the better we will be. They believe that truth changes from day to day: for them there is no such thing as an eternal truth."

America's Voice Answers Russ Radio Quiz

AUG 25 1949

New York, Aug. 25 (AP)—The Voice of America today broadcast to the Russians its own answer to a Moscow quiz program question.

The question: "What are the fundamental characteristics of a people's democracy?"

The Voice replied that a "people's democracy"—the name Russia has applied to eastern European governments—"is not a democracy and does not belong to the people."

"Too Good To Miss"

Charles W. Thayer, chief of the State Department's international broadcasting division, said the chance to answer the quiz question was "too good to miss."

The question purportedly was submitted to a Russian quiz propram broadcast for domestic consumption. The program was picked up by United States radio monitors.

In its own definition, Radio Moscow said a people's democracy has characteristics of a country moving from capitalism to socialism. The country still has some traces of capitalism — some private enterprises and *kulaks*, or wealthy farmers—but the Government is liquidating these.

Voice's Answer

The Voice's answer, beamed to the Poles and Bulgarians in their languages yesterday and to the Russians early today, said, in part:

"A people's democracy is a country in which everything belongs to the state and nothing belongs to the people. It is a country in which the state in turn belongs to the Communist party bosses, who can do what they please with the state and everything in it without regard for the wishes of the people.

Socialist Competition

"It is a country where if a man does not work as fast as the party bosses think he should, he is sent to a forced labor camp for several years to teach him the meaning of Socialist competition.

"A people's democracy is a country where the standard of living of the people must be kept below the standard of living of the Soviet people. Since Soviet man is superior to all other men, obviously no one else must be allowed to live better than the Soviet man."

RUSSIANS HOLD 2 U.S. YOUTHS

College Boys Hostages In Germany, Brother Of One Says

New York, Aug. 25 (AP)—Two American college boys are being held as hostages by the Russians in the Soviet zone of Germany, a relative of one of them said today.

The boys, Warren Oelsner, 20, of Oyster Bay, N.Y., and Peter H. Sellers, 18, of Philadelphia, disappeared July 30 while bicycling in the British zone near the Soviet border.

Edward C. Oelsner, Jr., a New York steamship operator and brother of Warren, said the State Department has informed him that the boys fell into Russian hands.

Apparently Crossed Border

In Washington the State Department said it was making every effort to secure the release of the youths. A department spokesman said the pair apparently crossed into the Soviet zone despite a warning from German police in the British zone that it would be dangerous.

As a condition of their return, Oelsner said, the Russians are demanding that the United States Military Government return three Russian Army deserters supposed to have fled to the American zone.

Oelsner said the United States [illegible] Government claims not to know where the Russian deserters are.

Moreover, he said, he understands that American policy in Germany has been to take no responsibility for the return of Russians who flee the Soviet zone.

Both Are Penn Students

Oelsner said both American boys reportedly were in good health and are not captives but being "retained."

"It's good news to learn the boys are alive and well," he said. "I'm ready to go over there if there is anything I can do. But it seems to be a matter for the State Department and the military government at present."

The boys, both students at the University of Pennsylvania, had completed a bicycle tour of Europe and were awaiting a ship to return them to this country.

With a few days to kill, they bicycled into the British zone and reportedly were turned back by customs officials at the Soviet zone border before they disappeared.

JUDGE DENIES DEFENSE PLEA

Refuses To Declare Mistrial In Communist Trial

AUG 25 1949

New York, Aug. 25 (AP)—Federal Judge Harold R. Medina today denied the demand of defense counsel for a mistrial in the eight-month-old Communist conspiracy trial.

At the same time, the court refused to disqualify Russell Janney, a juror and 65-year-old author and theatrical producer, whom the defense accused of anti-Communist bias.

Motion In All Aspects Denied

Medina announced his decision to the packed courtroom after having the two motions under advisement since yesterday.

Asserting that he had "given this matter the most careful study and consideration," the jurist slowly declared:

"The motion is in all aspects denied."

After announcing his decision, Judge Medina said that since the defense had entered its motion for a mistrial he had been besieged by a flood of thousands of telegrams from all parts of the country.

Pointing out that it was "utterly improper for others by any means to seek to influence the judge," Medina added:

"I will not be intimidated. Those things are wrong and should be stopped."

Defense Charges Bias

The defense demanded a mistrial in the long, drawn-out trial on the ground that Janney, author of the novel "Miracle of The Bells," had demonstrated bias against the eleven defendants in private conversations with an actress and singer, Miss Carol E. Nathanson.

The defendants, all top members of the United States Communist party, are charged with conspiring to seek the violent overthrow of the Government. The trial so far has cost the Government an estimated $1,000,000.

The defense, in its attack on Janney, contended the juror had prejudged the defendants guilty and might well have sought to influence other members of the jury.

Defense Produces Clipping

It also produced a clipping from the Macon (Ga.) *Telegraph* of last February in which Janney was quoted as saying in an interview:

"Communism breeds on intolerance. People who want communism should go to Russia to live."

The mistrial demand was one of many such motions made fruitlessly by the defense since the start of the trial. A number of the motions were based on charges that Judge Medina, himself, is biased against the defendants.

Protests Judge's Remarks

Eugene Dennis, one of the defendants who is serving as his own attorney, protested Judge Medina's remarks about the flood of communications he had received in an attempt to influence his decision.

Rising from his chair at the defense table, Dennis protested that "the American people, Communists as well, have the inalienable right to petition for a redress" of grievances.

Accuses Janney Of Perjury

Dennis also argued angrily that Janney should be removed from the jury box because he "has perjured himself several times" and had not heeded the court's admonition to refrain from discussing the case on the outside.

The latter claim was based mainly on an affidavit filed by Miss Nathanson, singer-actress who described herself as a friend of Janney. The affidavit embraced talks about the trial which Miss Nathanson said she had with the juror.

Medina said he had mentioned the telegrams he received only because he desired the "public to know." He said he did not know who sent them but he implied that many were from Communist sympathizers.

LONDON, AUG 25-(AP)-UNDAUNTED BY THREATS OF A SHOPKEEPERS' STRIKE, THE BOARD OF TRADE ORDERED TODAY A FIVE PER CENT CUT IN THE RETAIL PRICES OF UTILITY GOODS SEPT. 26.

THE BOARD'S PRESIDENT, HAROLD WILSON, SOFTENED THE BLOW BY ANNOUNCING AT THE SAME TIME THE END OF PRICE CONTROLS ON A LONG LIST OF OTHER CLOTHING AND HOUSEHOLD ARTICLES.

UTILITY GOODS ARE CLOTHING, FOOTWEAR AND HOUSEHOLD TEXTILES WHOSE PRODUCTION COST IS SUBSIDIZED BY THE LABOR GOVERNMENT TO KEEP PRICES WITHIN REACH OF THE POOR.

WILSON SAID THREE TO FOUR PER CENT OF THE PRICE CUT WILL BE BORNE BY THE RETAILERS. THE REMAINDER WILL FALL ON MANUFACTURERS AND WHOLESALERS UNDER A COMPLICATED RE-PRICING FORMULA.

A PROTEST MEETING BY DELEGATES REPRESENTING 250,000 RETAILERS IN THE NATIONAL CHAMBER OF TRADE WAS HELD EARLIER THIS MONTH. SOME VOWED TO CLOSE SHOP RATHER THAN ACCEPT THE REDUCTION IN PROFITS.

CHAIRMAN LEONARD M. HARRIS OF THE DRAPERS' CHAMBER OF TRADE, AN ORGANIZATION OF 10,000 DRY GOODS DEALERS, TOLD NEWSMEN TONIGHT:

"MR. WILSON'S SCHEME WILL DEPRIVE MANY SMALL RETAILERS OF A LIVING WAGE. IF IT IS ALLOWED TO CONTINUE IT WILL FORCE MANY OF THEM OUT OF BUSINESS."

WILSON ESTIMATED REMOVAL OF THE LONG LIST OF NON-UTILITY GOODS FROM PRICE CONTROL--ALSO EFFECTIVE SEPT. 26--WILL CAUSE A JUMP IN THE COST-OF-LIVING INDEX OF ABOUT HALF A POINT. THE INDEX, IN WHICH PRICES OF JUNE, 1947, REPRESENT 100, STANDS NOW AT 115.

ARTICLES WHICH WILL BE REMOVED FROM THE PRICE-CONTROL LIST NUMBER ABOUT 1,000. THEY RANGE FROM HAND-WOVEN TWEEDS TO REFRIGERATORS AND BABY BUGGIES.

DA202PED

LONDON, AUG 25-(AP)-PAUL G. HOFFMAN, ADMINISTRATOR OF THE EUROPEAN RECOVERY PROGRAM, GAVE BRITISH EXPERTS HIS VIEWS TODAY ON HOW TO CUT THE DOLLAR GAP BY EXPANDING EXPORTS.

HE SPOKE PRIVATELY AT A LUNCHEON OF BRITISH MEMBERS OF THE ANGLO-AMERICAN COMMITTEE ON PRODUCTIVITY. THE GROUP INCLUDES REPRESENTATIVES OF THE TRADE UNION COUNCIL, THE BRITISH FEDERATION OF INDUSTRIES, AND THE BRITISH EMPLOYERS FEDERATION.

U.S. AMBASSADOR LEWIS DOUGLAS IS ENTERTAINING AT DINNER TONIGHT IN HOFFMAN'S HONOR. GUESTS WILL INCLUDE PRIME MINISTER ATTLEE, FOREIGN SECRETARY BEVIN, AND HAROLD WILSON, PRESIDENT OF THE BOARD OF TRADE.

DA812AED

London Gold & Dollar Reps. 7

THE INFORMANT SAID THE GOVERNMENT EXPECTS ITS GOLD AND DOLLAR RESERVES TO SAG MORE THAN ONE FOURTH BY SEPT. 30--DOWN TO $1,200,000,000.

AT THE END OF JUNE BRITAIN WAS DOWN TO HER LAST $1,624,000,000. THE TREASURY'S GOAL HAD BEEN TO KEEP THE RESERVES AT A "SAFE" MARGIN OF $2,000,000,000.

THE INFORMANT SAID BRITAIN'S BALANCE-OF-PAYMENTS POSITION FOR THE CURRENT QUARTER LOOKS "VERY GRIM" DESPITE RIGID IMPORT CUTS.

HE PREDICTED THAT NEW CUTS IN BRITISH DOLLAR SPENDING ON FOOD, TOBACCO AND OTHER ITEMS WOULD BE BOUND TO FOLLOW FAILURE OF THE WASHINGTON TALKS TO SOLVE BRITAIN'S GROWING DOLLAR CRISIS.

AUG 25 1949

A6

THE INFORMANT SAID THE LABOR GOVERNMENT HAS SUSPENDED DECISIONS ON OTHER MAJOR ISSUES UNTIL AFTER THE TALKS.

AMONG THESE HE CITED THE FUTURE OF BRITAIN'S ANNUAL DEFENSE BILL WHICH ENABLES IT TO MAINTAIN 769,000 MEN AND WOMEN IN THE ARMED FORCES AT AN ANNUAL COST OF $3,000,000,000.

THE GOVERNMENT DOES NOT WANT TO TOUCH THE DEFENSE BILL, HE SAID, BUT LEFTWING POLITICAL PRESSURE MIGHT COMPEL IT TO IF THE SOCIAL SERVICES

OR FOOD SUBSIDIES ARE TRIMMED.

THE INFORMANT ASSERTED THAT HEAVY STERLING AREA SPENDING IN BELGIUM AND SWITZERLAND IS CONTRIBUTING LARGELY TO THE DIVE IN BRITAIN'S DOLLAR AND GOLD HOLDINGS. IN THOSE TWO COUNTRIES PAYMENT IN GOLD HAS BECOME NECESSARY UNDER CERTAIN EUROPEAN RECOVERY PROGRAM ARRANGEMENTS.

DURING THE WASHINGTON TALKS, SIR STAFFORD CRIPPS, CHANCELLOR OF THE EXCHEQUER, AND FOREIGN SECRETARY ERNEST BEVIN WILL PRESENT A SIX-POINT PLAN TO EARN MORE DOLLARS.

JR227AED

PARIS, AUG. 25-(AP)-THE FRENCH GOVERNMENT TODAY ADVISED ITS FELLOW SIGNERS OF THE ATLANTIC PACT IT WOULD LIKE TO SEE THE MILITARY ASSISTANCE CLAUSES OF THE TREATY PUT INTO EFFECT AS SOON AS POSSIBLE.

IN A NOTE ADDRESSED TO EACH OF THE OTHER 11 SIGNERSSN FRANCE CALLED ATTENTION TO A MOTION TO THAT EFFECT PASSED BY THE COUNCIL OF THE REPUBLIC, UPPER HOUSE OF THE FRENCH PARLIAMENT.

THE NOTE ADDED:

"THE MOTION CORRESPONDS TO THE PROFOUND CONVICTION THAT INDIVIDUAL AND COLLECTIVE DEFENSE WILL BE EFFECTIVELY ASSURED ONLY BY THE ENTRY INTO FORCE, RAPIDLY AND IN SUFFICIENT QUANTITY, OF MILITARY ASSISTANCE (BY THE UNITED STATES) ON ONE HAND, AND BY THE ESTABLISHMENT AS SOON AS POSSIBLE OF A CONCRETE ORGANIZATION IN THE CONDITIONS FORESEEN BY ARTICLE NINE ON THE OTHER HAND."

ARTICLE NINE OF THE PACT ESTABLISHES A COUNCIL OF SIGNATORY POWERS TO IMPLEMENT THE TREATY.

THE COUNCIL RESOLUTION HAD ASKED THE GOVERNMENT TO USE ALL ITS AUTHORITY TO OBTAIN QUICK FORMATION OF THE MILITARY ORGANIZATION AND TO GET "FROM THE UNITED STATES THE ARMS AND MODERN EQUIPMENT INDISPENSABLE TO GIVE THE FRENCH ARMIES THE MEANS OF FULFILLING THE OBLIGATIONS OF DEFENSE AND ASSISTANCE PROVIDED IN THE ATLANTIC PACT."

SN849PED

AUG 25 1949

BY FRANK O'BRIEN

STRASBOURG, FRANCE, AUG. 25-(AP)-CRITICISM THAT MARSHALL PLAN AID IS PRODUCING LITTLE PERMANENT EFFECT ON EUROPE'S ECONOMY MARKED THE WIND-UP OF THE EUROPEAN CONSULTATIVE ASSEMBLY'S ECONOMIC DEBATE YESTERDAY.

CONSERVATIVES, SOCIALISTS AND MIDDLE-ROADERS PREDICTED WITHOUT CONTRADICTION THAT EUROPE IS IN FOR ECONOMIC CHAOS, SOCIAL UPHEAVALS AND EVEN WAR IF SHE CANNOT ACHIEVE ECONOMIC UNITY BEFORE THE RECOVERY PROGRAM ENDS IN 1952.

STATEMENTS THAT LITTLE LONG-RANGE CONSTRUCTIVE WORK IS BEING DONE UNDER THE MARSHALL PLAN WERE NOT DISPUTED.

AMERICAN AID HAS BEEN COMMENDED IN THE ASSEMBLY AS GENEROUS AND WISE, BUT SOME SPEAKERS BLAMED THE NATIONS RECEIVING AID FOR NOT TAKING ADEQUATE MEASURES TO SPEED THEIR OWN RECOVERY AND FOR NOT SUBMERGING NATIONAL DIFFERENCES IN BEHALF OF EUROPE'S WELFARE.

A RESOLUTION INTRODUCED BY WINSTON CHURCHILL'S EUROPEAN MOVEMENT (CAP E AND M) ASSERTED THAT "UNLESS IMMEDIATE STEPS ARE TAKEN TO PROMOTE A EUROPEAN ECONOMIC UNION THERE MUST INEVITABLY BE A EUROPEAN ECONOMIC COLLAPSE, INVOLVING A CATASTROPHIC DECLINE IN THE STANDARD OF LIVING OF THE EUROPEAN PEOPLES AND SOCIAL DISTURBANCES ENDANGERING THEIR DEMOCRATIC WAY OF LIFE."

ANOTHER RESOLUTION PROPOSED BY FRENCH SOCIALIST ANDRE PHILIP SAID THE ECONOMIC UNIFICATION OF EUROPE IS THE ONLY WAY OF AVOIDING "A SOCIAL CRISIS OF EXTREME GRAVITY."

BRITISH LABORITES, HOWEVER, ADVISED A GO-SLOW POLICY. THEY SAID AN ECONOMIC UNION, STRIPPING TARIFF PROTECTION FROM SOME INDUSTRIES, WOULD CREATE WIDE-SPREAD UNEMPLOYMENT.

BELGIUM'S PAUL-HENRI SPAAK, PRESIDENT OF THE ASSEMBLY, TODAY PREDICTED GERMANY'S ENTRANCE INTO THE COUNCIL OF EUROPE IN THE NEAR FUTURE.

AT A NEWS CONFERENCE SPAAK SAID HE BELIEVED THE WEST GERMAN REPUBLIC WILL BE INVITED TO JOIN THE COUNCIL "IN A MORE OR LESS SHORT TIME." HE EMPHASIZED THIS WAS HIS PERSONAL VIEW.

SPAAK SAID GERMANY'S ENTRANCE WOULD RAISE THE QUESTION OF MEMBERSHIP FOR BOTH AUSTRIA AND THE SAAR, BUT HE DID NOT THINK THEY WERE NECESSARILY LINKED.

"OUR ASSEMBLY IS ONLY AN INFANT," COMMENTED SPAAK SPEAKING OF THE GERMAN AND SAAR QUESTIONS," AND WE SHOULD NOT GIVE IT TASKS BEYOND ITS POWERS. THE MAIN THING IS TO SEE THAT IT LIVES."

RP934AED

AUG 25 1949

FRANKFURT, GERMANY, AUG. 25-(AP)-SIX DELEGATES ELECTED TO THE NEW WEST GERMAN PARLIAMENT FROM THE STATE OF HESSE HAD FORMER NAZI CONNECTIONS, A U.S.MILITARY GOVERNMENT SURVEY DISCLOSED TODAY.

ALL OF THEM WERE CANDIDATES OF THE FREE DEMOCRATIC PARTY, A RIGHT-WING GROUP WHICH RANKED THIRD AMONG THE PARTIES IN THE AUG. 14 VOTING.

THE SURVEY WAS MADE BY DALE NOBLE OF ANN ARBOR, MICH., HEAD OF CIVIL AFFAIRS DIVISION OF THE U.S. MILITARY GOVERNMENT IN HESSE.

"WE DON'T INTEND TO DO ANYTHING ABOUT THE ELECTION OF THESE EX-NAZIS," NOBLE SAID. "THERE'S NOTHING WE CAN DO UNLESS THEY HAVE BEEN CONVICTED BY A DENAZIFICATION COURT AND SENTENCED TO DISBARMENT FROM POLITICAL OFFICE. WE MADE THE CHECK AS A MATTER OF PUBLIC INTEREST."

FD714PED

FRANKFURT, GERMANY, AUG 25-(AP)-A U.S. MILITARY GOVERNMENT OFFICER SAID TODAY MANY FORMER NAZIS ARE MOVING BACK INTO THE PRESS OF SOUTHERN GERMANY.

THE MILITARY GOVERNMENT RECENTLY GAVE UP ITS LICENSING CONTROL OVER NEWSPAPER PUBLISHERS AND EDITORS. IMMEDIATELY, PREPARATIONS WERE MADE TO LAUNCH 106 NEW NEWSPAPERS IN BAVARIA, BIG SOUTHERN STATE IN THE U.S. ZONE.

EIGHTY PER CENT OF THEM WILL BE RUN BY FORMER NAZI PUBLISHERS AND EDITORS, ACCORDING TO A SURVEY BY PRESS OFFICER ERNEST LAGENDORF OF U.S. MILITARY GOVERNMENT IN BAVARIA.

"MOST OF THESE PERSONS WERE TURNED DOWN BY MILITARY GOVERNMENT AS LICENSED PUBLISHERS OR EDITORS BECAUSE OF THEIR NAZI BACKGROUND," HE DECLARED IN A PUBLIC STATEMENT.

"THERE IS EVIDENCE THAT MANY OF THESE PERSONS HARBOR RESENTMENT AGAINST THE OCCUPATION AND AGAINST PERSONS WHO RECEIVED LICENSES TO PUBLISH PAPERS.

"THERE ARE ALSO INDICATIONS THAT NEW NEWSPAPERS PUBLISHED BY THESE PERSONS WILL BE CHAUVINISTIC, RABBLE-ROUSING, ANTI-DEMOCRATIC, ANTI-SEMITIC, ANTI-DISPLACED PERSONS, AND ANTI-AMERICAN," HE ADDED.

"THE EMERGENCE OF THESE NEW NEWSPAPERS IS EXPECTED TO POSE DIFFICULT PROBLEMS FOR THE PRESENTLY LICENSED PRESS, TOTALING 27 NEWSPAPERS IN BAVARIA WITH A TOTAL CIRCULATION OF 2,100,000 COPIES.

"THE LICENSED NEWSPAPERS PUBLISH IN PLANTS AND WITH EQUIPMENT UNDER LEASE CONTRACTS, AND MOST OF THE PLANTS AND EQUIPMENT ARE OWNED BY FORMER NAZIS."

AS "AN INDICATION OF WHAT THE FUTURE MAY BRING," HE CITED THE PUBLISHING PLANS OF MAX WILLMY, WHO USED TO PRINT THE PORNOGRAPHIC AND ANTI-SEMITIC NAZI PUBLICATION, DER STUERMER.

DER STUERMER WAS PUBLISHED BY DR. JULIUS STREICHER, NOTORIOUS JEW-BAITER WHO WAS HANGED AT NUERNBERG AFTER CONVICTION BY THE INTERNATIONAL WAR CRIMES TRIBUNAL.

WILLMY RECENTLY WAS CLASSIFIED AS A MINOR NAZI OFFENDER BY A GERMAN DENAZIFICATION COURT. HE PLANS TO RESUME PUBLISHING IN NUERNBERG, WHERE HE HAS ONE OF GERMANY'S BEST PRINTING PLANTS AT HIS DISPOSAL.

ANOTHER NEW NUERNBERG NEWSPAPER, THE NEUER KURIER, IS EDITED BY DR. OTTMAR BEST, NAZI-TIME EDITOR OF THE DEUTSCHE ALLGEMEINE ZEITUNG.

LAGENDORF QUOTED BEST AS SAYING DURING AN INTERVIEW WITH A JOB APPLICANT: "MY NEWSPAPER WILL SHOW THE GERMAN PEOPLE WHAT THEY LOST IN HITLER."

DA235PED

AUG 25 1949

hamburg, germany, aug. 25--(ap)-- defense counsel demanded today

hat three german s.s. (elite guard) soldiers under

alled to testify in the war crimes trial of field m

earlier, the prosecutor had told the brit

ould submit statements from the three men as evide

men are awaiting execution in a u.s. army prison aft

participating in [redacted] mass extermination of russian

manstein is being tried on 17 charges of

committed by his army commands

of [redacted]atrocities in poland and russia. he pleaded

defense counsel s.c. silkin protested again

statements from the convicted men. he said the three

who would be treated by the court as accomplices of

"these witnesses are alive today," si

prosecution care to base their case on men of this t

silkin said. "if the

manstein.

death sentence be

ld marshal erich von

british military court he

idence against manstein. The

after conviction for

sians during the war.

of war crimes growing out

ded innocent.

gainst receiving written

three were proven murderers

of manstein.

is type, let them and manstein

appear in the witness box and you can choose between them as to who is lying."

There was NO immediate ruling as to whether the witnesses would be produced.

rbh-boultwoods 1735s-13hg

Strasbourg Add xx system

Spaak told newsmen the proposal of Britain's Winston Churchill concerning West Germany's admission was NOT presented in a regular manner.

AUG 25 194

The Belgian statesman said for this reason he had NOT forwarded it to the council's upper house --- the ministerial committee --- which ~~hmm~~ alone has the power to admit the new republic.

Churchill raised the issue of West Germany's admission but said he would NOT press for a discussion on it now provided the ministers agreed to call a special session for this purpose later on. Churchill asked ~~Spaak~~ Spaak to take this up with the ministers.

"I think," Spaak said, "Mr. Churchill will agree this was NOT the proper procedure."

The procedure for ~~adding~~ adding a new agenda item requires a resolution supported by two-thirds of the assembly membership. If it receives such backing it then is sent to the ministers who must

30.24- 5255

either approve or reject the new item within five days.

AUG 25 194

dynans 1252s gp 1130a

PRAGUE, CZECHOSLOVAKIA, AUG. 25-(AP)-CZECH COMMUNISTS LINED UP BEHIND THE SOVIET UNION TODAY IN DENOUNCING PREMIER MARSHAL TITO OF YUGOSLAVIA AS "OUR ENEMY."

RUDE PRAVO, THE COMMUNIST PARTY ORGAN, REPORTED WORKERS IN THE RED-LED TRADE UNIONS WERE PASSING RESOLUTIONS WHICH STATED: "WHOEVER IS THE ENEMY OF THE SOVIET UNION ALSO IS OUR ENEMY."

THE RESOLUTIONS POINTED OUT THAT THE KREMLIN, STEPPING UP THE BITTER PROPAGANDA WAR AGAINST THE YUGOSLAV REGIME, HAD CALLED TITO AN ENEMY OF THE SOVIET UNION.

THE TRADE UNION DAILY, PRACE, SAID THE RECENT DEAL FOR TITO'S GOVERNMENT TO OBTAIN AN AMERICAN STEEL MILL IS "EVIDENCE THAT HE NOW IS A TRUSTED MEMBER OF THE IMPERIALIST BLOC BECAUSE THIS MILL WILL BE USED FOR ARMAMENT PRODUCTION."

FH1038AED

AUG 25 194

blank

by alex singleton

belgrade, yugoslavia, aug. 25--(ap)--Yugoslavia stiffened its resistance to russian threats today with pledges of loyalty to premier marshal tito from three crack units of his fighting men.

hardly a coincidence, the pledges came almost simultaneously from air force, army and anti-aircraft leaders.

directly a shooting
none of the messages to tito mentioned the possibility of war as the final stage in the bitter conflict that has developed since russia and her eastern european satellites began their campaign 14 months ago against tito's "independent" communist lines against moscow domination.

but all of them, in referring to steady soviet pressure against yugoslavia, hinted at the possibility of war and their readiness to meet it. they echoed tito's statements earlier this month in asserting the army's ability to defend itself against all comers.

a telegram from the anti-aircraft military school, for example, declared "no slanders nor threats, nor blackmailing will prevent us in fulfilling our tasks . . ."

then it added that "lies" of their country's critics have served only to increase unity andreadiness of troops to return to

field service, "where a difficult and h
The message was similar to pl
the corps of national defense fighters o
taken collectively, the
notice on russia that yugosla is will us
armed attempt to upset her independence.
rbh-singletons 0808--1015

Night Lead Yugoslav

By Alex Singleton

Belgrade, Aug. 25--(ap)--Eastern Europe's private
cold war showed signs of warming up to
Yugoslavia's military leaders continued to

stiffen their resistance to Russian pressure by sending strongly-worded [redacted] pledges of loyalty to Premier Marshal Tito.

None of the messages mentioned the possibility of war as an end-all to current Russian-Yugoslav political feud. But all of them referred indirectly to it and pledged an all-out fight against aggression.

Representatives of Tito's air force told the Balkan communist leader: "We are prepared to defend our country at any moment from every attack, NO matter from what side it comes."

Tito's corps of national defense messaged him: "We shall be prepared to defend our country from anyone who attacks or attempts to harm her."

A telegram to the Yugoslav leader from the anti-aircraft military school said: "NO slanders, nor threats, nor blackmailing will prevent us from fulfilling our tasks x x x."

Taken collectively, the messages added up to the fact that Yugoslavia will use force if necessary to combat any attempt to subdue its independence by force.

30.24- 5257

Fourteen months ago the Russian-dominated cominform nations [redacted] of eastern Europe [redacted] accused Tito of deviating from [redacted] Moscow's Marxist-Leninist party line and tossed him out of their communist bloc.

The verbal battle raged for more than a year. Then Russia openly called Yugoslavia an enemy of the Soviet Union. Tito offered to settle all differences with Moscow but warned that his country would NOT put up with any form of interference in its domestic or foreign affairs.

(Russia's press continued attacking the Yugoslav leader after Tito's offer to end the political differences between the two countries. The Soviet army newspaper ran a cartoon showing Tito as a bloodthirsty dog reaching for a bag of Wall Street gold.)

Despite the Yugoslav peace gesture, foreign observers doubted the tension would be eased. They thought the feud had carried too far --- especially since Yugoslavia has served notice [redacted] will NOT take orders from the Kremlin.

singletons 0808 prev gp 105-a

ATHENS--FIRST ADD MIGHT LEAD GREEK (A173) X X X SQUARE MILES.
A COMMUNIQUE REPORTED THE ARMY LUNGED MORE THAN THREE MILES INTO THE GRAMMOS REDOUBT ON THE NORTHEAST FRONT.
HEIGHTS CAPTURED WERE DESCRIBED AS POSITIONS OF CONSIDERABLE IMPORTANCE ON THE GUERRILLA SUPPLY ROUTE VIA SLIMINITSA THROUGH THE WINDING SARANDAPOROS RIVER VALLEY WEST OF NESTORION.
THE KING SENT THIS MESSAGE TO ALL FIGHTING UNITS:
"FROM AMMOUDA I AM SENDING YOU MY WARM WISHES FOR FINAL VICTORY, FOR COMPLETE LIBERATION OF OUR DEAR COUNTRY FROM THE COMMUNIST BANDITS. GOD BE WITH YOU."
MQ709PED

AUG 25 1949

ATHENS, AUG. 25-(AP)-A FOREIGN MINISTRY SPOKESMAN SAID TODAY THE COMMUNIST-LED ALBANIAN GOVERNMENT HAD SHIPPED 2,000 PERSONS OF GREEK DESCENT FROM SOUTHERN ALBANIA TO ROMANIA. HE SAID THE GOVERNMENT WILL PROTEST TO THE UNITED NATIONS.
GREECE HAS LONG CLAIMED THE SOUTHERN ALBANIAN REGION, WHICH SHE CALLS NORTHERN EPIRUS. THE REPORTED TRANSFER OF GREEK-SPEAKING PEOPLE FROM THE AREA WAS INTERPRETED AS AN ALBANIAN MOVE TO WEAKEN GREEK DEMANDS FOR UNION OF NORTHERN EPIRUS WITH THE NEIGHBORING GREEK PROVINCE OF EPIRUS.
THE FOREIGN MINISTRY SPOKESMAN SAID THE MASS TRANSFER WAS CARRIED OUT BY THE ROMANIAN MOTOR SHIP TRANSYLVANIA, WHICH RUNS REGULARLY FROM BLACK SEA PORTS TO ALBANIA. THE EVICTED GREEKS WERE REPORTED LANDED AT THE ROMANIAN PORT OF CONSTANTA.
GREECE, WHICH HAS NOT YET SIGNED A PEACE TREATY WITH ALBANIA, ASKED FOR NORTHERN EPIRUS AS A CONDITION OF THE SETTLEMENT. ALBANIA REFUSED. THE AREA WAS KNOWN TO BE HEAVILY POPULATED BY PERSONS OF GREEK ORIGIN AT THE END OF THE WAR.
RP906AED

BY L.S. CHAKALES
ATHENS, GREECE, AUG. 25-(AP)-KING PAUL WATCHED THE GREEK ARMY STEP UP ITS OFFENSIVE AGAINST THE LONE REMAINING GUERRILLA STRONGHOLD IN GREECE'S NORTHLAND TODAY.
THE KING WATCHED FROM A FORWARD OBSERVATION POST IN THE GRAMMOS MOUNTAIN AREA NEAR THE ALBANIA BORDER.
THE PRESS MINISTRY ANNOUNCED AMERICAN-SUPPLIED NAVY HELLDIVERS WERE USED FOR THE FIRST TIME IN THE GREEK CIVIL WAR. THE GREEK ARMY ALSO USED RECOILLESS AMERICAN MODEL 75 AND 105 MM RIFLES.
A COMMUNIQUE SAID SEVERAL HEIGHTS WERE CAPTURED. BETWEEN 4,000 AND 5,000 GUERRILLAS ARE BELIEVED IN THE GRAMMOS POCKET, AN AREA OF 150 SQUARE MILES. THE OFFENSIVE OFFICIALLY STARTED THREE WEEKS AGO, BUT WAS SLOWED TO A WALK WHILE THE ARMY BLITZED THE ADJOINING VITSI AREA IN FOUR DAYS.
THE GUERRILLA AREA FORMS A FOUGH TRIANGLE ON THE ALBANIAN BORDER NORTH OF KONITSA. THE ARMY IS BELIEVED TO BE USING FOUR DIVISIONS AND 3,000 COMMANDOS IN THE OFFENSIVE.
RP944AED

HELSINKI--FIRST ADD NIGHT LEAD STRIKES (B29) XXX INDUSTRY WORKERS.
STRIKES BY BAKERY WORKERS, DOCKERS, BUILDING AND CONSTRUCTION, TOBACCO, LUMBER AND FORESTRY WORKERS WERE DECIDED UPON BY COMMUNIST-LED UNIONS AFTER THE DEVALUATION OF THE FINNISH MARK EARLY IN JUNE. UNION LEADERS ASKED TUF TO TAKE STRONG ACTION TO OBTAIN WAGE INCREASES, BUT THE FEDERATION REPLIED SUCH ACTIONS WERE FORBIDDEN BY LAW.
FIRST VIOLENCE RESULTING FROM THE STRIKES OCCURRED ABOUT A WEEK AGO AT KEMI, ON THE COAST NEAR THE END OF THE GULF OF BOTHNIA. THERE LUMBERJACKS WALKED OUT IN A DEMAND FOR HIGHER WAGES. OTHER INDUSTRIES WERE SUBSEQUENTLY AFFECTED BY STRIKES.
JA826PED

AUG 25 1949

BY THOMAS P.WHITNEY
MOSCOW, AUG. 25-(AP)-RUSSIA'S ALL-UNION CONFERENCE OF PEACE PROPONENTS OPENED IN MOSCOW'S HALL OF COLUMNS TODAY.
PROF. W.E.B.DUBOIS, AN AMERICAN, AND TWO BRITONS, DR. HEWLETT JOHNSON, DEAN OF CANTERBURY, AND PROF. G.CROUTHER, WERE AMONG THE FOREIGN GUESTS PRESENT.
STORMY APPLAUSE GREETED THE READING OF THE NAMES OF THE FOREIGN GUESTS. THEY AROSE FROM THEIR SEATS AT THE SIDE OF THE HALL AND WERE SEATED ON THE STAGE WITH MEMBERS OF THE PRESIDIUM OF THE CONFERENCE.
(DUBOIS IS A NEGRO EDUCATOR AND WRITER. HE WAS AN AMERICAN DELEGATE TO THE COMMUNIST-SPONSORED WORLD PEACE CONGRESS IN PARIS LAST APRIL.
(COMMUNISTS IN A NUMBER OF COUNTRIES HAVE ORGANIZED "PEACE CONFERENCES" IN RECENT MONTHS. THOSE CONFERENCES HAVE SOUGHT TO PICTURE THE SOVIET UNION AS A DEFENDER OF PEACE AMONG THE "WAR MONGERING" OF THE WESTERN POWERS).
THE ALL-UNION CONFERENCE UNANIMOUSLY ELECTED AN HONORARY PRESIDIUM CONSISTING OF MEMBERS OF THE POLITBURO HEADED BY PRIME MINISTER STALIN. THE POLITBURO IS THE EXECUTIVE BODY OF THE COMMUNIST PARTY IN THE SOVIET UNION.
AN ACTIVE PRESIDIUM ALSO WAS ELECTED. IT INCLUDES WRITERS, ACTORS, MOVIE DIRECTORS, SCIENTISTS, COLLECTIVE FARMERS AND FACTORY WORKERS.
AMONG THE MEMBERS ARE DMITRI SHOSTAKOVICH, COMPOSER; KONSTANTINE SIMONOV, WRITER; ALEXANDER FADEYEV, WRITER; ALEXANDER KORNEICHUK, WRITER; SERGEI VAVILOV, PRESIDENT OF THE ACADEMY OF SCIENCES; V.V. KUZNETSOV, CHAIRMAN OF THE SOVIET TRADE UNIONS COUNCIL; ILYA EHRENBURG, WRITER AND JOURNALIST, AND TROFIN LYSENKO, BIOLOGIST.
THE HALL OF COLUMNS WAS DRAPED IN MAROON FOR THE OCCASION. BETWEEN LARGE PORTRAITS OF LENIN AND STALIN WAS A SIGN WITH THE SLOGAN: "PEACE IS THE AFFAIR OF ALL THE PEOPLE OF THE WORLD."
GM421PED

AUG 25 1949

CANTON -- FIRST ADD CHINA (A33FX) X X X AT CHUANCHOW.
GEN. TENG WEN-YI, NATIONALIST ARMY SPOKESMAN IN CANTON, SAID THE FATE OF LANCHOW, BESIEGED CAPITAL OF NORTHWESTERN KANSU PROVINCE, WOULD BE DECIDED IN A FEW DAYS.
HE SAID THE LANCHOW AIRFIELD, THREE AND A HALF MILES FROM LANCHOW'S WALLS, NO LONGER WAS IN DANGER AND THE FIELD WAS SERVICEABLE AGAIN. HE EXPRESSED HOPE COMMERCIAL AIRLINERS WOULD RESUME SERVICE TO LANCHOW SOON.
INTENSITY OF COMMUNIST ATTACKS ON LANCHOW SLACKENED BECAUSE OF A SHORTAGE OF SUPPLIES AND THE STRENGTH OF RESISTANCE, TENG SAID. HE CLAIMED THE RED SOLDIERS WERE ON VIRTUAL STARVATION RATIONS AND HAD SUFFERED 13,000 CASUALTIES TUESDAY AND WEDNESDAY.
TURNING TO KIANGSI PROVINCE, TENG PREDICTED THE REDS WOULDN'T DARE INVADE KWANGTUNG SO LONG AS THE SITUATION IN HUNAN PROVINCE REMAINED FAVORABLE TO THE NATIONALISTS.
TENG REPORTED FIGHTING ON TASHIEH ISLAND ON THE FRINGE OF THE CHUSAN GROUP, 100 MILES SOUTHEAST OF SHANGHAI. COMMUNIST FORCES LANDED AMPHIBIOUS FORCES THERE AND BOTH SIDES WERE REPORTED USING ARTILLERY.
FURTHER SUCCESSES ON THE WESTERN FLANK OF THE CANTON-HANKOW
RAI

ROAD IN HUNA

FURTHER SUCCESSES ON THE WESTERN FLANK OF THE CANTON-HANKOW RAILROAD IN HUNAN WERE CLAIMED BY THE MINISTRY OF NATIONAL DEFENSE. SIANGSIANG, 50 MILES SOUTHWEST OF CHANGSHA, WAS REPORTED REOCCUPIED BY NATIONALIST FORCES.

X328APS NM

SECOND NIGHT LEAD CHINESE

BY SPENCER MOOSA

CANTON,FRIDAY, AUG. 26-(AP)-PRIVATE REPORTS INDICATED TODAY THAT CHINESE COMMUNISTS HAVE SEIZED THREE TOWNS ONLY 140 MILES NORTHEAST OF THIS REFUGEE CAPITAL OF NATIONALIST CHINA.

THESE ACCOUNTS SAID THE NATIONALIST POSITION WAS OBSCURE AT KIENNAN, LUNGNAN AND TINGNAN. THIS MEANS ALL THREE PROBABLY ARE LOST.

THE ATTACK IS SUPPOSEDLY LED BY ONE-EYED COMMUNIST GEN. LIU PO-CHENG. A NATIONALIST SPOKESMAN SAID LIU WOULD NOT DARE GO FAR ON THIS FRONT BECAUSE GOVERNMENT GAINS TO THE NORTH THREATEN HIS WESTERN FLANK.

NO DETAILS X X X THIRD GRAF NIGHT LEAD (A23KX)

FJ1027PCS

HONG KONG,AUG.25-(AP)-AW BOON HAW, THE TIGER BALM KING, REPORTED TODAY THAT THE FEDERATION OF MALAYA HAD LIFTED ITS BAN AGAINST HIM.

AW, WHOSE POPULAR MEDICATION HAS MADE HIM A MULTIMILLIONAIRE, WAS FORBIDDEN TO RETURN TO MALAYA JUNE 10 AFTER HE HAD CRITICIZED THE MALAYAN GOVERNMENT FOR WHAT HE CALLED "MASS EVICTIONS OF CHINESE ON THE PRETENSE OF ELIMINATING COMMUNISTS."

IN A STATEMENT TODAY AW SAID HE WAS PLEASED THAT MALAYAN AUTHORITIES "FINALLY REALIZED I AM NOT POLITICALLY AFFILIATED WITH ANY PARTIES IN CHINA OR ABROAD AND THAT MY ACTIVITIES HAVE ALWAYS BEEN FOR PUBLIC WELFARE."

JM10PCS NM

TOKYO, AUG. 25-(AP)-U. S. TAX EXPERTS TODAY RECOMMENDED THIS SIMPLE SOLUTION TO THE JAPANESE GOVERNMENT'S FINANCIAL TROUBLES: COLLECT TAXES.

A REPORT MADE PUBLIC BY DR. CARL SHOUP, COLUMBIA UNIVERSITY PROFESSOR, CALLED MAINLY FOR STRICT ENFORCEMENT OF THE TAX LAWS.

IN FACT, THE REPORT SAID INCOME TAX REDUCTIONS WERE POSSIBLE FOR FARMERS, LOW SALARY WORKERS AND OPERATORS OF SMALL SHOPS AND INDUSTRIES. IT WANTED HIGHER LIQUOR TAXES, HOWEVER.

THE REPORT, ISSUED AFTER FOUR MONTHS OF STUDY, SAID EVEN THE NATIONAL SALES TAX COULD BE ABOLISHED IF THE JAPANESE GOVERNMENT CARRIED OUT THE PAYROLL TRIMMING AND OTHER ECONOMIES PREVIOUSLY RECOMMENDED BY THE DODGE REPORT.

DETROIT BANKER JOSEPH W. DODGE LAST SPRING PROPOSED A STABILIZATION PLAN CALLING FOR REDUCED GOVERNMENT EXPENDITURES. THE JAPANESE GOVERNMENT RECENTLY MADE A START IN THIS DIRECTION BY CUTTING GOVERNMENT PAYROLLS.

FJ929PCS

HONOLULU, AUG. 25-(AP)-WARTIME SERVICE IN AN ENEMY ARMY DOES NOT NECESSARILY DEPRIVE AN AMERICAN OF CITIZENSHIP, FEDERAL DISTRICT JUDGE J. FRANK MCLAUGHLIN HAS HELD IN THE CASE OF A HAWAIIAN-BORN JAPANESE.

THE COURT HELD THAT WILLIAM S. ISHIKAWA, 32, HAD NO WAY TO ESCAPE BEING DRAFTED BY THE JAPANESE ARMY IN 1945. ISHIKAWA PREVIOUSLY HAD SERVED WITH THE JAPANESE EMBASSY IN NANKING, BUT SAID HE CONSIDERED HIMSELF "AN AMERICAN CITIZEN ONLY" AND REMAINED LOYAL TO THE UNITED STATES WHILE SERVING THE JAPANESE.

HE WAS ALLOWED TO RETURN TO HONOLULU LAST SPRING ON A TEMPORARY PERMIT PENDING DISPOSITION OF HIS CASE. WITH CITIZENSHIP NOW CONFIRMED, HE SAID HE INTENDED TO REMAIN HERE.

FJ836PCS

KV

A109

INDONESIAN (220)

BY CHRIS SCHEFFER

TASIKMALAJA, JAVA, AUG. 25-(AP)-ALTHOUGH DUTCH AND INDONESIAN REPUBLICAN TROOPS ARE OBSERVING THE CEASE-FIRE AGREEMENT, PEACE IN WEST JAVA HAS BEEN UPSET BY THE TERRORISM OF MOSLEM GUERRILLAS.

THIS CORRESPONDENT, ON A SIX-DAY TOUR OF THE AREA, SAW VILLAGES BURNED DOWN BY FIGHTERS OF THE DARUL ISLAM MOVEMENT. THEY ARE TRYING TO ESTABLISH AN INDEPENDENT MOSLEM STATE IN THE HEART OF THIS RICH RICE AND RUBBER DISTRICT.

KARTOSUWIRJO, LEADER OF DARUL ISLAM, HAS PROCLAIMED THAT HIS "HOLY WAR" WILL CONTINUE DESPITE THE CEASE-FIRE THAT STOPPED FIGHTING BETWEEN DUTCH AND INDONESIAN REPUBLICANS AUG. 10. THE MOSLEMS HAVE BEEN FIGHTING BOTH.

THE CEASE-FIRE AGREEMENT SET THE STAGE FOR THE INDEPENDENCE TALKS NOW GOING ON IN HOLLAND BETWEEN THE DUTCH, INDONESIAN REPUBLICANS AND LEADERS OF 15 NON-REPUBLICAN STATES IN THE EAST INDIES. THEY HOPE TO ESTABLISH AN INDEPENDENT UNITED STATES OF INDONESIA RETAINING A SLENDER LINK WITH THE DUTCH CROWN--A SYSTEM PATTERNED AFTER THE BRITISH COMMONWEALTH OF NATIONS.

MOST OF THE DARUL ISLAM ACTIVITY IS CONFINED TO THE AREA EAST AND SOUTHEAST OF BANDOENG.

BECAUSE OF DARUL ISLAM ATTACKS, THE DUTCH HAVE LIMITED HIGHWAY TRAFFIC BETWEEN TASIKMALAJA AND GAROET TO TWO DAILY CONVOYS. EACH CONVOY USUALLY CONSISTS OF ABOUT 100 AUTOMOBILES AND TRUCKS GUARDED BY ARMORED CARS.

SATISFACTORY RELATIONS BETWEEN THE DUTCH AND INDONESIANS WERE SHOWN BY PEACE REIGNING AROUND SOEKABOEMI AND TJIKAMPEK, FORMER HOTSPOTS SOUTH AND SOUTHEAST OF BATAVIA. BOTH AREAS, BEFORE THE CEASE-FIRE, WERE THE CENTERS OF ATTACKS BY REPUBLICANS AGAINST ESTATES AND COMMUNICATIONS.

RP-FH1035AED

RANGOON, BURMA, AUG 25-(AP)-BURMESE MERCHANTS EXPRESSED HOPE TODAY OF RECOVERING FROM THE JAPANESE GOVERNMENT MORE THAN 1,500,000 BURMESE RUPEES (ABOUT $500,000).

GOVERNMENT AUTHORITIES SAID THE MONEY WAS JAPANESE-ISSUED CURRENCY DEPOSITED AT TOKYO'S YOKOHAMA SPECIE BANK WHILE BURMA WAS UNDER JAPANESE DOMINATION DURING THE WAR.

MUNICIPAL COUNCILLOR BA SEIN LEFT FOR TOKYO BY PLANE YESTERDAY TO MAKE REPRESENTATIONS TO THE JAPANESE GOVERNMENT. IF HE IS SUCCESSFUL IN HIS MISSION, IT IS UNDERSTOOD HE WILL PURCHASE JAPANESE GOODS, MAINLY TEXTILES.

DA1026AED

NEW DELHI, INDIA, AUG.25-(AP)-THE INDIAN GOVERNMENT ANNOUNCED TODAY THAT NEGOTIATIONS FOR AN AIR AGREEMENT WITH THE PHILIPPINES BEGIN HERE MONDAY. PHILIPPINE AIR LINES ARE SERVING INDIA AT PRESENT UNDER TEMPORARY ARRANGEMENTS.

N1010AED

BATAVIA--FIRST ADD AMERICAN FLIERS (A129) XXX DUTCH.

ONSTOTT, SEIGRIST AND HALLAM WERE RELEASED FROM A PRISON IN BANDOENG, A JAVA MOUNTAIN TOWN 75 MILES FROM BATAVIA.

OFFICIALS AT THE U.S. CONSULATE SAID THE THREE WERE EXPECTED TO RETURN TO BATAVIA TOMORROW BY PLANE AND MAY BE RETURNED TO MANILA ON A U.S. MILITARY AIRCRAFT NEXT WEEK.

THE THREE MEN WERE TRIED BY A DUTCH MAGISTRATE AT THE LITTLE PORT TOWN OF PANKALPINANG, IN THE RIOUW ARCHIPELAGO.

GH1230PED

AUG 25 1949

NIGHT LEAD ARMS (250)

WASHINGTON,AUG 25-(AP)-SENATE COMMITTEES AGREED TODAY WITH THE HOUSE THAT "EXCESS" MILITARY STOCKS SENT ABROAD UNDER THE ARMS AID PROGRAM SHOULD BE LIMITED TO $450,000,000 WORTH.

CHAIRMAN CONNALLY (D-TEX) OF THE SENATE FOREIGN RELATIONS COMMITTEE SAID THIS FIGURE IS BASED ON ORIGINAL COST.

THIS SURPLUS IS NOT INCLUDED IN THE $1,450,000,000 PROGRAM, WHICH PRESIDENT TRUMAN HAS ASKED, EXCEPT THAT $77,000,000 OF THAT SUM WOULD BE USED TO REPAIR AND SHIP SUCH EQUIPMENT.

THE FOREIGN ARMAMENT PROPOSAL IS AIMED AT STRENGTHENING RESISTANCE POWERS OF WESTERN EUROPE AND OTHER NONCOMMUNIST AREAS. CONNALLY SAID THE SURPLUS COULD BE SENT TO ANY OF THE COUNTRIES NAMED IN THE BILL.

THE SENATE AMENDMENT DEFINES EXCESS STOCKS AS THOSE NOT REQUIRED HERE IN A MOBILIZATION EMERGENCY.

THE SENATE COMMITTEES--FOREIGN RELATIONS AND ARMED SERVICES--ALSO AGREED TO SOME IDEAS OF SENATORS VANDENBERG (R-MICH) AND DULLES (R-NY).

ONE WOULD REQUIRE THAT AFTER THE U. S. ADOPTS DEFENSE PLANS WHICH ARE SCHEDULED TO BE SET UP UNDER THE NORTH ATLANTIC TREATY, THE ARMS AID SHALL BE SUPPLIED ONLY IN LINE WITH THESE PLANS.

ANOTHER WOULD LET CONGRESS OR THE PRESIDENT RECLAIM ARMS EARMARKED FOR A NATION IF IT WAS FELT THAT SENDING THEM WOULD BE DETRIMENTAL TO U. S. DEFENSE.

THE COMMITTEES TOMORROW PROBABLY WILL FACE TWO BIG ESTS.

1. WHETHER TO INCLUDE AID FOR CHINA. THIS IS NOT IN THE BILL.
2. HOW MUCH TO ALLOW THE EUROPEAN MEMBERS OF THE ATLANTIC PACT. THE ADMINISTRATION ASKED $1,160,990,000. THE HOUSE CUT THIS IN HALF.

HY931PED

ECA-KOREA

WASHINGTON,AUG.25-(AP)-THE SENATE APPROPRIATIONS COMMITTEE TODAY APPROVED A $30,000,000 APPROPRIATION TO ENABLE THE ECONOMIC COOPERATION ADMINISTRATION TO CARRY ON ITS KOREAN AID PROGRAM THROUGH SEPTEMBER 15.

AN AMENDMENT ASKING THIS MONEY WILL BE ATTACHED TO THE THIRD DEFICIENCY BILL EXPECTED TO COME UP BEFORE THE SENATE SHORTLY. THE BILL ALREADY HAS BEEN PASSED BY THE HOUSE.

THE $30,000,000 ACTUALLY REPRESENTS A NEW APPROPRIATION OF $12,500,000, AS $17,500,000 WAS MADE AVAILABLE TO ECA IN A JOINT RESOLUTION PASSED JUNE 30 AND LATER EXTENDED ON AUGUST 1.

THIS WILL BE IN ADDITION TO THE $150,000,000 BEING ASKED FOR KOREAN RELIEF FOR THE FISCAL YEAR STARTING NEXT JULY 1. ALSO, IT IS ENTIRELY SEPARATE FROM THE $27,640,000 WHICH THE COMBINED SENATE FOREIGN RELATIONS AND ARMED SERVICES COMMITTEES APPROVED TUESDAY FOR ARMS AID FOR KOREA, IRAN AND THE PHILIPPINES.

THE ECA PROGRAM IS DESIGNED TO GIVE TECHNICAL ASSISTANCE TO KOREAN INDUSTRY.

AUG 25 1949

ES225PED

WASHINGTON,AUG 25-(AP)-PRESIDENT TRUMAN TODAY DESCRIBED THE UNITED NATIONS AS A "LIVING FORCE FOR SOLVING THE MAJOR PROBLEMS INVOLVED IN TRANSFORMING A SHATTERED WORLD INTO A BETTER HABITATION FOR THE HUMAN RACE."

HE DID SO IN A PROCLAMATION CALLING UPON THE NATION TO OBSERVE OCTOBER 24 AS UNITED NATIONS DAY. OCTOBER 24 MARKS THE COMPLETION OF THE FOURTH YEAR OF THE U. N.

HY1015PED

ONE JUDD CHARGE DEALT WITH THE "SUPPRESSION" OF A MILITARY INTELLIGENCE REPORT ON THE CHINESE COMMUNISTS IN JULY, 1945. ACHESON CONTENDED IN REPLY THAT IN GENERAL THE CONCLUSIONS IN THE REPORT SUPPORTED THE POLICIES WHICH THE AMERICAN GOVERNMENT WAS THEN FOLLOWING TOWARD THE CHINESE COMMUNISTS INSTEAD OF PROVIDING A NEW BASIS FOR CRITICISM OF THOSE POLICIES. Wash Add xx Later.

A44WX

TAKING NOTE THAT VARIOUS STATEMENTS HAD BEEN MADE CRITICIZING THE STATE DEPARTMENT FOR OMISSION OF IMPORTANT DOCUMENTS CONCERNING CHINESE RELATIONS, ACHESON SAID "IT IS INSINUATED THAT DOCUMENTS WERE DELIBERATELY OMITTED IN ORDER TO FALSIFY THE RECORD."

"THESE INSINUATIONS ARE NOT SUPPORTED BY ANY EVIDENCE," HE DECLARED FLATLY. "THEY COULD NOT BE SUPPORTED BECAUSE THERE IS NOT AN IOTA OF TRUTH IN THEM."

HE SAID THAT ALL THE DIPLOMATIC REPORTS, INSTRUCTIONS TO DIPLOMATIC MISSIONS, AND THE LIKE, COULD NOT HAVE BEEN PUBLISHED IN THE WHITE PAPER BECAUSE OF SPACE LIMITATIONS. HE ADDED THAT HE CONSIDERED THAT THE DOCUMENTS WHICH WERE SELECTED FOR THAT VOLUME CONSTITUTED "A FAIR AND OBJECTIVE SAMPLING" OF THE TOTAL RECORD.

AFTER DISCUSSING THE JUDD CHARGES, ACHESON INDICATED THAT HE WOULD LIKE TO SHAKE OFF HENCEFORTH THE CONTROVERSY OVER PAST POLICIES IN CHINA AND CONCENTRATE ON THE PROBLEM OF BUILDING NEW POLICIES FOR THE WHOLE FAR EAST.

"I WISH TO REPEAT," HE SAID, "THAT THE DEPARTMENT IS DEEPLY CONCERNED IN THE TASK OF DEVELOPING LINES OF ACTION WHICH WILL MEET THE SITUATION IN CHINA AND IN THE FAR EAST. WE ARE WORKING AT THAT TASK WITH A FULL SENSE OF ITS SERIOUSNESS AND URGENCY AND IN THE HOPE THAT A COMPLETELY BI-PARTISAN APPROACH WILL FACILITIATE THE EVOLUTION OF OUR NATIONAL POLICY X X X WE DO NOT SHARE THE DEFEATIST ATTITUDE WHICH SOME CRITICS SEEK SO TO FORCE UPON US."

AUG 25 1949

VH601AED

Baltimore Add xx Truth

"THE COMMUNISTS JUST HAVEN'T GOT A GOOD PRODUCT, THAT'S ALL. IF THEY WERE MAKING SOAP IN THE UNITED STATES, THEY WOULDN'T SELL ENOUGH TO CLEAN ONE BATHTUB."

ON RUSSIAN METHODS:

"THEY HANDLE THEIR ATTACKS CLEVERLY. WHEN THEY CUT OFF THE AUTOBAHN, THEY CLAIMED THAT A BRIDGE WAS OUT. YOU DON'T FEEL LIKE GOING TO WAR OVER THREE PLANKS PULLED OUT."

ON THE NEW PARTY FORMED RECENTLY BY GERMAN COMMUNISTS WHO SAY ARE OPPOSED TO SOVIET DOMINATION:

"THIS SO-CALLED FREE COMMUNIST PARTY FOR GERMAN WOULD HAVE ABOUT THE SAME OBJECTIVES AS THE OTHER COMMUNISTS, THE SAME BRUTAL, ILLEGAL METHODS AND OBJECTIVES. WE DON'T HAVE TO LOOK AROUND FOR ALLIES."

SUMMING IT UP:

"THE PREVAILING WIND IN BERLIN IS FROM THE EAST, AND IT IS ALWAYS HOT AIR."

GENERAL HOWLEY IS LEAVING BERLIN SEPT.6 TO REVERT TO CIVILIAN STATUS.

H1010PED

30.24- 5261

NIGHT LEAD TOKYO ROSE

AUG 25 1949

BY KATHERINE PINKHAM

SAN FRANCISCO, AUG. 25-(AP)-A JAPANESE MAJOR SLAPPED AN INTERNED ASSOCIATED PRESS CORRESPONDENT SO HARD ONE OF THE NEWSMEN'S TEETH FELL OUT, THE TOKYO ROSE TRIAL HEARD TODAY.

THAT WAS BECAUSE THE AP MAN CURTLY REFUSED TO WRITE WARTIME PROPAGANDA FOR RADIO TOKYO.

THE INCIDENT CONCERNED JOSEPH DYNAN, NOW WITH THE ASSOCIATED PRESS IN EUROPE, AND MAJ. SHIGUTSUGU TSUNEISHI, DIRECTOR OF RADIO TOKYO. IT WAS RELATED IN A 35-PAGE DEFENSE DEPOSITION READ AT THE TRIAL OF LOS ANGELES BORN IVA TOGURI D'AQUINO, 33, WHO IS CHARGED WITH MAKING TREASONABLE WARTIME BROADCASTS TO AMERICAN TROOPS.

TAMOTSU MURAYAMA, AMERICAN BORN JAPANESE CAUGHT IN TOKYO BY THE WAR AND A REPORTER ON THE NIPPON TIMES, SAID THE INCIDENT OCCURRED AT THE SANNO HOTEL. HE DIDN'T GIVE THE DATE, BUT TOLD THIS STORY:

TSUNEISHI GATHERED A GROUP OF FOREIGN CORRESPONDENTS TOGETHER AND ADVISED THEM TO WRITE PROPAGANDA. HE DIRECTED EACH TO GO IMMEDIATELY TO A ROOM WHERE A TYPEWRITER WAS WAITING ANDPREPARE HIS SUGGESTIONS.

DYNAN WAS BLUNT IN HIS REFUSAL. THE MAJOR SLAPPED HIM. DYNAN SPAT. LATER HE SAID HE HAD SPIT OUT A TOOTH.

MURAYAMA WAS BORN IN SEATTLE IN 1905. HE WENT TO SAN FRANCISCO HIGH SCHOOLS AND LIVED FOR A TIME IN SACRAMENTO.

THE RELATION OF THE DYNAN INCIDENT TO THE TOKYO ROSE DEFENSE WAS NOT APPARENT.

FJ1011PCS

AUG 25 1949

BOWLING GREEN, O., AUG.25-(AP)-TWO HUNDRED CHRISTIAN STUDENTS FROM 28 COUNTRIES TODAY CONSIDERED THE POSSIBILITY THAT NEITHER RUSSIA NOR THE UNITED STATES HAS THE ANSWER IN THE STRUGGLE FOR WORLD POWER.

WILLIAM STRINGFELLOW OF NORTHAMPTON, MASS., CHAIRMAN OF THE UNITED STUDENT CHRISTIAN COUNCIL, SAID THAT FOR CHRISTIANS THERE MIGHT BE A THIRD WAY--PERHAPS SOCIAL DEMOCRACY.

IN A SPEECH AT BOWLING GREEN STATE UNIVERSITY, THE 21-YEAR-OLD BATES COLLEGE GRADUATE URGED FELLOW DELEGATES TO THE WORLD'S STUDENT CHRISTIAN FEDERATION CONFERENCE TO "EXPLORE THE POSSIBILITIES."

"THE ONLY ENDURING FOUNDATION FOR A DEMOCRATIC SOCIETY IS BELIEF IN A GOD OF LOVE," STRINGFELLOW DECLARED.

HE SAID THE COLD WAR WAS ONLY A PHASE OF "THE DEMOCRATIC REFORMATION OF SUPPRESSED PEOPLE OF THE WORLD."

M. M. THOMAS, OF INDIA, FEDERATION VICE CHAIRMAN, TOLD THE STUDENTS THAT "TO REMAIN UNITED, STUDENT CHRISTIANS MUST BE CONCERNED WITH THE JUSTICE OF NATIONS."

HE SAID A CONSTRUCTIVE POSITIVE ANSWER TO THE QUESTION OF JUSTICE WAS THE BEST WAY TO COMBAT COMMUNISM, ADDING THAT THE CHINESE NATIONALISTS HAD FAILED BECAUSE THEY LACKED A PROGRAM TO UPLIFT THE PEASANTS.

IN AN ADDRESS TONIGHT, THE REV. ALAN BOOTH, GENERAL SECRETARY OF THE BRITISH STUDENT CHRISTIAN MOVEMENT SAID:

"THE WORLD'S CRUCIAL TROUBLE IS THAT MEN WILL NOT ACKNOWLEDGE THEIR POSITION AS ~~RESPONSIBLE TO GOD.~~

"IN PROCLAIMING THE LORDSHIP OF CHRIST OVER ALL LIFE, CHRISTIANS MUST BEAR PATIENTLY THE CONSEQUENCES OF THAT PREACHING IN PERSECUTION, MISUNDERSTANDING, SORROW AND PAIN."

JA929PED NM

LAKE SUCCESS, AUG.25-(AP)-INCREASED USE OF ELECTROLYTIC TINPLATE WAS FORECAST TODAY BY SAMUEL S.JOHNSTON OF THE WEIRTON STEEL COMPANY, WEIRTON, W.VA.

JOHNSON, IN A PAPER READ TO THE UNITED NATIONS SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES, CONCEDED CERTAIN DISADVANTAGES OF THE METHOD DEVELOPED DURING WARTIME TIN SHORTAGES.

BIGGEST OF THESE, HE SAID, IS POORER RESISTANCE TO CORROSION IN FOOD CANS MADE FROM TINPLATE PROCESSED BY ELECTROLYSIS, RATHER THAN BY THE OLDER HOTDIP METHOD OF COATING STEEL SHEETS.

HE SAID THIS HAS BEEN OVERCOME IN SOME CASES BY ADDITIONAL COATINGS OF ORGANIC MATERIALS, HOWEVER, AND THE ELECTROLYTIC METHOD RETAINS THE ADVANTAGE OF SAVING TIN AND THEREBY MONEY. PRODUCTION COSTS ABOUT EVEN OUT, AS NEAR AS COMPARISONS CAN BE MADE, HE SAID, WHILE THE NEW PROCESS REQUIRES ONLY ABOUT ONE-FIFTH TO ONE-HALF THE TIN USED IN THE OLD.

"THE MONETARY SAVINGS IN THE USE OF ELECTROLYTIC TINPLATE DICTATE THAT IT BE USED IN PLACE OF HOTDIP PLATE WHEREVER POSSIBLE," JOHNSTON SAID.

HE SAID INCREASED TIN SUPPLIES ALREADY ARE BRINGING ABOUT WIDER USE OF THE LIGHTEST GRADE OF ELECTROLYTIC PLATE IN LITHOGRAPHY, FOR BOTTLE CROWNS AND CLOSURES, BEER CANS AND FOR PACKAGING PAINTS, MOTOR OILS AND MEDICINES.

"AS THE SUPPLY OF TIN BECOMES LESS CRITICAL, THIS MARKET WILL EXPAND." HE SAID.

IT WILL BE THE FIRST MEETING OF ITS KIND IN ANY OF THE FIVE

SECTIONS SINCE THE CONFERENCE OPENED HERE LAST WEEK.

THE CONFERENCE IS SURVEYING FOOD, FUEL, MINERAL, WATER AND

ENERGY SHORTAGES. THE U.N. ANNOUNCED TODAY THAT 535 SCIENTISTS

FROM 49 COUNTRIES HAVE REGISTERED.

AUG 25 1949

AGUILAR TOLD NEWSMEN HE WILL PRESS HIS OWN SUGGESTION FOR

THE CREATION OF A SPECIAL INTERNATIONAL COMMITTEE OF EXPERTS,

UNDER U.N. AUSPICES OR OTHERWISE, TO WORK OUT METHODS AND OBTAIN

DATA FOR WHAT HE CALLED A "FUNDAMENTAL INTELLIGENT ESTIMATE OF OIL RESERVES."

AUG 25 1949

NEITHER THE SECTION NOR THE CONFERENCE ITSELF CAN TAKE ACTION ON SUCH A SUGGESTION, BUT PRESUMABLY THE DISCUSSION COULD START ACTION ELSEWHERE, THE MEXICAN SAID..

HE AND OTHERS CHALLENGED DR. LEVORSEN EARLIER ON GROUNDS THAT THE STANFORD DEAN HAD ACCEPTED ESTIMATES BY INDIVIDUAL SCIENTISTS, WITHOUT SUFFICIENT DATA THAT THERE ARE ABOUT 1,000 BILLION BARRELS OF UNDISCOVERED OIL UNDER THE WORLD'S LAND MASS AND 500 BILLION MORE UNDER THE SHALLOW WATERS OF SO-CALLED "CONTINENTAL SHELVES."

AUG 25 1949

MORE

DR. M. I.S. FALNIKOV, OF THE STANDARD OIL COMPANY (NEW JERSEY) TOOK LIVORSEN'S SIDE IN AN OPTIMISTIC VIEW, BUT WITHOUT FIGURES, IN A PAPER TODAY REPORTING ON NEW TYPES OF DRILLS AND OTHER EQUIPMENT USED FOR DEEP BORES.

"WE BELIEVE THAT, JUST AS WE HAVE DONE IN THE PAST, WE WILL BE SUCCESSFUL IN FINDING ENOUGH OIL AND GETTING IT TO THE PUBLIC ECONOMICALLY FOR MANY, MANY YEARS TO COME," FALNIKOV SAID.

PARKS, IN HIS PAPER, ACCEPTED THE ESTIMATE OF 500 BILLION BARRELS UNDER CONTINENTAL SHELVES. HE REPORTED THAT WORK SO FAR ON PRODUCTION FROM WELLS UP TO 60 FEET OF WATER OFF TEXAS AND LOUISIANA HAS CARRIED WITH IT "EXTRAORDINARILY HIGH COSTS" OF FLOATING EQUIPMENT AND NEED FOR PROTECTION FROM STORM.

AGUILAR CHALLENGED THE NEED FOR PRODUCTION UNDER SUCH CONDITIONS, "WHEN THERE ARE VAST RESERVES THAT CAN BE REACHED AT LOWER COST UNDER LAND."

AUG 25 1949

HE TOLD NEWSMEN LATER HIS POINT WAS THAT MEXICO'S RESERVES COULD BE DEVELOPED MORE RAPIDLY, FOR INSTANCE, IF MAJOR COMPANIES OUTSIDE WERE WILLING TO OPERATE IN THE GOVERNMENT-OWNED FIELDS UNDER CONTRACT.

"THERE IS A MISUNDERSTANDING ABROAD THAT MEXICO DOES NOT WELCOME FOREIGN CAPITAL," HE SAID. MORE

30.24- 5263

U.N.--BALKAN
BY MAX HARRELSON

LAKE SUCCESS, AUG. 25-(AP)-THE UNITED NATIONS SPECIAL COMMITTEE ON THE BALKANS SAID TODAY YUGOSLAVIA HAS REDUCED HER AID TO GREEK GUERRILLAS AND MAY HAVE HALTED SUCH AID COMPLETELY.

THIS WAS THE FIRST OFFICIAL WORD RECEIVED FROM THE U.N.'S ON-THE-SPOT OBSERVERS THAT THE FIGHT BETWEEN PREMIER MARSHALL TITO AND THE SOVIET UNION HAS HAD A DIRECT BEARING ON THE DIFFERENCES BETWEEN GREECE AND HER NORTHERN NEIGHBORS.

THE COMMITTEE CAUTIOUSLY REFRAINED FROM ANY MENTION OF TITO'S SPLIT WITH THE COMMUNIST INTERNATIONAL INFORMATION BUREAU (COMINFORM) OR FROM TRYING TO INTERPRET RECENT YUGOSLAV MOVES IN THE GREEK DISPUTE.

IT REPORTED, HOWEVER, THAT TITO HAD ORDERED THE GREEK-YUGOSLAV BORDER CLOSED IN JULY AND HAD BEEN UNDER ATTACK BY THE RADIO OPERATED BY THE COMMUNIST-LED GREEK REBELS.

THE COMMITTEE SAID IT IS NOT AT PRESENT IN A POSITION TO EVALUATE THESE DEVELOPMENTS OR INTERPRET THE CUT IN YUGOSLAV AID TO THE GUERRILLAS, BUT PROMISED TO SEND THE GENERAL ASSEMBLY A SUPPLEMENTARY REPORT NEXT MONTH WITH LATER INFORMATION.

THE REPORT NOTED THAT WHILE YUGOSLAV AID WAS DECREASING, ROMANIAN ASSISTANCE TO THE GUERRILLAS WAS INCREASING. IT POINTED OUT, FOR EXAMPLE, THAT THE GREEK GUERRILLA RADIO NOW WAS OPERATING FROM ROMANIAN TERRITORY INSTEAD OF YUGOSLAV.

AS FAR AS ALBANIA AND BULGARIA ARE CONCERNED, THE COMMITTEE SAID BOTH ARE CONTINUING TO HELP THE GREEK REBELS DESPITE U.N. CONDEMNATIONS.

THE REPORT SAID YUGOSLAVIA, AS WELL AS ALBANIA AND BULGARIA, STILL REFUSED TO RECOGNIZE THE COMMITTEE.

THE COMMITTEE SAID ALBANIA AND BULGARIA "HAVE DIRECTLY ENCOURAGED AND INCITED THE GREEK GUERRILLAS IN THEIR ATTEMPTS TO OVERTHROW THE GREEK GOVERNMENT" AND HAVE PROVIDED "LARGE QUANTITIES OF WAR MATERIALS AND OTHER SUPPLIES.

IN CONCLUSION, THE REPORT SAID:

"THE SPECIAL COMMITTEE REAFFIRMS THE CONCLUSIONS SET FORTH IN ITS PREVIOUS REPORTS TO THE GENERAL ASSEMBLY AND, IN PARTICULAR, THE CONCLUSION THAT THE CONTINUANCE OF THE PRESENT SITUATION 'CONSTITUTES A THREAT TO THE POLITICAL INDEPENDENCE AND TERRITORIAL INTEGRITY OF GREECE AND TO PEACE IN THE BALKANS'."

GH/K1255

AUG 25 1949

(400)

BY WILLIAM L.PHILLIPS

LAKE SUCCESS, AUG.22-(AP)-SCIENTISTS ARE EXPERIMENTING WITH AN UNDERGROUND FIRE IN ALABAMA THAT MAY MAKE IT POSSIBLE TO HEAT YOUR HOME AND DRIVE YOUR CAR AT A FRACTION OF PRESENT COSTS.

THE UNITED NATIONS SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES WAS TOLD TODAY ABOUT THE BLAZE--TURNING COAL INTO GAS WITHOUT MINING IT--BY M.H.FIES OF THE ALABAMA POWER COMPANY AND JAMES L.ELDER OF THE U.S. BUREAU OF MINES.

IT WAS SET OFF BY A HAND GRENADE LAST MARCH 18 IN A U-SHAPED TUNNEL THROUGH A COAL SEAM AT GORGAS, ALA. THE EXPERIMENT WAS SPONSORED JOINTLY BY THE GOVERNMENT AND THE POWER COMPANY.

IT IS STILL BURNING, UNDER BLASTS OF AIR FROM FIRST ONE END OF THE TUNNEL AND THEN THE OTHER.

RESULTS SO FAR, HOWEVER, INDICATE THE POSSIBILITY OF PRODUCING GAS FOR HEATING AND INDUSTRY AT THE EQUIVALENT OF COAL AT $3.50 A TON, THE TWO SCIENTISTS REPORTED TO DELEGATES FROM 50 COUNTRIES.

WHERE YOU CAR COMES IN IS THAT THE SAME SET-UP CAN BE USED FOR CHEAP PRODUCTION OF SO-CALLED "SYNTHESIS" GAS, USED IN THE CONVERSION OF COAL TO GASOLINE AND OTHER PETROLEUM PRODUCTS.

FIES AND ELDER NOTED THAT, OUTSIDE RADIOACTIVE MATERIALS SUCH AS URANIUM, COAL HOLDS MORE THAN 95 PER CENT OF THE WORLD'S MINERAL RESERVES FOR FUEL AND ENERGY.

THE CURRENT EXPERIMENT IS THE SECOND CARRIED OUT AT GORGAS BY THE BUREAU OF MINES AND ALABAMA POWER, FOLLOWING PRELIMINARY LABORATORY WORK AT THE BUREAU OF MINES STATION AT MORGANTOWN, W.VA.

AUG 25 1949

RUSSIA ALSO HAS CARRIED OUT EXTENSIVE EXPERIMENTATION WITH UNDERGROUND GASIFICATION OF COAL. THE SOVIET UNION, HOWEVER, DECLINED AN INVITATION TO SEND ITS SCIENTISTS TO THE U.N. CONFERENCE.

FIES AND ELDER REPORTED THAT THE FIRST EXPERIMENT IN JANUARY, 1947, ESTABLISHED THE FEASIBILITY OF BURNING COAL UNDERGROUND TO MAKE GAS,

THEREBY SAVING BOTH THE COST OF MINING AND OF BUILDING GAS GENERATORS ON THE SURFACE. IT WAS ALSO FOUND POSSIBLE TO PRODUCE DIFFERENT TYPES OF GAS BY VARYING THE MIXTURE BLOWN THROUGH THE TUNNEL, ADDING OXYGEN, HYDROGEN OR STEAM.

THE NEW TEST IS CONCERNED MAINLY WITH BETTER CONTROL AND FURTHER CUTTING OF COSTS, THEY SAID.

AUG 25 1949

THIS TIME THE U-SHAPED TUNNEL--LIKE A PLUMBER'S TRAP FROM UNDER THE BATHROOM BASIN, LAID ON ITS SIDE--IS TAPPED FROM THE TOP BY A SERIES OF CONCRETE-LINED BORE HOLES. IT WAS DOWN ONE OF THESE HOLES THAT THE GRENADE WAS DROPPED TO SET OFF THE BLAZE, WITH GAS BEING TAKEN OFF AT ANOTHER ONE ABOUT 300 FEET AWAY.

LATER THE AIR BLOWERS TO FAN THE FIRE WERE MOVED TO THE SECOND HOLE AND THE GAS WAS TAKEN OFF AT THE FIRST, REVERSING THE DIRECTION OF THE FIRE. THE SCIENTISTS SAID THIS APPEARED TO INCREASE THE RETAINED HEAT AND THEREBY THE EFFICIENCY OF THE UNDERGROUND FURNACE, SO THE BLOWERS NOW ARE SWAPPED BACK AND FORTH REGULARLY.

LSTOPPED

End August 25, 1949

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British Jets Aided Research Of Russia, Refugee Declares

HAL COOPER

London, Aug. 26 (AP)—A refugee Russian air expert said today Britain has handed the Soviet Union a chance to recoup a ten-year lag in jet aircraft research.

Lieut. Col. G. A. Tokaev, former head of the U.S.S.R. Military-Scientific Academy, said he referred to British shipment of Rolls Royce Nene jet power units to Moscow in 1946 and 1947.

"It is not an exaggeration to say that the U.S.S.R. was probably ten years behind the world's foremost exponents of jet development," Tokaev wrote in the British aeronautical magazine *Flight*.

Saved By British "Gift"

"Having awakened from their slumbers, those responsible suddenly realized they had strayed into a dangerous blind alley.

"But the way out appeared quite unexpectedly. The British authorities sold to the Soviet Government a certain number of British jet units—the excellent Nenes. . . .

"We need not doubt that very soon their studies of the Nene will allow Soviet constructors to create excellent combat aircraft, for which they will be awarded many a Stalin prize."

Development of new British aircraft and weapons is under direction of the Ministry of Supply.

George Strauss, who heads the Ministry, told Parliament last November 8 Britain had shipped a total of 174 jet engines abroad and that an unspecified number went to Russia.

A spokesman for the Air Ministry said today he doubted Russia was given "anything very recent."

A spokesman for the Ministry of Supply said the Nene jets were shipped to Russia after they had been taken off the secret list.

He recalled that John Freeman, parliamentary secretary for Strauss, told the House of Commons last November "refusal of an export license would have been contrary to the general export policy prevailing at that time."

The shipments were made in August, 1946, and March, 1947. That was before the cold war between Russia and the Western allies reached its present status.

British Rightists Join Leftists in Denial of Dollar Crisis Blame

By the Associated Press

LONDON, Aug. 26.—Magazines of Britain's left and right joined yesterday in declaring that this country's dollar crisis was not all its own fault.

They were the Spectator, the Tribune and the New Statesman and Nation.

The Tribune, speaking for the left-wing of the ruling Labor Party, said:

"If the United States were to step up its purchases from the sterling (pound) area by less than 1 per cent of its national income our dollar problems would be over."

The New Statesman and Nation (Labor) said the most British delegates could expect in the coming Washington dollar talks would be "firm American commitments to purchase a minimum of primary products (raw materials) from the sterling area, permission to use Marshall dollars for Canadian wheat, and tariff concessions."

The Conservative Spectator deplored recent bitter words between British and Americans on the financial situation, saying the Americans "may have ground for their criticism, but the criticisms have been carried so far as to drive a wedge, not merely between Americans and British labor, but between Americans and critics of British labor. We have not foregone, and cannot forego, the right to manage."

Meanwhile the British treasury began an economy campaign. It ordered cuts, approximating 5 per cent in the expenditures of all government departments. These cuts are an attempt to put high British prices in line with world markets.

The monthly bulletin of the Empire Industries Association, an organization of British businessmen, asserted also that the 1946 American loan to Great Britain contained a clause insuring that American exports should remain the dominant feature of world trade.

Tito Meets Wallace Supporters On Brioni

London, Aug. 26 (AP)—Premier Marshal Tito lunched with a group of American supporters of Henry A. Wallace on the Adriatic Island of Brioni yesterday, the official Yugoslav news agency *Tanjug* said tonight.

Tanjug said in a broadcast heard here that the group included Louis Adamic, writer; Jerome Davis, educator and sociologist; Henry Pratt Fairchild, social scientist, and Dr. Kirtley Mather, a geologist.

"In the course of a lengthy conversation," the agency reported "Marshal Tito replied to a number of questions about Yugoslavia of interest to the Progressive people in America."

It said the group had been in Yugoslavia several days after visiting Poland, Czechoslovakia, Hungary and other countries.

Free Albania Group Formed

PARIS, Aug. 26 (AP).—Formation of a Committee for Free Albania was announced here today. Midhat Frasheri, sixty-nine-year-old Albanian diplomat who fled the country five years ago, said the committee is pledged to "complete restoration of independence, sovereignty and territorial integrity of the Albanian nation." He is chairman of the group.

Data Submitted On Von Manstein

Hamburg, Germany, Aug. 26 (AP). The prosecution today produced the first few hundred captured documents which are the basis of its war crimes accusations against former German Field Marshal Erich von Manstein.

He is on trial on seventeen counts alleging responsibility for atrocities by German forces in Poland and Russia.

Von Manstein scribbled busily in the dock as the pile of documents in front of him grew higher. He quickly and expertly leafed through them as the prosecutor, Sir Arthur Comyns-Carr, read them slowly to the court and explained the significance of each paper in his case. The documents were captured by the Allies and most of them are on loan from Washington.

Evidence Bar Denied

The 32 sets of papers produced were German orders defining the various commands held by von Manstein. They covered the period from his appointment as chief of staff to Field Marshal Karl Rudolf Gerd von Rundstedt in the Polish campaign, to 1944, when he had become a field marshal and was sacked by Hitler from command of the German forces in southern Russia.

The court rejected a defense move to bar an important section of the prosecution's evidence. This was the written record of evidence taken from three condemned Nazi Elite S.S. officers in Landsberg jail (American zone). They were officers of the notorious *Einsatz-Gruppe* assigned to the vast task of exterminating the Jews of Poland and Russia.

The defense claimed the record was inadmissible and demanded that the men themselves be produced.

The court ruled that the evidence was admissible and that it was undesirable to produce men under sentence of death in public court. Execution of the men has been held up pending the result of a petition of habeas corpus to the American Supreme Court.

ANTI-SOVIET RED JAILED

Scholz Receives 8-Day Term From French Court in Berlin

BERLIN, Aug. 26 (AP)—A French military court sent Karl-Heinz Scholz to prison for eight days today for forming an anti-Russian German Communist party without a license.

A 41-year-old veteran Communist, Scholz also was forbidden to engage in any political activity in the French sector of Berlin without French permission.

Scholz was arrested Wednesday a short time after he had announced the organization of his "Free Communist party," which, he said, opposed the rule of the Kremlin.

Loan for Passion Play Approved by A. M. G.

OBERAMMERGAU, Germany, Aug. 26 (AP).—The American Military Government approved today a Bavarian government loan of 1,000,000 West marks (about $300,000) to finance the 1950 Oberammergau passion play.

The play has been presented every decade for 300 years with few interruptions. There were lapses during the Franco-Prussian War and in World Wars I and II. The tercentenary in 1934 drew 400,000 persons.

Oberammergau was spared by bombing planes in the last war, and costumes and scenery escaped damage.

German Red Attack On Church Predicted

By the Associated Press

VATICAN CITY, Aug. 26.—A Catholic news service dispatch from Berlin said today that the Communist-dominated legislature of Brandenburg is preparing new restrictive measures against the Roman Catholic Church.

The dispatch was printed by the Vatican newspaper, L'Osservatore Romano, and the Rome Catholic daily, Il Quotidiano.

The legislature, it said, is "completely supine before the Communist Party."

The bills now being studied aim at limiting the church to "strictly church activities" and at "elimination of the remnants of Catholic Action in the state of Brandenburg, if not the whole of Eastern Germany," it added. Catholic Action is a lay organization.

The Russians occupy Eastern Germany. Catholics in that area number about 2,000,000.

The dispatch said Communists are subtly attacking all religious influences. "Publicly," it added, "they declare that religious practices are not hindered. But the opposite of this is obvious.

"In fact, concentration camps of the Soviet zone constantly register an increase of their unhappy population."

Rome, Aug. 26 (A. P.).—Greek Communist guerillas will be split soon by formation of a faction opposed to Soviet domination, the Italian news agency Astra said today. Astra, which monitors Greek rebel radio broadcasts, made the declaration in a Trieste dispatch.

GREEKS TAKE 3 REBEL HEIGHTS

Commandos Capture Areas In Grammos Offensive

S. CHAKALES

Argos, Greece, Aug. 26 (AP)—Greek Army commandos captured three important heights in the Grammos offensive today.

The heights lie along the eastern edges of the Communist-led guerrillas' last important stronghold in the mountains on the Albania border.

Heavy bombing by American-supplied dive bombers softened up guerrilla defenses before the commandos seized Tsarno hill, 9 miles west of Nestorion.

A few hours earlier, commandos captured Psoriarika height, 2 miles north of Tsarno, after bitter fighting. At noon today Greek troops moving from the east captured Kouria height, 4 miles west of Psoriarika, after slight resistance.

28 Greek Soldiers Killed

[An army communiqué in Athens said 28 Greek soldiers were killed and 186 wounded in storming Tsarno and Psoriarika heights. No estimate was made of guerrilla losses.]

Tsarno, Psoriarika and Kouri are shoulders of the main Grammos range, which rises to 7,000 feet along the Albanian border. The main guerrilla positions in the Grammos remain to be attacked.

When the Grammos campaign started earlier this month Greek officials estimated about 8,000 guerrillas were dug in along the Grammos crags. With the Government victory last week in the Vitsi triangle, 60 miles north, the Grammos area is the last important stronghold remaining in guerrilla hands.

Moved After Vitsi Loss

Prisons captured east of Aetomilitsa, one-time guerrilla headquarters, said they had been moved into the Grammos area after the Vitsi feat.

One setback for the Greek troops was reported. Greek soldiers captured a strong point at Zerma, but

were driven out by a strong rebel counterattack.

The capture of Kouria closed another guerrilla escape route to Albania along a branch of the Aliakmon River. An official army report said Greek troops who captured Kouria were fired on by artillery and machine guns from Albania.

Rebel Radio Reports

LONDON, Aug. 26 (AP). — The Greek rebel radio said tonight Nationalist forces lost 152 dead, 3,612 wounded and seventy captured in their attacks in the Grammos mountain two days ago. Four government planes were shot down, the broadcast said. It was relayed my Ceteka, Czech news agency, on a broadcast heard here.

Vienna Told Russians Control Hungary Army

Vienna, Aug. 26 (AP)—The American-licensed newspaper *Wiener Kurier* said today command of the Hungarian army has passed into the hands of Soviet military personnel during recent months.

The paper said all key positions in the Hungarian Ministry of Defense are held by so-called Soviet "liaison officers," while 40 high-ranking Russian officers are serving with the Hungarian army.

Military training camps and officers' schools are supervised by Russian personnel, the paper claimed.

Bombings Of Pilsen Assailed

R. KASISCHKE

NIGHT

Prague, Czechoslovakia, Aug. 26 (AP)—The Czechoslovak Army newspaper charged tonight that United States and British air forces bombed nonmilitary targets in Czechoslovakia during World War II in order to reduce postwar industrial competition.

The paper *Obrandu Lidu* published the charges as military and diplomatic delegations from Russia and the eastern European "peoples' democracies" gathered in Slovakia for tomorrow's opening of a big three-day celebration of the fifth anniversary of the Slovak uprising against the Nazis.

Most of the Czech Government leaders, headed by Communist President Klement Gottwald, have left Prague to participate in the celebration. Gottwald is scheduled to speak on Sunday.

Pilsen Bombings Scored

The army newspaper said only the Russians aided the 1944 Slovak uprising—which was crushed by the Nazis. It accused the American and British air forces of doing nothing against the Germans, but of bombing the town of Dubova and inflicting casualties and damage on the Slovak partisans.

"The case of Dubova," the paper said, "was also the case of Pilsen, which the Anglo-Americans bombed heavily just before the end of the war. And there were also many other places where the Anglo-American air weapon destroyed industries which were not essential to the war but which represented competition for the capitalists of the West. The Anglo-American air force during the war was merely the armed hand of the monopolists of the West."

Marshall Plan Success

For the first time today, a Czech newspaper asserted that the European Recovery Program had proved a success in its first year. A statement, carried by the trade-union paper, *Prace*, said:

"There is no doubt that the Marshall plan saved the western European nations from complete economic collapse."

Rude Pravo, the Communist paper, reported that a Czech priest had conducted funeral services for a Communist Catholic while his comrades laid a red-star wreath on his coffin in a church. It was the first case of its kind reported in Prague since the Vatican's excommunication decree against militant Communists.

FINN STRIKE MOVE REVIVED

NIGHT

Communists Aim To Wreck Economy, Helsinki Charges

T. ROSENTHAL

Helsinki, Finland, Aug. 26 (AP)—Finnish Communist strike leaders began to throw fresh forces today into a labor battle designed—the Government charges—to wreck Finland's economy.

Metal industry workers, producers of most of the Finnish war reparations goods, walked out at one center and others near by threatened to stop work Monday.

The first tied up was the Bjoerkboda lock works near Turku where 200 walked out.

Not far away, 700 in the iron rolling mill of Salsbruk were taking a strike vote over a wage dispute, and Communists are in the majority there.

Agitators Busy Elsewhere

A workers' spokesman said strike agitators are busy in several other shops, especially the Crichtony-Vulcan shipbuilding yards; the Lokomo, at Tampere, producing engines, and Sandviken here.

Spokesmen for the trade-union federation and the metal workers union said the strikes and threats to walk out must be considered political actions even if negotiations for higher wages have been going on at some shops.

There are 50,000 to 60,000 organized metal workers in Finland besides the workers in affiliated trades. The majority of union leaders are anti-Communist but in some important locals Communists have majorities.

Hour General Strike Called

Communists also called for a one-hour general demonstration strike next Thursday, the day Parliament convenes and the appointed time for burial of two persons who died as a result of clashes between police and striking loggers at Kemi August 18.

Communists are expected to bring up the Kemi disorders in Parliament with accusations that Premier Karl A. Fagerholm tried to cover up the clash there.

The Communists said they would demonstrate in behalf of the persons who died at Kemi and against what they called police terrorism there.

Most Ports Tied Up

Workers were reported returning at some strike scenes but there was no official word as to how many. The Government said between five and ten per cent of union workers went on strike—a peak of 33,000. A Swedish language paper said "the number of strikers creeps down below 40,000." The Communists claimed 60,000 workers were out.

Most ports remained strike-bound, building construction is held up and some big bakeries are idle.

AUG 25 1949

Finland's Reds Call One-Hour General Strike

AUG 24 1949

Set for Thursday to Mark Parliament Opening and Burial of 2 Dead in Clash

HELSINKI, Aug. 26 (AP).—Finnish Communists called today for a one-hour general strike on Thursday. That is the day Parliament convenes, and the day set for burial of the two persons who died as a result of a loggers' strike clash with police at Kemi. The Communist proclamation said the demonstration will be "in honor of our dead comrades and in protest of the police terror against the workers."

DAY

It is expected the Communists also will bring up the matter of the Kemi disorders in Parliament. They have accused Premier Karl A. Fagerholm of trying to protect the police and hide the results of the clash, which occurred Aug. 18.

Strikers were reported returning to their jobs in some places today, but there was no official word on the strength of the back-to-work movement. New labor disputes developed in the metal industry.

The Swedish-language newspaper "Hufvudstadsbladet" said "the number of strikes creeps down below 40,000." The Communists said 60,000 were out. Employers have estimated that at the peak of the strike wave 45,000 workers were away from their jobs. There are approximately 300,000 trade union members in Finland.

The strikes are far from over, however. Most ports are still strike-bound. Work on building construction in Helsinki and other cities is held up, and some big bakeries are idle.

A metal industry strike began today at Bjoerboda, near Turku. Two hundred employees of a lock factory walked out there after negotiations to keep the plant operating failed.

Seven hundred men at the Dalsbruk Aktiebolag, an iron rolling mill near Bjoerboda, threatened to walk out Monday.

Slav Refinery Fire Reported

Trieste, Aug. 26 (AP)—A fire, believed to have been set by saboteurs, broke out today in Fiume's Romsa oil refinery, in Yugoslavia, the Italian news agency, Astra, said.

NIGHT

The blaze reportedly spread to the refinery after firemen were called to put out a fire in a small building.

Fiume is a seaport city 40 miles southeast of Trieste city.

May Be Brought To U.N.

The Conservative Rome newspaper, *Giornale D'Italia*, charged the Yugoslavs today with arresting and expelling Italians from their zone of Trieste and warned the United States not to "fall into Tito's net."

The paper said:

"We would not wish (to feel) that Marshal Tito believes himself authorized to act as he does because of the silence and approval of the Washington Government.

"The United States have had too rough an experience with dictators—they're having it at the present time with Stalin—to fall banally into Tito's net; that would be the limit of ingenuity."

An Italian Foreign Office spokesman disclosed Italy has made diplomatic representations in Belgrade and in Western capitals over Yugoslavia's treatment of Italian nationals. Foreign Office circles said the matter might also be brought up at the United Nations.

Denials Of Charge On Greeks

Meanwhile, Yugoslavia has replied to Russian charges that she aided Greek Government forces now engaged in civil war against Communist-led Greek guerrillas.

Belgrade's official press and radio publicized signed denials from guerrilla soldiers designed to refute charges that Greek Government forces had been permitted to enter Yugoslavia for the purpose of attacking guerrilla units from the rear.

The Moscow radio, taking the same line as guerrilla radio broadcasts, recently said Tito had betrayed the guerrilla cause. These charges form part of Russia's propaganda campaign against Yugoslavia.

During the past few days, Yugoslavia newspapers reported hundreds of Greek guerrillas crossed into Yugoslavia seeking medical treatment or respite from fighting. The papers said they were given sanctuary in accordance with international law.

Pope Anti-Christian, Russian Prelate Tells Moscow Rally

AUG 25 1949

T.P. WHITNEY

NIGHT

Moscow, Aug. 26 (AP)—Metropolitan Nikolai of the Russian Orthodox Church tonight told Russia's all-union conference of "peace" proponents that Pope Pius XII is "anti-Christian."

Earlier the conference heard Pietro Nenni, pro-Communist Italian Socialist leader, call President Truman a "gendarme of bourgeois reaction."

[The conference is similar to "peace congresses" sponsored by Communist and other leftist groups in New York, Paris and Prague earlier this year. At the earlier meetings the delegates hailed the Soviet Union as the defendr of the peace, while Western powers were branded as warmongers.]

Condemns Excommunication

Nikolai, Metropolitan of Krutitsky and Kolomna and one of the highest dignitaries in the Orthodox Church, sharply condemned the Vatican decree excommunicating Communists and Communist sympathizers.

The Metropolitan said the Pope is "the agent of American imperialism" and "an ardent enemy of the U.S.S.R."

He asserted the Vatican is participating in all things directed against the Soviet, that the Vatican has shown its true face in the "un-Christian" decree excommunicating all Communist believers, and that during the war the Vatican had never raised its voice on behalf of those who perished in the gas chambers of Hitler.

Nikolai said the Orthodox Church stands strongly with the Soviet Government in its struggle against the new danger of war.

To Resist "Cain"

"Cain" (first murderer in the Bible) wants millions to go out and fight but understands they will

Tax Reforms to Attract Capital to Japan Urged

By the Associated Press

TOKYO, Aug. 26.—An American tax mission yesterday recommended tax reforms for Japan which its chairman said should encourage foreign investments.

Dr. Carl Shoup, Columbia University professor, emphasized at a news conference that the reforms would affect all investments in Japan, not simply foreign ones.

In brief the report recommends that the Japanese government simply collect taxes more efficiently and practice economies proposed last spring by Joseph W. Dodge, Detroit banker, in a separate report.

The government recently made a start in economies by cutting the top-heavy payrolls. This is only a start, however.

After a four-month survey of the government's financial position, the American tax experts figured Japan could get along very well with a tax bite of from 25 to 30 per cent of the national income.

With efficiency in tax collection and economy, the report said, the Japanese actually could reduce income taxes on farmers, low-salary workers and small businessmen. It might even be possible to abolish the national sales tax.

Shoup said foreign investment should be stimulated by the mission's suggestion that the excess profit taxes on corporations be repealed and that stockholders get a better tax break on dividends. Corporations still would pay a tax of 35 per cent.

Chile Purges 416 as Reds

SANTIAGO, Chile, Aug. 26 (AP).—The list of Chilean government employees dismissed on charges of Communist affiliation rose today to 416. Among those dismissed was Luis Enrique Delano, a writer, who until a short time ago was a consul in New York. The government began its crackdown after last week's riots and strikes, which it said were Communist-directed. The Communist party is outlawed in Chile.

MARAGON SILENT ON FUNDS PROBE

Senators Are Told He Banked $120,000, Reported $30,000 Income

AUG 26 1949

WASHINGTON, Aug. 26 — (AP) Talkative John Maragon, mysterious man-about-Washington, grew suddenly silent today when called on to tell how he banked $120,000 during five years in which he reported an income of about $30,000.

With threats of perjury and income tax prosecution hanging over his head, the friend of President Truman's army aide, Maj. Gen. Harry H. Vaughan, stood firmly on his constitutional rights.

He wouldn't talk.

For 30 frustrating minutes, Senators hopefully tried to prod a positive answer of the natty, well pressed Maragon. And at least 26 times they got this:

Refuses to Talk

"On the advice of counsel, I refuse to answer the question on the grounds that my answer might incriminate me."

The Senate investigations subcommittee particularly wanted to check Maragon's income.

It had heard earlier that Maragon had testified, under oath, that his income over a five-year period totalled only around $30,000. Yet during this same period, committee investigator Carmine S. Bellino said, Maragon made deposits of $119,608.61 in checking accounts. He said Maragon had not listed all these funds on his income tax returns.

"A good deal of information" has been turned over to Internal Revenue Bureau, Bellino said, and he thought the bureau planned to "follow through."

"This is a clear cut case of perjury," said Senator Mundt (R-SD), "unless Mr. Maragon can clear things up."

What about this? asked 71-year-old, frock-coated Chairman Hoey (D-NC). Maragon refused to answer.

Senator McCarthy (R-Wis) wanted to know more about Maragon's relations with Vaughan, who repeatedly—testimony has shown—pulled strings to help Maragon. Maragon refused to answer.

Vaughan to Testify Tuesday

Vaughan will have his chance Tuesday to tell his side of the story. Undoubtedly he will be asked why Maragon had—or left the impression that he had—so much influence.

As recently as last May or June, the committee was told today, army officials had the idea that Maragon was acting as a go-between for the White House and Secretary of Defense Johnson's office.

As for Maragon, if he was disturbed by the senators' questions, he didn't show it. Occasionally he smiled; always he smoked. A cloud of cigarette smoke constantly hung over him.

Born on an island in the Aegean Sea, he has never lost his accent, and it was especially noticeable early in his appearance. Then he stumbled occasionally as he read his one sentence. Later he got it down fine, and sailed right through it.

Hoey pointed out at the start that, under the constitution, no man is compelled to give evidance against himself. And Maragon, sitting head to head with his lawyer, Myron G. Ehrlich, took advantage of his rights.

As the inevitable answer floated down—"on the advice of counsel, I refuse"—Senator Mundt (R-SD) once butted in to say:

"I have a question I think probably the witness can answer, to break the monotony of your answers.

Makes One Admission

"Do you know General Harry Vaughan?"

"Yes," said Maragon, and everyone laughed, including Maragon.

Mundt's next query was:

"Have you ever been associated with General Harry Vaughan in any activities?"

This put Maragon back in the groove. Again he refused to answer.

"That leaves me with the impression that you and the general have been engaged in some activities which are incriminating," said Mundt.

"Senator," said Maragon, "regarding the implication, I leave no implication, but I am following my counsel's advice."

Said Senator McCarthy:

"John, you talk less today than I've ever seen you."

And at another time, McCarthy said:

"Oh, John, that's not going to incriminate you." But he still didn't get an answer.

At still another point, McCarthy plunged into a question. Maragon didn't wait for the conclusion before he began, "on advice —"

"Let me finish," said McCarthy. So Maragon let him finish — and then refused to answer.

McCarthy was particularly interested in finding out whether Maragon, who was once a part of an American mission to Greece, ever played any part in formulating the U. S. policy toward Greece.

Denies Foreign Policy Role

Maragon ducked that for awhile but finally burst out with:

"Senator, I want to tell you once and for all that I had nothing to do with any formulation of any foreign policy, whether it is Greece or Bolivia or any other country in the world."

Maragon's lawyer, Ehrlich, had prepared a statement he wanted to read to the committee. Hoey refused to let it become part of the record, but Ehrlich supplied copies to reporters.

He said that when Maragon was questioned behind closed doors he had not had an attorney.

"It appears," Ehrlich said, "there have been extracted from this witness possible self incriminatory statements by methods that are in violation of the spirit and the letter of the Fifth Amendment of the Constitution of the United States."

Ehrlich sai dthat at the "urgence, insistence and request" of the committee Maragon had turned over copies of his income tax reports, bank statements and personal documents.

"He was interrogated regarding these by committee counsel," said Ehrlich, "and I am informed threatened with contempt proceedings if he refused to answer the questions of the committee counsel."

He said he challenged the authority of the committee to demand Maragon's private papers.

The committee is looking into the activities of the so-called five percenters, men who attempt to get government contracts for business men in return for a fee.

The senators particularly want to know whether these men have any influence on government officials.

Bank Account Checked

It was while checking into Maragon's activities that the committee became interested in Maragon's bank account.

He had told them he made only $6,000 to $7,000 a year, committee investigator Bellino said today. And he said Maragon had said he had only one bank account in 1945, with the Union Trust Co in Washington.

Later, Bellino said, Maragon recalled another bank account in Washington.

In 1945, the year he said he had only one account, Maragon also deposited $26,203—and withdrew $27,096—from a San Antonio bank, Bellino said.

Bellino said it appeared to him that while Maragon was on his mission to Greece, and was paid by the government at the rate of $5,600 a year, he also was drawing $1,000 a month pay from the Albert Verley Perfume Company of Chicago.

But when Maragon was quizzed about this, here again he refused to answer.

Maragon was the main show of today's hearing, but the committee also heard:

Other Witnesses Heard

From Committee Counsel William P. Rogers. He said that during an attempt by Maragon to aid a Detroit windshield manufacturer last spring, Army officers got the idea that Maragon was a "liaison between the White House and Pentagon."

"I'm not sure the officers were wrong," said McCarthy.

From Richard A. Martin, an assistant of James V. Hunt, Washington management counsellor. It was a story in the New York Herald-Tribune about Hunt and his dealings with Paul Grindle that touched off the investigation.

Grindle is a Framingham, Mass., furniture manufacturer.

Martin hotly denied many points in Grindle's story. He took particular exception to Grindle's statement that Hunt had told him "all I have to sell is influence."

"I don't think Hunt ever made such a statement to anyone," snapped Martin.

Hunt has been ill. It was announced previously that he will not be able to testify for at least a month.

From Henry F. Grady, former head of the American Mission to Greece. Grady had been asked about Maragon's performance as a member of that mission.

Grady said that three days after he arrived in Athens, the State department ordered Maragon sent home.

"Even had I not received instructions to send him back to Washington," said Grady in a letter to the committee, "I would have done so because he was making himself a nuisance."

Grady said Maragon was flashing a picture of himself and Mr. Truman, and "stating, or at least implying, that he was sent by the President to report to him directly on the activities of the mission."

Maragon had got in Dutch with the Army transport command, too, Grady said.

"He began 'investigating' them," said Grady, "and implied he was doing this on authority from Washington."

JUDGE, DEFENSE IN NEAR CLASH AT REDS' TRIAL

AUG 26 1949

NEW YORK, Aug. 26 — (AP) Chanting pickets and new courtroom exchanges between judge and defense today marked the 32-week-old conspiracy trial of 11 top communist leaders.

Although, Federal Judge Harold R. Medina has said he would not be intimidated by outside pressure, more than 100 pickets demonstrated noisily against the court's decision not to call a mistrial.

Day Opens With Laugh

The day's trial proceeding opened with a laugh, however, when Judge Medina turned to the first witness, Edward E. Strong, and asked "how's the baby?"

The judge had recessed the trial early Thursday so Strong could go to his wife, who had just given birth to the child.

Spectators laughed and Strong, smiling broadly, said everything was fine.

Strong, a Negro defense witness, testified he is chairman of the Philadelphia County Committee of the Communist Party. He said his job was to help organize a "third party" that could achieve victory at the polls. He did not give further details about the party.

He told the court that he never heard the defendants teach or advocate the overthrow of the government by force or violence.

The defendants are charged with conspiring to advocate such an overthrow.

AUG 26 1949

30.24- 5267

not, Nikolai said. He added the church is going to resist the temptation offered by "Cain."

The Metropolitan declared the Russian Church cannot be neutral, cannot keep silence "either as patriots or as believers, as Christians."

He pictured the "grasping tentacles of a trans-Atlantic octopus spreading around the world." American "imperialism" demands freedom to kidnap, kill and destroy, he said.

Nikolai denied vigorously that the church is persecuted in Russia. He described any such report as a "hypocritical lie" and said the Russian church will "tear off the mask of our enemies."

Eisler Assails U.S. Role

A visitor from Germany, Gerhart Eisler, told the conference Americans have taken over the role of Hitlerites in postwar Germany.

[Eisler, international Communist, fled the United States early in May while under two jail sentences on conviction of passport fraud and contempt of Congress.]

Nenni compared President Truman with Hitler and Napoleon. He also said the "Vatican carries out a policy of social retrogression."

The Italian Socialist said no Government could force the Italian people to participate in a third World War. He predicted signal triumphs by the forces of the "democratic camp" over the "reactionary camp." Nenni appealed for all to unite and "remove the bloody hands from the democratic camp and avert war."

Zini Sake, an Albanian writer, told the conference Yugoslav Premier Marshal, Tito's Government is intentionally provoking incidents on the Albanian frontiers. He added it was the Soviet Union which saved Albanian independence durig and after World War II, "when the threat of Trotskyite Tito hung over the nation."

Both American and British delegations are attending the conference.

Burma Envoys Go To Rescue Of 12,000 In Karen-Held City

D. LACKERSTEEN

Rangoon, Burma, Aug. 26 (AP)—Embassy officials of five nations set out today on a flying diplomatic mission intended to rescue 12,000 foreigners trapped by civil-war battles in rebel-held Taunggyi.

Eighteen Americans involved were safe at last reports.

The Burmese Government sponsored the diplomats' trip to call on the rebels in hopes of getting foreigners out of the way of an offensive and air-bombing planned by the army to retake the town.

The Karen tribesmen, fighting to establish a state of their own, captured Taunggyi August 13.

Educators And Missionaries

Embassies gave these estimates of the number of foreign nationals caught in the southern Shan states capital, about 100 miles southeast of Mandalay:

Indians and Anglo-Indians holding British passports, 6,000; Pakistanis, 3,500; Chinese, 2,500; Americans, 18; Britons, 16.

The Americans were identified as educators and Baptist missionaries. Reports on others were lacking but the army said the Karens were arming some foreigners in advance of the Government's building-up offensive.

The diplomatic mission from the United States, British, Chinese, Indian and Pakistan legations planned to land at Heho, 22 miles from Taunggyi, and wait there while an emissary flying with them goes on to deal with the Karen command.

To Fly Red Cross Flag

The go-between is a bearded Sikh resident of Taunggyi, Nahar Singh. He will drive from Heho to Taunggyi in a car flying the international Red Cross flag and carrying a letter from the embassies asking entry for further negotiations.

The diplomats hoped to be invited in tomorrow, but there was no advance indication that the Karens would be agreeable. Informants said a general cease fire probably would be necessary to carry out an evacuation.

Today's communiqué said Government forces attacked the former military police barracks now housing Karens at Taunggyi and air-bombed the Karen-held town of Tantabin, 40 miles north of Rangoon, while naval units shelled the latter town.

The Government also announced recapture of the North Burma town of Zigon, in the Myitkyina district, after killing 120 rebels and wounding 150. Another Zigon town, near Mandaday, was retaken from the rebels August 16.

Official sources here said the Government had asked the embassies to get their nationals out of the Taunggyi area quickly to escape the coming air attacks.

Experts here said such evacuation would be a nigh-impossible task because it would have to be made by air to be completely successful and would take at least a week.

Couple Permitted To Leave

Americans in Rangoon said the Karens had neither molested nor intimidated United States citizens in Taunggyi. Mr. and Mrs. Charles Brandt, of Portland, Ore., were permitted to leave August 18. They made their way 160 miles over rough roads to Lashio. From there they airmailed a letter saying the other Americans were safe. The Brandts are in Burma as missioners under the Fullbright educational program.

Among those reported left in Taunggyi are two other Fullbright educators and their wives—Mr. and Mrs. Otto K. Hunderwadel, Gainesville, Fla., and Mr. and Mrs. Samuel Dashiell, Dallas, Ore.

The American Embassy ten days ago said the list of United States citizens in Taunggyi included American Baptist missionaries, among them: Mr. and Mrs. W. W. Zimmer of Mason, Mich.; Miss Laura E. Johnson, Meade, Neb.; Mrs. E. Heptonstall, who was born in Toungoo Burma, and Mr. W. D. Hackett born in Rangoon.

CHINESE ADMIT RED VICTORIES IN DRIVE ON CANTON

S. MOOSA

CANTON, China, Aug. 26—(AP) Red capture of positions within 140 miles northeast of Canton was acknowledged tonight by the Chinese nationalist army spokesman.

He said the communists had taken Lungnan and were pressing west toward Kiennan. Reliable private reports said the reds already had taken Kiennan and nearby Tingnan.

Called the three "Nans," these towns stretch over a 35-mile arc within 140 miles of Canton.

(The official communist news agency in Shanghai announced capture of Kiennan and said the aim was to cut the Canton railway at Kukong, 60 miles west of Kiennan. This, it said, would cut off the nationalist base at Hengyang, 265 miles north of Canton. This corresponded exactly with earlier speculation on the red tactics by military observers in Canton.)

Nationalist intelligence reports meanwhile asserted that 100,000 peasants were in revolt against the communists in the Lake Tai region midway between Shanghai and Nanking. (Communist sources lately have admitted widespread peasant disorders, but foreign observers in China have said these evidently do not yet constitute a serious threat to red rule.)

The nationalist executive Yuan named a committee to encourage revolts behind the red lines and authorized field commanders to commission leaders of such uprisings. It was said that in a few instances arms have been airdropped to guerrillas.

At the same time the nationalist defense ministry was trying to discourage desertions from its own forces. A high officer said efforts were being made to have a soldier of proven loyalty among every five enlisted men. It also was disclosed that subordinates were authorized to shoot superior officers who favored going over to the reds.

Chinese Reds Advance To Border of Canton's Kwangtung Province

Communists Are Reported 140 Miles From City After Taking 3 Towns

By the Associated Press

CANTON, Aug. 26.—Red forces pushed to the Kwangtung border today.

S. MOOSA

A Nationalist army spokesman admitted the Southwestern Kiangsi town of Lungnan had fallen to the Communists.

(Private reports, which are reliable, said Kiennan and Tingnan, too, had been taken by the advancing Communists.

(This would put the Reds within 140 miles or less of Canton, the provisional Nationalist capital, and on the Kwangtung province border. Canton is the provincial capital of Kwangtung.)

19,000 Reds Attacking.

About 19,000 Communist troops were said by the Nationalist to be hammering at the border points.

The attack rolled up along roads which lead south of Kukong, an important railway point 125 miles north of Canton.

This drive could isolate Kukong and roll direct to Canton. Military observers in Canton regard Kukong so highly as a defense point that they say when it is attacked the battle for Canton itself has begun.

A Nationalist Army spokesman declared the Communist troops would not dare go far along this route because of the Nationalist threat to their western flank farther north.

The private reports say furthermore that the Nationalists have built a strong line of defenses running southeast from Kukong.

Nationalists Claim Successes.

Counterbalancing the gloomy reports from the front nearest Canton, the Nationalists reported triumphs on the front due north of Canton and along the eastern seaboard.

Official dispatches said a Communist seaborne assault on the Chushan Islands 100 miles southeast of Shanghai was beaten off, 700 Communists were killed and 30 large junks were sunk.

It is from Chusan's many islands that the Nationalists are mounting their air and sea blockade of Communist ports.

(A much larger Communist force has been reported massing on the mainland opposite the islands. The size of this action shows it was not decisive.)

The Ministry of National Defense asserted the Communists suffered 2,000 casualties in fighting north of Hengyang, never center of the South China forces 265 miles north of Canton.

The ministry said the Communist 40th Army tried to take a big railway bridge over the Mi River between Hengyang and Hengshan, which is 25 miles farther north. The ministry reported the Reds were thrown back after 10 hours of heavy fighting.

Meanwhile, top Chinese officials told First Secretary Robert Strong of the American embassy that it now was unnecessary to consider the question of when the Chinese government will move to Chungking.

Mr. Strong, ranking American diplomat in China, came here from Hong Kong to try to learn when the government was moving to the wartime capital in Western China.

Mr. Strong takes over the embassy during the absence of Lewis Clark, charge d'affaires. Mr. Clark is scheduled to leave Hong Kong by plane later today for Washington. It is assumed Mr. Clark will act in an advisory capacity on Chinese affairs for the State Department.

U. S. Cuts Nanking Staff

NANKING, Aug. 26 (AP).—The State Department has ordered a 50 per cent reduction in the personnel of the American Embassy here. A spokesman said about half of the twenty-one staff members may leave soon. The main office of the embassy was transferred to Canton some time ago. Ambassador J. Leighton Stuart has gone to Washington.

Those leaving Nanking will join a large exodus of Americans from Red China when the repatriation ship General Gordon docks at Shanghai in a few days.

Japanese Red Gets 2 Years

Army Court Imposes Term for Slurs on Occupation Policy

TOKYO, Aug. 26 (AP).—A United States Army provost court today sentenced Communist labor leader Yashiro Ii to serve two years at hard labor for malicious attacks on the occupation forces.

Iwas convicted of asserting in a speech in June that the occupation was leading Japan into slavery, and that the United States was getting rich by selling Japanese exports cheaply and bringing in goods to be sold at exorbitant prices.

AUG 25 1949

AUG 26 1949

30.24- 5269

Judge Medina clashed with Defense Attorney Richard F. Gladstein while Strong testified.

First, the judge admonished Gladstein against phrasing questions that drew inferences.

Gladstein stood silent for one or two minutes. Then he said the pause was necessary "to restrain myself from making comments which I felt your honor's remarks required."

Shortly afterward, Medina sustained a government objection and said he wanted no argument about it from the defense.

Gladstein, leaning on the jury box, mumbled something under his breath.

Attorney Rebuked

U. S. Attorney John F. X. McGohey objected and Medina ordered Gladstein to repeat the words.

They were, "that's no secret," and referred to the judge's remark that he wanted no argument, Gladstein said.

"It was an extremely improper thing for you—leaning on the edge of the jury box," Judge Medina told the lawyer. "I admonish you not to do it again."

Meanwhile, the pickets outside chanted "we demand a mistrial," "jail juror Janney" and "free Winston, Hall and Green; throw Janney in the jug."

Juror Russell Janney, author of the novel, "Miracle of the Bells", was accused of anti-communist prejudice by the defense, which demanded a mistrial Wednesday. Judge Medina denied the request yesterday and ordered the trial to proceed with Janney in the jury box.

Henry Winston, Gus Hall and Gilbert Green are defendants whom Medina ordered held in jail between court sessions for the balance of the trial for contempt of court.

The day's second defense witness," Max Weiss, 28, of Chicago, said he has been a party member since 1931 or 1932 and is now the party's regional coordinator in the midwest.

He testified he had been active in the Young Communist League and that in late 1941 he told league members that revolutionary phrases used in earlier YCL literature had become "harmful and not correct" due to new political developments.

The trial resumes Monday.

Senate Whacks 1.1 Billion From Defense Funds Bill

AUG 26 1949

WASHINGTON, Aug. 26 — (AP) The Senate today knocked $1,118,000,000 from the $15,900,000,000 national defense appropriation bill as passed by the House.

The air force took the biggest part of the reduction. The Senate voted for an air force of 48 groups as proposed by President Truman —instead of 58 groups voted by the House.

Then senators also called for a $275,000,000 cutback in funds for stockpiling of war emergency materials. This is in a separate appropriation. The House has not voted this cut.

This was the last of the defense economies which the Senate's appropriations committee had ordered, all of which the Senate accepted.

Brisk Debate

The Air Force cut of $799,822,000 in cash and contract authority was made with approval of Secretary of Defense Johnson — but it brought brisk debate in which air power advocates argued that this was a poor time to make such a cut. Those supporting the reduction, however, noted that it conformed to what officials had requested.

The Senate expected to take final action on the big defense bill Monday afternoon after deciding whether to order President Truman to make a flat cut of 5 to 10 percent in all operating appropriations voted by Congress.

This broadside cutback is embodied in an amendment by Senator McClellan (D-Ark) which a majority of the Senate has been trying to get to a vote for many weeks. Democratic Leader Lucas said today it would be "an act of political cowardice" for Congress to leave it up to the President to make the cuts.

Economy advocates contend it would save $2,000,000,000 to $4,000,000,000 and possibly keep the budget balanced.

Other Bills Pending

action on the military g will be a long step toward the appropriations docket Senate. Five other measures are awaiting final agreement between House and Senate. They total $15,000,000,000. All of them were due to have been passed last July 1.

As part of the $1,118,000,000 net reduction in defense funds, the Senate put its okay by voice vote on a directive to Secretary Johnson to save $433,968,611 this fiscal year in spending of the army, navy and air force. Johnson already has agreed to utilize this power. He took the first step toward the savings this week when he ordered a big personnel reduction.

Senator Elmer Thomas (D-Okla) told the Senate that the Appropriations Committee had made a huge cut in the military bill but that Johnson and Mr. Truman are getting most of the credit.

Another amendment, adopted by voice vote, would direct Johnson to assign a special assistant to aid small businessmen in getting contracts to supply the armed forces without them needing help of a "five percenter" agent. It was offered by Senator Humphrey (D-Minn).

Senators Knowland (R-Calif), Hill (D-Ala), and O'Mahoney (D-Wyo) fought the committee's cutback in funds for the air force.

The Senate voted 49 to 9 to cut the contract authority and then approved the remainder of the reduction in cash.

Chairman Tydings (D-Md), upholding the reductions, said the ending of the Berlin blockade had relieved some of the pressure for a larger air force.

Late in the day, the Senate was plunged into an oleomargarine-butter controversy when Senator Wiley (R-Wis) proposed to restore the ban against using military funds to buy oleo except for cooking purposes. This was a rider that used to appear regularly in appropriations but was knocked out by the House and Senate committee.

A vote on Wiley's motion was delayed until Monday.

Bradley Assails Aid Cut Plan as False Economy

AUG 26 1949

Testifies Fund Would Let European Plants Make $700,000,000 in Arms

WASHINGTON, Aug. 26 (AP).— General Omar Bradley today assailed as false economy an attempt to chop out of the arms aid program funds to increase Western Europe's munitions output.

The Administration proposes to spend $155,000,000 on this. General Bradley was reported to have testified that the money would retool existing plants and enable them to provide $700,000,000 worth of armaments.

Senate committee members reported that he contended that unless the money for European plants is provided now, the United States must put up more funds later.

160-Million Cut Urged

The chairman of the Joint Chiefs of Staff appeared before the Senate Committees on Foreign Relations and Armed Services to oppose an amendment by Senators Arthur H. Vandenberg, Republican, of Michigan, and John Foster Dulles, Republican, of New York.

The Republican leaders proposed to cut $160,990,000 off arms aid to members of the North Atlantic treaty, including the $155,000,000 item to encourage European munitions manufacture. They have contended that the plan to arm Western European treaty partners to discourage Russian aggression should be welded as quickly as possible into the mutual defense plan which the treaty nations are pledged to work out. They said the decision on expanding the munitions industry on the Continent should be left to the alliance.

The entire arms program requested by President Truman calls for an authorization of $1,450,000,000 cash for the period ending next June 30. This would furnish equipment for two years. Besides Western Europe it would go to Greece, Turkey, Iran, Korea and the Philippines.

Decision Is Delayed

The House has voted to cut the $1,160,990,000 aid to pact nations in two and shorten the whole program to next June 30. Some cut in Mr. Truman's request for pact nations is regarded as likely on final passage.

Administration leaders today put off until Monday a decision whether to agree to any reduction. However, General Bradley went into the committee's closed door session today to battle the Vandenberg-Dulles cut.

Another question deferred until Monday concerns writing China into the aid bill. The House refused to do so. Administration supporters were reported willing to agree to an amendment providing a sum for spending in the Far East at Mr. Truman's discretion. Critics of United States policy insist on naming China specifically.

Atom Inquiry Closed, McMahon Says, but Hickenlooper Objects

WX-AUG-26

By the Associated Press

Senators McMahon, Democrat, of Connecticut and Hickenlooper, Republican, of Iowa can't agree on whether Congress should continue the investigation of the Atomic Energy Commission it started last spring.

Senator McMahon, chairman of the Senate-House Atomic Energy Committee, said yesterday that he considered the investigatiton closed.

But Senator Hickenlooper, author of the "incredible mismanagement" charges which brought on the group's inquiry, said Senator McMahon's announcement was not "committee action."

He told a reporter there still remained several areas for the committee to explore behind closed doors—such as disagreements within the AEC on management of atomic towns and "certain other policies."

"I certainly hope the hearings are not closed," he said. He indicated he might take steps to see that they are not.

Senator McMahon issued his statement after a quorum (six) of the 18 committee members failed for the fifth time to show up to consider further Senator Hickenlooper's claim that the commission was lax in its security-clearance program.

The chairman said he had written the committee members last August 19 that in fairness to the commission "we must either be in a position to do business on the personnel-security cases or else declare that this matter, the last item on the agenda of our investigation of the Atomic Energy Commission, is terminated."

Senator McMahon's statement said he thinks the personnel cases already had been gone into thoroughly. With the exception of the recent meetings, he said, the committee members "have worked diligently and conscientiously to make the investigation full, fruitful and just."

ROYALL URGED NAVY AIR SHIFT

AUG 26 1949

Ex-Secretary of Army's Views Disclosed.

Washington, Aug. 26 (A. P.).—Kenneth C. Royall, former Secretary of the Army, believes that the Air Force should be transferred to the Navy, or else it should take over the naval air arm.

This was one recommendation for unification contained in the report which Royall made to Secretary of Defense Johnson when he left the Pentagon on April 27. The report, supplementing his annual one for 1948, was released today by the Department of Defense.

Secretarial Powers.

Royall said it seemed to him that the Defense Secretary should have the right to prescribe and change the functions of the Army, Navy and Air Force. He added that this seemed to be of special importance in regard to the aerial functions of the Air Force and the Navy.

He said it was his conviction that the most efficient unification would come about only if there were one air force. If unlimited power to assign aerial functions is not given to the head of the Defense Department, Royall said, then "the Air Force should be transferred to the Navy, or, if not, the naval air arm should be transferred to the Air Force."

Italy Offers to Give 4 Statues to U. S.

Will Cast Bronze Figures for Capital Bridge

WASHINGTON, Aug. 26 (AP).—Secretary of the Interior Julius Krug said today the Italian government has offered to give the United States four large statues long needed for the approach to the Arlington Memorial Bridge here.

Mr. Krug added that the offer was made by the charge d'affaires of the Italian Embassy here in a letter to Secretary of State Dean Acheson. The offer "is in process of being accepted," he said.

Two American sculptors, Leo Friedlander, of White Plains, N. Y., and James E. Fraser, of Westport, Conn., designed the statues, and the designs were approved in 1931. Plaster models were completed in 1938 and have been in storage in a New York warehouse because rising costs interfered with original plans to have them carved out of granite.

In 1941 the substitution of bronze for granite was approved. Shortly thereafter bronze became a critical war metal. Since the war, the cost of bronze has been greater than the funds available.

Last September, Mr. Krug said, the National Park Service asked the Economic Co-operation Administration to help solve the problem. The offer of the Italian government to cast the statues and present them to the United States was the result. The two pairs of equestrian groups will be placed on pedestals already built at the plaza between the bridge and the Lincoln Memorial.

About 80,000 pounds of bronze will be required to cast the four groups, which symbolize peace and the arch of peace, and war and the arch of war.

West Nisei Ban Scored By Court

San Francisco, Aug. 26 (AP)—The United States Circuit Court of Appeals today affirmed restoration of citizenship to three Japanese-Americans who renounced it during wartime.

At the same time the court wrote a vigorous [illegible]

...vigorous criticism of Maj. Gen. John L. De Witt's exclusion, early in the war, of all persons of Japanese blood from the West Coast fringe.

It spoke of "their incarceration for over two and a half years (in the Tule Lake center and other camps) under conditions in major respects as degrading as those in a penitentiary and in important degrees worse than in any Federal penitentiary."

It cited "the Nazi-like doctrine of inherited racial enmity stated by the commanding general (De Witt) ordering the deportation as the major reason for that action."

General De Witt, now retired, is living in the East. The Army ordered the Japanese-born persons to the internment camps, on the grounds their loyalty could not be determined.

The case of the three Japanese-Americans from southern California, as far as today's decision goes, also affects about 4,000 others who want citizenship restored.

The Federal District Court in Los Angeles earlier had restored citizenship to three women—Miye Mae Murakami, Tsuako Sumi, and Mutsu Shimizu, all born in this country.

The case of Mrs. Murakami was typical. She told the court she renounced her citizenship because she believed, when General De Witt's order was issued, that the plan was to establish one camp for aliens, and one for American citizens, and she would be separated from her husband.

Air Post for Adm. Sprague

Personnel Chief Will Take Command in Pacific Next Month

WASHINGTON, Aug. 26 (AP).—Rear Admiral Thomas L. Sprague will take over as commander of the Naval Air Force attached to the Pacific Fleet in September. His headquarters will be in Hawaii.

The Navy announced today that Admiral Sprague, now Chief of Naval Personnel, will relieve Vice-Admiral Harold B. Sallada, who is retiring on Oct. 1 after thirty-six years active service.

Admiral Sprague will be relieved by Rear Admiral John W. Roper, who has been deputy personnel chief for some time. Admiral Roper is the son of Daniel C. Roper, a former Secretary of Commerce.

Rear Admiral Frederick W. McMahon, now Director of Naval Aviation Personnel, will step up to Deputy Chief of Naval Personnel.

World War II Men Win 5 of 7 VFW National Offices

By the Associated Press

MIAMI, Fla., Aug. 26.—The Veterans of Foreign Wars prepared to wind up their Golden Jubilee Convention today after electing younger men to controlling positions.

World War II veterans won five of seven national offices during yesterday's election when roll call votes were taken twice.

In what observers said was "one of the hottest contests in years," Frank C. Hilton of Womelsdorf, Pa., was elected junior vice commander.

Mr. Hilton defeated Merton B. Tice, Mitchell, S. Dak. The position is considered a stepping stone to commander in chief.

Clyde A. Lewis, Plattsburg, N. Y., was unanimously elected commander in chief, succeeding Lyall T. Beggs, Madison, Wis.

Other officers elected were:

Charles C. Ralls, Seattle, senior vice commander in chief; Robert B. Handy, jr., Washington, D. C., quartermaster general; Hugh L. McArthur, Tampa, Fla., judge advocate general; Dr. A. B. Bowyer, Martinsburg, W. Va., surgeon general, and Rabbi Herbert S. Eskin, Dearborn, Mich., national chaplain.

The quartermaster general and chaplain are the only World War I veterans in the group.

A roll call vote was necessary to pick a 1950 convention city. Chicago won out over Atlantic City by a vote of 4,771 to 3,758 after New York and Honolulu withdrew.

Agreement Reported On Revised Formula For Italian Colonies

By the Associated Press

LAKE SUCCESS, Aug. 26.—The Western powers were reported today to have agreed in principle on a new formula for disposing of Italy's prewar colonies.

Some details still have to be worked out, diplomatic quarters said, but the new plan will be laid before the United Nations Assembly in September as a substitute for the rejected Bevin-Sforza proposal.

M. HARRELSON

The Western powers are now ready to propose independence for Libya in three years instead of 10, as agreed on by British Foreign Secretary Bevin and Italian Foreign Minister Count Carlo Sforza last spring.

Discussions Continue.

There still is no agreement as to how the various parts of Lybya—Cyrenaica, Tripilitania and the Fezzan—would be administered between now and the time the territory becomes independent. The powers are continuing their discussions on this through diplomatic channels.

The Unite States, Britain, France and Italy are the chief participants in the negotiations.

There was understood to be general agreement that the idea of an Italian trusteeship over Tripolitania will be dropped completely. Under the Bevin-Sforza plan, Italy was to have administered Tripolitania for a period of eight years beginning in 1951.

The defeat of his provision by the Assembly last spring led the Latin American delegates to withdraw their support of the remaining parts of the Assembly resolution and forced postponement of a settlement until the Assembly's fall session.

New Plan Outlined.

Diplomatic quarters expressed confidence the revised formula would get the support of both Latin American and Middle Eastern nations. Such support would virtually assure it the necessary two-thirds majority.

The new plan would keep the following provisions of the Bevin-Sforza agreement:

1. Italian Somaliland would be placed under U. N. trusteeship, with Italy as the administering power.

2. Western Eritrea would be ceded to the Anglo-Egyptian Sudan.

3. Eastern Eritrea would be incorporated into Ethiopia.

AUG 26 1949

NIGHT LEAD BRITISH
BY HAROLD K.MILKS
LONDON, AUG 26-(AP)-PAUL G.HOFFMAN, CHIEF OF THE EUROPEAN
COOPERATION ADMINISTRATION (ECA) TOLD BRITAIN TODAY IT MUST COMBINE
ENERGETIC SALESMANSHIP AND LOW-COST PRODUCTION TO BEAT THE DOLLAR
CRISIS. HE ALSO URGED THE DOLLAR-SHORT NATION TO TRY TO TRIPLE ITS
DOLLAR EXPORTS.
"FIRST STUDY WHAT AMERICANS WANT," HOFFMAN ADVISED. "THEN MAKE
IT AT PRICES THEY'RE ABLE AND WILLING TO PAY AND PACKAGE IT TO APPEAL
TO THE AMERICAN CONSUMER. THAT IS THE WAY TO EARN DOLLARS, THAT IS
THE WAY TO RESOLVE THE DOLLAR DEFICIT."
HOFFMAN SPOKE AT A NEWS CONFERENCE AFTER MEETING WITH BRITISH
FOREIGN SECRETARY ERNEST BEVIN AND THE DOLLAR EXPORT BOARD--A
BRITISH GROUP FORMED TO BOOST DOLLAR SALES.
THE ECA CHIEF, COMPLETING A QUICK EUROPEAN TOUR, WAS FLYING
BACK TO THE UNITED STATES TONIGHT.
HOFFMAN IS AMONG THE AMERICAN EXPERTS WHO WILL TAKE PART IN VITAL
FINANCIAL CONFERENCES WITH BRITISH AND CANADIAN OFFICIALS IN
WASHINGTON STARTING SEPT.7.
SPECIFICALLY, THE ECA HEAD URGED BRITAIN TO:
1. INCREASE, BY AT LEAST FIVE TIMES \$600,000,000
SELLING TO THE DOLLAR MARKET.
2. TREBEL BRITISH DOLLAR EXPORTS, RAISING THEM FROM
TO \$1,800,000,000 ANNUALLY.
"THESE ARE PRACTICAL GOALS," HOFFMAN SAID. "THEY ARE WITHIN
REACH IF BRITISH INDUSTRY AND BRITISH LABOR COMBINE LOW-COST
PRODUCTION WITH DYNAMIC MERCHANDISING."
U.S. BUSINESS MEN HAVE BEEN ASKED TO COOPERATE WITH THE BRITISH
DOLLAR EXPORT BOARD IN SHOWING THE WAY TO LARGER MARKETS IN AMERICA,
HOFFMAN SAID.

(LENGTHY STORY WAS CARRIED ON "D" WIRE. COPY UNAVAILABLE) LS/sc

AUG 26 1949

HOFFMAN SAID HE WAS ENCOURAGED BY WHAT HE FOUND IN EUROPE.
ASKED WHETHER HE THOUGHT THE EUROPEAN RECOVERY PLAN WOULD FULFILL ITS OBJECTIVES BY 1952, WHEN IT IS DUE TO END, HE SAID:
"IT IS MY HOPE AND BELIEF THAT IT WILL. IF THE NATIONS OF EUROPE DEVOTE THEMSELVES TO MUTUAL AID AND SELF-HELP, THEN EUROPEAN ECONOMY AS A WHOLE SHOULD BE ON A SELF-SUPPORTING BASIS. IT'S POSSIBLE THAT INDIVIDUAL COUNTRIES WON'T HAVE RECOVERED."
THE ABOLITION OF TRADE BARRIERS IS ESSENTIAL IN EUROPE, HE SAID, IF ECA IS TO BE SUCCESSFUL.
OF BRITAIN'S PROBLEMS, THE ECA CHIEF SAID THE DOLLAR EXPORT BOARD HELD THE SAME VIEWS HE DOES ON THE APPROACH WHICH BRITAIN MUST MAKE TOWARD CLOSING THE DOLLAR GAP.
THE DOLLAR GAP--AN URGENT PROBLEM IN BRITAIN--IS THE AMOUNT BY WHICH BRITAIN'S DOLLAR-EXPORT EARNINGS FAIL TO PAY FOR HER DOLLAR IMPORTS.

"BRITISH MANUFACTURERS," HOFFMAN SAID, "HAVE NOT YET BEGUN TO TAP THE HUGE RESERVOIR OF AMERICAN BUYING POWER. IT IS A VERY LARGE MARKET--IN 1948 ITS GROSS NATIONAL PRODUCT WAS $254,000,000,000."
"JUST ONE PER CENT MORE OF THAT SUM SPENT ON EUROPEAN GOODS--JUST THREE-TENTHS OF ONE PER CENT MORE SPENT ON BRITISH GOODS--AND THE DOLLAR GAP CAN BE CLOSED," HE ADDED.
HOFFMAN SAID U.S. PUBLIC OPINION, STILL STRONGLY IN FAVOR OF CONTINUING THE MARSHALL PLAN AID PROGRAM TO EUROPE, MUST BE CONVINCED THAT EUROPE IS TRYING TO HELP ITSELF.
ENDING A TOUR OF IRELAND, FRANCE, ITALY, GREECE, GERMANY AND BRITAIN, HOFFMAN LEFT BEHIND THESE IDEAS:
EUROPE "HAS SCARCELY TOUCHED THE POTENTIAL TOURIST TRADE FROM AMERICA." THE TOURISTS WANT MORE ACCOMMODATIONS AT REASONABLE PRICES.
"MOST AMERICANS HOLD DEEP AND ABIDING FRIENDSHIP TOWARD THE BRITISH AND ARE ANXIOUS TO HELP THEM OUT OF THEIR TROUBLES."
"AMERICANS THEMSELVES NEED SOME EDUCATION. TOO MANY OF THEM BELIEVE THAT IMPORTS HARM RATHER THAN ENRICH THEIR COUNTRY--AND THAT IDEA HAS TO BE CHANGED."
G455PED

STRAUSS ASSURED THE HOUSE OF COMMONS IN FEBRUARY THAT NO SHIPMENTS OF NEW MODEL JET ENGINES HAVE BEEN OR WILL BE MADE "TO RUSSIA OR ANY OTHER COUNTRY IN EASTERN EUROPE."
BOTH ROLLS ROYCE ITSELF AND THE DEHAVILLAND AIRCRAFT COMPANY HAVE DEVELOPED A SERIES OF NEW TYPES CAPABLE OF DRIVING PLANES FASTER THAN SOUND. ALL OF THESE ARE STILL ON THE SECRET LIST.
TOKAEV FLED FROM THE RUSSIAN ZONE OF GERMANY LAST YEAR AND WAS GRANTED HAVEN IN ENGLAND AS A POLITICAL REFUGEE.
HE SAID HE HAD SPENT TWO YEARS STUDYING GERMAN AVIATION AND ROCKET TECHNIQUES FOR THE RUSSIAN GOVERNMENT.
BJ1242PED ADD LDN (BRIT. JETS) X X X STATUS

NIGHT LEAD (250)
STRASBOURG, FRANCE, AUG.26-(AP)-AN ITALIAN DELEGATE TOLD THE EUROPEAN CONSULTATIVE ASSEMBLY TODAY THAT EUROPE'S COMING "PROBLEM OF LIFE OR DEATH" IS TO LEARN THE SECRETS OF ATOMIC ENERGY.
HE WAS CHRISTIAN DEMOCRAT DEPUTY ENZO GIACHERO, AND HE WAS SPEAKING IN THE ASSEMBLY'S ONE DAY GENERAL DEBATE ON EUROPEAN SOCIAL, SCIENTIFIC AND CULTURAL PROBLEMS.
HE DID NOT SUGGEST EUROPE MUST HAVE THE ATOMIC BOMB. HE SAID THAT UNLESS EUROPE COULD LEARN THE INDUSTRIAL APPLICATION OF ATOMIC ENERGY, EUROPE WILL BECOME "A PERMANENT DEPENDENT OF AN EXTRA-EUROPEAN POWER." (HE PRESUMABLY WAS REFERRING TO THE U.S.).
IN USING THE WORD DEPENDENT, GIACHERO SAID," I EMPLOY A MODERATE TERM."

EUROPE'S SCIENTIFIC FORCES MUST BE BROUGHT TOGETHER TO WORK ON THIS PROBLEM, HE CONCLUDED.
THE DAY ALSO SAW AN ATTACK ON "A SMALL NUMBER OF STUPID BUT POWERFUL AMERICANS" BY BRITAIN'S LABOR SOCIALIST WILL NALLY.
NALLY DECLARED, APPARENTLY REFERRING TO THE COMING FINANCIAL TALKS IN WASHINGTON, THAT" ONE OF THE THINGS THAT IS NOT--AND WILL NOT BE UNDER DISCUSSION, SO FAR AS THE UNITED KINGDOM IS CONCERNED--IS WHETHER WE SHOULD REDUCE OUR SOCIAL SECURITY, OUR SOCIAL STANDARDS BECAUSE AN ELEMENT OF OUT-DATED THOUGHT IN THE UNITED STATES THINKS IT WOULD RATHER BE A GOOD IDEA." THIS WAS NOT ECHOED BY ANY OTHER BRITISH SPEAKER.
IT WAS ANNOUNCED, AFTER CHAIRMAN PAUL-HENRI SPAAK MET WITH THE COMMITTEE PRESIDENTS, THAT THE ASSEMBLY WOULD RECESS FOUR DAYS UNTIL WEDNESDAY. THIS WAS TO GIVE THE STANDING COMMITTEES A CHANCE TO HAMMER OUT THEIR PROPOSALS TO THE ASSEMBLY.
WB1039PED

STRASBOURG, FRANCE, AUG.26-(AP)-AN ITALIAN DELEGATE TO THE EUROPEAN CONSULTATIVE ASSEMBLY SAID TODAY HIS NATION MUST SEND OUT AT LEAST 1,000,000 EMIGRANTS A YEAR FOR THE NEXT FEW YEARS TO COPE WITH THE PROBLEM OF OVER POPULATION.
THE DELEGATE, STEFANO JACINI, ADDRESSED THE ASSEMBLY AS THAT BODY TOOK UP EUROPEAN SOCIAL ISSUES.
HE SAID ITALY'S POPULATION NOW IS MORE THAN 45,000,000 AND IS INCREASING BY 500,000 EVERY YEAR DESPITE A SHORTAGE OF TILLABLE LAND AND NATURAL RESOURCES.
"BECAUSE OF THE INTERRUPTION IN EMIGRATION CAUSED BY THE WAR AND POST WAR DIFFICULTIES, EMIGRATION FOR SEVERAL YEARS SHOULD REACH THE MAXIMUM FIGURE OF 1,000,000, WHICH IT WAS IN 1913," HE SAID.
JACINI SAID MOST OF THESE PEOPLE SHOULD GO TO LESS POPULATED AREAS SUCH AS SOUTH AMERICA, SOUTH AFRICA AND AUSTRALIA, BUT SOME WOULD HAVE TO RESETTLE IN EUROPE. HE ASKED THE ASSEMBLY TO LAY DOWN A SET OF PRINCIPLES TO PROTECT PERSONS WHO MIGRATE TO OTHER EUROPEAN COUNTRIES.
THESE WOULD INCLUDE PROVISIONS TO ALLOW AN IMMIGRANT TO BECOME A NATURALIZED CITIZEN WITHIN A REASONABLE TIME AND WOULD PROVIDE THAT AN IMMIGRANT WORKER BE TREATED ON A FOOTING OF EQUALITY WITH LOCAL WORKERS.
ANOTHER ITALIAN DELEGATE, PIETRO CAMPILLI, SAID THAT STEPS TOWARD INTRODUCING A BETTER AND BROADER STANDARD OF SOCIAL SECURITY SHOULD BECOME AN INTEGRAL PART OF THE MARCH TOWARD A UNITED EUROPE.
JJ1051AED

BY JOSEPH E.DYNAN
STRASBOURG, FRANCE, AUG.26-(AP)-BRITISH LABOR SOCIALIST WILL NALLY TOLD THE ASSEMBLY OF THE COUNCIL OF EUROPE TODAY THAT "A SMALL NUMBER OF STUPID BUT POWERFUL AMERICANS" ARE NOT GOING TO STRAIN THE BASES OF BRITISH SOCIAL SECURITY."
HE WAS SPEAKING IN THE ASSEMBLY'S DEBATE ON EUROPEAN SOCIAL CONDITIONS.
"SOCIAL SECURITY", NALLY SAID, "IS AN ESSENTIAL WEAPON IN THE WAR AGAINST TOTALITARIANISM."
NALL ALSO RIPPED INTO BRITISH OPPONENTS OF THE WELFARE STATE.
HE SAID
NALLY ALSO RIPPED INTO BRITISH OPPONENTS OF THE WELFARE STATE.
HE SAID "IT IS ALWAYS THE MAN IN THE UNITED KINGDOM WHO HAS (BY PRIVATE INCOME) SOCIAL SECURITY WHO SAYS SOCIAL SECURITY SAPS

THE VITALITY OF OTHERS."
"WE DO NOT PROPOSE TO GIVE THE PROFITEER IN BRITAIN THE OPPORTUNITY TO DIP HIS DIRTY HANDS INTO HOUSING," NALLY ADDED.
NALLY SAID A "FEW FRANK WORDS SHOULD BE ADDRESSED TO OUR AMERICAN FRIENDS." THEN HE SAID:
"WE PAY TRIBUTE TO UNITED STATES AID.....WE FOLLOW WITH DEEP INTEREST THE BATTLE BEING WAGED BY PRESIDENT TRUMAN AND HIS ADMINISTRATION TO ESTABLISH AND DEVELOP SOCIAL SECURITY.....BUT IT IS NECESSARY TO TELL A TINY MINORITY OF STUPID AMERICANS THAT WHATEVER ELSE MAY BE SUBJECT TO NEGOTIATION, SOCIAL SECURITY IS NOT X X X
"WE ARE NOT GOING TO HAVE THE BASES OF SOCIAL SECURITY IN BRITAIN STRAINED BY THE THREATS OF BLUSTERS OF A SMALL NUMBER OF STUPID BUT POWERFUL PEOPLE IN AMERICA."
SF-FH805AED

FIRST LEAD CHURCHILL (130)
NICE, FRANCE, AUG.26-(AP)-A SPOKESMAN FOR WINSTON CHURCHILL SAID TODAY HE IS RECOVERING "VERY WELL INDEED" FROM A COLD.
CHURCHILL FLEW TO THE RIVIERA IN A CHARTERED PLANE FROM STRASBOURG FOR A WEEK-END OF PAINTING. HIS PLANE IS BEING HELD TO RETURN HIM TO THE COUNCIL OF EUROPE MEETINGS AT STRASBOURG. HE IS ONE OF BRITAIN'S DELEGATES TO THE COUNCIL'S ASSEMBLY.
THE 74-YEAR OLD WARTIME PRIME MINISTER SUFFERED A CHILL TWO DAYS AGO AFTER SWIMMING IN THE MEDITERRANEAN. HIS PRIVATE PHYSICIAN, LORD MORAN, FLW HERE FROM LONDON TO ATTEND HIM. THE DOCTOR PREVIOUSLY ALLAY ED FEARS CHURCHILL WAS SERIOUSLY ILL.
BRIG.G.M.S.WARDELL, SPOKESMAN FOR CHURCHILL AT LORD BEAVERBROOK'S VILLA WHERE HE IS A GUEST, SAID CHURCHILL ENJOYED A FINE DINNER LAST NIGHT AND WAS UP THIS MORNING "WORKING AS USUAL."
CHURCHILL WILL NOT RETURN TO STRASBOURG TODAY, WARDELL SAID, AND PROBABLY NOT TOMORROW.
(NO PICKUP)
JJ1055AED

HAMBURG, GERMANY, AUG. 26-(AP)-THE BRITISH MILITARY TRIBUNAL TRYING FIELD MARSHAL ERICH VON MANSTEIN DECIDED TODAY THAT WRITTEN STATEMENTS FROM THREE CONDEMNED S.S. (ELITE GUARD) MEN COULD BE ADMITTED.
THE STATEMENTS WERE TAKEN IN LANDSBERG JAIL LAST JANUARY.
YESTERDAY, THE DEFENSE CHALLENGED THIS RECORD ON THE GROUND IT WAS ILLEGAL PROCEDURE.
TODAY THE COURT RULED IT WAS ADMISSABLE AS A PROPER RECORD OF AN EXAMINATION BY AN OFFICER.
THE POINT WAS IMPORTANT BECAUSE THE MEN'S EVIDENCE CONCERNED THE OPERATION OF THE EINSATZ GRUPPE (SPECIAL ACTION SQUADS) WHICH CARRIED OUT MASS EXTERMINATIONS IN RUSSIA.
THE PROSECUTION SAYS VON MANSTEIN KNEW ABOUT AND ACTIVELY ASSISTED THE WORK OF THESE SLAUGHTER SQUADS IN THE AREA UNDER HIS COMMAND.
VON MANSTEIN IS BEING TRIED ON 17 WAR-CRIMES CHARGES. HE HAS PLEADED INNOCENT.
THE S.S. MEN ARE UNDER SENTENCE OF DEATH. A HABEUS CORPUS PETITION ON THEIR BEHALF HAS BEEN SENT TO THE UNITED STATES SUPREME COURT.
FH827AED

FRANKFURG, GERMANY, AUG 26-(AP)-LT.HARRY G.OTIS OF LADYSMITH, WIS, WAS KILLED IN THE CRASH OF A U.S. ARMY OBSERVATION PLANE NEAR NUERNBERG ON AUG 23, ARMY HEADQUARTERS ANNOUNCED TODAY.
THE PLANE FELL SOON AFTER TAKING OFF. LT.THOMAS B.JOHNSTON OF (3817 EAST 15TH COURT) TULSA, OKLA., AN OBSERVER IN THE PLANE, WAS INJURED.
OTIS'S FATHER, I.D.OTIS, LIVES AT 505 EAST THIRD STREET, LADYSMITH, WIS.
JJ229PED

THE DISPATCH SAID THAT SINCE THE END OF THE WAR SOME 250,000 PERSONS HAVE BEEN ARRESTED. OF THESE, IT SAID, ABOUT 100,000 HAVE BEEN LIQUIDATED, 50,000 HAVE BEEN DEPORTED TO THE RUSSIAN INTERIOR AND 35,000 RELEASED. ADD VATICAN CITY (GERMAN RED ATTACK) X X X POPULATION
MANY OF THESE, THE DISPATCH SAID, WERE ARRESTED SIMPLY "BECAUSE OF THEIR FAITH AND THEIR OPPOSITION TO THE COMMUNISTY TYRANNY."
FH858AED

FOLO LAKE SUCCESS ITALIAN COLONIES (B9)
ROME, AUG 26-(AP)-ITALY WILL OPPOSE ANY BIG POWER PLAN TO PARTITION ERITREA BETWEEN ETHIOPIA AND THE ANGLO EGYPTIAN SUDAN, A DIPLOMATIC SOURCE SAID TODAY.
ERITREA, ITALY'S RICHEST AFRICAN COLONY, WAS SURRENDERED TO THE BRITISH DURING THE WAR. IT IS UNDER TEMPORARY BRITISH ADMINISTRATION PENDING A UNITED NATIONS ASSEMBLY DECISION ON THE FATE OF ITALY'S PRE-WAR COLONIES.
THE INFORMANT SAID ITALY FIRMLY FAVORS THE INDEPENDENCE OF ERITREA AND ITS PRESERVATION AS A UNIT.
DIPLOMATIC QUARTERS IN LAKE SUCCESS REPORTED YESTERDAY THAT THE WESTERN POWERS HAD AGREED IN PRINCIPLE IN A NEW FORMULA FOR DISPOSING OF THE COLONIES. UNDER THE FORMULA, WESTERN ERITREA WOULD BE CEDED TO THE ANGLO-EGYPTIAN SUDAN AND EASTERN ERITREA TO ETHIOPIA, BRITAIN IS SAID TO HAVE PROPOSED THE FORMULA.
ITALIAN FOREIGN MINISTRY SOURCES WOULD NOT COMMENT OFFICIALLY.
M729AED

TRIESTE, FREE TERRITORY, AUG.26-(AP)-FIRE HAS BROKEN OUT IN FIUME'S ROMSA OIL REFINERY, IN YUGOSLAVIA, THE ITALIAN NEWS AGENCY ASTRA REPORTED HERE TODAY.
THE AGENCY SAID THE BLAZE WAS BELIEVED TO HAVE BEEN SET BY SABOTEURS.
THE FIRE SPREAD TO THE REFINERY AFTER FIREMEN HAD BEEN CALLED TO FIGHT A BLAZE IN A SMALL BUILDING THERE.
MJ1158AED

ATHENS, AUG.26-(AP)-THE GREEK ARMY REPORTED TODAY THAT TWO IMPORTANT HEIGHTS IN GRAMMOS MOUNTAIN AREA NEAR THE ALBANIAN BORDER HAVE BEEN CAPTURED FROM COMMUNIST-LED GUERRILLA TROOPS.
THE COMMUNIQUE SAID GREEK ARMY CASUALTIES WERE 28 DEAD AND 186 WOUNDED IN STORMING THE HEIGHTS OF TSARNO AND PSORIARKIKA. GUERRILLA CASUALTIES WERE NOT REPORTED.
JJ946AED

30.24- 5273

Athens, Greece, Aug. 26--(AP)--Premier Alexander Diomedes tonight hailed the formation in Paris of a Committee for Free Albania.

"We are not surprised by the efforts for liberation of the proud Albanian people, who for centuries fought for the preservation of their independence, " Diomedes told newsmen.

AUG 26 1949

The premier expressed Greece's readiness to "develop the friendliest relations with the Albanian people" through a "really representative government."

The present Albanian government is Communist-controlled.

Referring to Greek-Albanian differences, Diomedes said these "do not constitute an obstacle. The satisfaction of any Greek claim will be sought only through the friendly means and within the framework of the United Nations.

Greece has accused the present Albanian government of aiding the Greek Communist guerrillas.

AUG 26 1949

apl. travlos 02338. rch 910p.

BUDAPEST, HUNGARY, AUG.26-(AP)-THE HUNGARIAN GOVERNMENT REJECTED TONIGHT THE REQUEST OF THE UNITED STATES AND BRITISH GOVERNMENTS TO SET UP A JOINT COMMITTEE TO INVESTIGATE CHARGES BROUGHT IN BY THE WESTERN POWERS AGAINST THIS COUNTRY.

THE UNITED STATES AND GREAT BRITAIN ACCUSED THE HUNGARIAN GOVERNMENT OF VIOLATING THE PEACE TREATY. ACCORDING TO PARAGRAPH 40 OF TREATY, A SPECIAL COMMITTEE MUST BE SET UP TO INVESTIGATE THE ACCUSATIONS.

HUNGARY'S ANSWER, DELIVERED TO THE AMERICAN AND BRITISH LEGATIONS HERE TONIGHT, STATED THIS COUNTRY'S GOVERNMENT HAD "FULFILLED THEIR OBLIGATIONS IN EVERY RESPECT."

THE NOTE ALSO CHARGED THE WESTERN POWERS WITH AN "ATTEMPT TO INTERFERE WITH THE INTERNAL AFFAIRS OF THIS PEOPLE'S REPUBLIC" AND ALLEGED THAT THE UNITED STATES GOVERNMENT "OBVIOUSLY AIMED TO USE PRESSURE ON THE HUNGARIAN GOVERNMENT TO COMPEL THEM TO SUBORDINATE THEIR POLICY TO THE AIMS OF THE AMERICAN GOVERNMENT."

THE HUNGARIAN GOVERNMENT FINALLY EMPHASISED THE SOVEREIGN CHARACTER OF THIS COUNTRY AND DECLARED THAT THE ESTABLISHMENT OF SUCH A COMMITTEE WOULD BE "FUTILE AND UNJUSTIFIABLE." HUNGARY IS CONSEQUENTLY NOT WILLING TO TAKE PART ON SUCH A COMMITTEE.

WR1047PED

YUGOSLAV

BELGRADE, YUGOSLAVIA, AUG. 26-(AP)-YUGOSLAVIA OFFICIALLY DECLARED TODAY THERE HAS BEEN NO UNUSUAL MOVEMENT OF TROOPS IN THIS COUNTRY.

THE STATEMENT WAS ISSUED THROUGH THE INFORMATION MINISTRY IN RESPONSE TO A QUERY PROMPTED BY REPORTS ABROAD OF SUCH TROOP MOVEMENTS IN SERBIA AND CROATIA.

(SERBIA IS IN SOUTHEASTERN YUGOSLAVIA. THE REGION LIES BETWEEN BULGARIA AND ALBANIA, COMMUNIST-RULED NATIONS WHICH HAVE JOINED IN THE COMINFORM ATTACKS ON PREMIER MARSHAL TITO'S GOVERNMENT. CROATIA IS IN THE NORTHWEST, TOWARD THE ADRIATIC SEA.)

THE STATEMENT SAID ONLY: "THERE HAVE BEEN NO IRREGULAR OR EXTRAORDINARY MOVEMENTS OF TROOPS ANYWHERE IN YUGOSLAVIA."

GH424PED

AUG 2 1949

BELGRADE, YUGOSLAVIA, AUG.26-(AP)-A WEALTHY FARMER WAS SENTENCED TO DEATH BY A DISTRICT COURT TODAY FOR BURNING DOWN BUILDINGS OF A FARM COOPERATIVE.

THE PROSECUTION SAID THE FARMER, ALOJE DOCHKEL, WAS ONE OF THE RICHEST IN THE IVANOVCHANI DISTRICT. IT CHARGED HE WAS A LIFELONG FOE OF THE GOVERNMENT'S COLLECTIVIZATION PROGRAM. OTHERS, ACCUSED OF COLLABORATION, WERE GIVEN PRISON SENTENCES.

MJ158PED

BY ALEX SINGLETON

BELGRADE, YUGOSLAVIA,AUG.26-(AP)-YUGOSLAVIA ANSWERED RUSSIAN CHARGES THAT PREMIER MARSHAL TITO HAD BETRAYED GREEK COMMUNIST GUERRILLAS BY PUBLISHING TODAY A BATCH OF SIGNED DENIALS FROM GREEK REBELS WHO FLED ACROSS THE BORDER TO THIS COUNTRY.

FOR THE SECOND DAY IN A ROW, THE OFFICIAL PRESS AND RADIO DEVOTED ALMOST EXCLUSIVE ATTENTION TO STATEMENTS DESIGNED TO ANSWER SOVIET ACCUSATIONS THAT GREEK GOVERNMENT FORCES HAD BEEN ALLOWED TO CROSS THE YUGOSLAV BORDER TO ATTACK GUERRILLAS FROM THE REAR.

THE MOSCOW RADIO, ECHOING CHARGES BY GREEK REBEL BROADCASTS, DECLARED RECENTLY THAT TITO IS AIDING THE ATHENS GOVERNMENT IN THE GREEK CIVIL WAR. THE CHARGES WERE PART OF THE PROPAGANDA CAMPAIGN AIMED AT TITO SINCE HIS BREAK WITH THE KREMLIN LAST YEAR.

TYPICAL OF ACCOUNTS IN THE BELGRADE PRESS PURPORTING TO COME FROM GREEK REBEL SOLDIERS WHO FLED TO YUGOSLAVIA WAS:

"WE DID NOT SEE THE MONARCHO-FASCISTS (COMMUNIST TERM FOR GREEK GOVERNMENT SOLDIERS) CROSS OVER TO YUGOSLAV TERRITORY, NOR DID YUGOSLAV SOLDIERS ATTACK US."

IN THE PAST FEW DAYS, YUGOSLAV NEWSPAPERS HAVE REPORTED THAT HUNDREDS OF GREEK GUERRILLAS HAVE CROSSED THE BORDER TO YUGOSLAVIA TO SEEK MEDICAL AID OR ASYLUM FROM FIGHTING. THE NEWSPAPERS ADDED THAT THEY WERE GIVEN SANCTUARY IN ACCORDANCE WITH INTERNATIONAL LAW.

MARSHAL TITO ANNOUNCED LAST MONTH THAT YUGOSLAVIA, ONCE REPORTED BY A UNITED NATIONS COMMISSION TO BE A MAIN SUPPLY BASE FOR THE GREEK GUERRILLAS, WAS GRADUALLY CLOSING HER BORDER WITH GREECE TO PROTECT YUGOSLAVS FROM EFFECTS OF THE CIVIL WAR.

--DASH--

ROME,AUG.26-(AP)-THE CONSERVATIVE ROME NEWSPAPER IL GIORNALE D'ITALIA SUGGESTED TODAY THE UNITED STATES SHOULD NOT BECOME TOO FRIENDLY WITH YUGOSLAVIA.

CHARGING THAT YUGOSLAVIA WAS MISTREATING ITALIANS IN THE YUGOSLAV ZONE OF THE TRIESTE FREE TERRITORY, THE NEWSPAPER COMMENTED:

"WE WOULD NOT WISH (TO FEEL) THAT MARSHAL TITO BELIEVES HIMSELF AUTHORIZED TO ACT AS HE DOES BECAUSE OF THE SILENCE AND APPROVAL OF THE WASHINGTON GOVERNMENT.

"THE UNITED STATES HAVE HAD TOO ROUGH AN EXPERIENCE WITH DICTATORS--THEY'RE HAVING IT AT THE PRESENT TIME WITH STALIN--TO FALL BANALLY INTO TITO'S NET."

BJ1250PED

PRAGUE, CZECHOSLOVAKIA, AUG. 26-(AP)-THE CZECH COMMUNIST PARTY WEEKLY TVORBA ACCUSED PREMIER MARSHAL TITO'S YUGOSLAV POLICE TODAY OF KILLING A CZECH NEWSPAPER CORRESPONDENT, OSKAR KARAFIAT.

TVORBA'S ARTICLE ALSO CHARGED THE TITO REGIME WITH VARIOUS OTHER ATROCITIES, INCLUDING TORTURE OF YUGOSLAV COMMUNISTS AND THE OPERATION OF "CONCENTRATION CAMPS BIGGER THAN THOSE RUN BY THE NAZIS."

KARAFIAT WAS IDENTIFIED AS BELGRADE CORRESPONDENT OF THE CZECH COMMUNIST PARTY ORGAN RUDE PRAVO. TVORBA SAID KARAFIAT WAS ARRESTED AFTER THE COMINFORM EXPELLED TITO 14 MONTHS AGO.

"THE TITO POLICE NOW CLAIM THAT HE LEFT YUGOSLAVIA FOR ABROAD AND WITH THIS LIE TRY TO HIDE HIS MURDER," THE PAPER SAID.

FH832AED

PRAGUE, CZECHOSLOVAKIA, AUG. 26-(AP)-THE COMMUNIST PARTY NEWSPAPER RUDE PRAVO REPORTED TODAY THAT A CZECH PRIEST HAD CONDUCTED FUNERAL SERVICES FOR A RED CATHOLIC WHILE HIS COMRADES LAID A RED STAR WREATH ON HIS COFFIN IN THE CHURCH.

THE CASE WAS THE FIRST OF ITS KIND REPORTED HERE SINCE THE VATICAN'S EXCOMMUNICATION DECREE AGAINST MILITANT COMMUNISTS.

THE FUNERAL WAS SAID TO HAVE BEEN HELD AT ROZTOKY, NEAR PRAGUE. IT WAS DESCRIBED BY A MEMBER OF THE CONGREGATION.

THE INCIDENT WAS REPRESENTED BY THE COMMUNIST PAPER AS "THE ACT OF A PRIEST WHO DISREGARDED THE EXCOMMUNICATION ORDER AND PERFORMED A CHURCH FUNERAL FOR A COMMUNIST BECAUSE HE HAD LEARNED THAT HE MUST NOT REFUSE RELIGIOUS RIGHTS FOR POLITICAL REASONS."

FH808AED

Warsaw, Poland, Aug. 26 -(ap)- Three men were sentenced to death yesterday by a Katowice military court for sabotage in a chemical plant. The prosecution charged they had caused "regular interruption" in production by intentional damage to plant machinery.

AUG 26 1949

FIRST LEAD CONFERENCE

BY THOMAS P.WHITNEY

MOSCOW,AUG.26-(AP)-PIETRO NENNI, LEADER OF ITALY'S PRO-COMMUNIST SOCIALISTS, COMPARED PRESIDENT TRUMAN TODAY WITH HITLER AND NAPOLEON AND DESCRIBED THE AMERICAN CHIEF EXECUTIVE AS THE "GENDARME (POLICEMAN) OF BOURGEOIS REACTION."

SPEAKING AT RUSSIA'S ALL-UNION CONFERENCE OF PEACE PROPONENTS, NENNI SAID NO GOVERNMENT COULD FORCE THE ITALIAN PEOPLE TO PARTICIPATE IN THE THIRD WORLD WAR. HE SAID THE VATICAN "CARRIES OUT A POLICY OF SOCIAL RETROGRESSION."

(THE MOSCOW CONFERENCE FOLLOWS A NUMBER OF OTHER COMMUNIST-SPONSORED "PEACE CONFERENCES" HELD IN VARIOUS PARTS OF THE WORLD. SPEAKERS AT ALL OF THESE CONFERENCES HAVE SOUGHT TO PICTURE RUSSIA AS A GUARDIAN OF PEACE OPPOSING THE "WAR MONGERING" OF THE WESTERN POWERS.)

YUGOSLAV PREMIER MARSHAL TITO CAME IN FOR ATTACK AT YESTERDAY'S OPENING SESSION AND AGAIN TODAY. TITO, WHO HAS BEEN EXPELLED FROM THE COMMUNIST INTERNATIONAL INFORMATION BUREAU (COMINFORM), WAS BRACKETED YESTERDAY WITH GREEK VICE PREMIER CONSTANTIN TSALDARIS, WINSTON CHURCHILL AND SPANISH GENERALISSIMO FRANCISCO FRANCO AS AN ENEMY OF PEACE. THIS GROUPING OF "ENEMIES" WAS MADE BY NIKOLAI ROSSISSKY, A LEADING RUSSIAN WORKER UNDER THE STAKHANOVITE SYSTEM FOR INCREASING INDUSTRIAL PRODUCTION.

TODAY AN ALBANIAN WRITER, ZINI SAKE, DECLARED THAT TITO'S GOVERNMENT IS INTENTIONALLY PROVOKING INCIDENTS ON THE ALBANIAN FRONTIER. HE SAID THE SOVIET UNION HAD SAVED ALBANIAN INDEPENDENCE DURING WORLD WAR II AND AFTER WHEN "THE THREAT OF TROTSKYITE TITO HUNG OVER THE NATION."

ACADEMICIAN PARCON, PRESIDENT OF THE ROMANIAN ACADEMY OF SCIENCES, DESCRIBED TITO'S REGIME AS FASCIST AT YESTERDAY'S SESSION.

THEN DR. HEWLETT JOHNSON, BRITAIN'S RED DEAN OF CANTERBURY, AFTER A HALF-HOUR SPEECH, CONCLUDED:

"LONG LIVE THE SOVIET UNION, LONG LIVE PEACE!"

DR. JOHNSON SAID CHRISTIANITY STOOD FOR PEACE, BROTHERHOOD AND THE EQUALITY OF MAN, BUT THAT MANY ORDINARY CHURCHGOERS UNDERSTOOD THIS BETTER THAN THEIR RELIGIOUS LEADERS.

AUG 26 1949

THE AUDIENCE GAVE THE DEAN AN OVATION.

IN THE KEYNOTE ADDRESS, NIKOLAI TIKHONOV, SOVIET WRITER ATTACKED

AMERICAN "WARMONGERS AND IMPERIALISTS." HE SAID THE RUSSIAN PEOPLE HAVE THE STRENGTH AGAIN "TO DEFEND THEIR COUNTRY FROM THE THREAT OF DESTRUCTION" AND "THE STRENGTH TO DEFEND WORLD CIVILIZATION."

"WE DO NOT FEAR WAR," TIKHONOV SAID. "WE DO NOT BEG FOR PEACE -- WE FIGHT FOR IT."

SF740AED

asmara, eritrea, aug. 26--(ap)--travelers arriving from djibouti, french somaliland, reported today that traffic had been suspend on the djibouti-addis ababa railway line because of ethiopian attacks on french officials.

the travelers said several french officials were wounded last week at diredawa, ethiopia, in a hostile demonstration by 600 ethiopian railway workers. They reported order has since been restored.

AUG 26 1949

HILL TRIBESMEN--INCLUDING SHANS, KACHINS, CHINS AND SOME KARENNIS--HAVE JOINED REGULAR BURMESE ARMY TROOPS IN A GOVERNMENT OFFENSIVE TO RECAPTURE TAUNGGYI.

BURMESE GOVERNMENT OFFICIALS SAID THERE WAS NO GUARANTEE THAT THE REBELS WOULD PERMIT THE FOREIGNERS TO LEAVE THE CITY. THEY SAID A CEASE-FIRE AGREEMENT WOULD BE SOUGHT TO PERMIT EVACUATION OF THE FOREIGNERS.

THE EMBASSY REPRESENTATIVES TOOK OFF FOR HEHO AIRFIELD, 22 MILES FROM TAUNGGYI. THEY WILL REMAIN THERE WHILE AN INDIAN RESIDENT OF TAUNGGYI TRIES TO ARRANGE TALKS WITH THE KAREN COMMANDER.

FH910AED

HONG KONG,AUG.26-(AP)-THE 800-TON BRITISH FREIGHTER SIN SOON LEE RETURNED TO HONG KONG TODAY AFTER AN ATTEMPT TO RUN THE SHANGHAI BLOCKADE.

CAPT.W.BURROW OF SINGAPORE SAID A CHINESE NATIONALIST DESTROYER STOPPED THE SIN SOON LEE TWICE. HE SAID THE DESTROYER FORMERLY WAS BRITISH.

ABOUT 40 MILES OUT OF WOOSUNG NEAR THE MOUTH OF THE YANGTZE RIVER, THE DESTROYER THREATENED TO FIRE HAVING STOPPED THE VESSEL, THE CAPTAIN SAID.

JW1110ACS

AUG 26 1949

RANGOON, BURMA, AUG. 26-(AP)-DIPLOMATS FROM FIVE FOREIGN EMBASSIES FLEW TO CENTRAL BURMA TODAY TO SEEK THE RELEASE OF FOREIGNERS--INCLUDING TWO AMERICAN STUDENTS AND THEIR WIVES--FROM A TOWN HELD BY REBEL KAREN TROOPS.

THE TRIP WAS ARRANGED BY THE BURMESE GOVERNMENT, WHICH IS ANXIOUS TO PREVENT FOREIGNERS FROM COMING UNDER FIRE IN THE SIEGE OF TAUNGGYI, 300 MILES NORTH OF RANGOON.

KARENS CAPTURED TAUNGGYI, A SHAN STATE CAPITAL, AUG.13.

FIVE DAYS LATER THEY PERMITTED THE DEPARTURE OF TWO AMERICANS, MR. AND MRS. CHARLES BRANDT OF PORTLAND, ORE. BRANDT HAD BEEN STUDYING THERE UNDER A BURMESE-AMERICAN EXCHANGE SCHOLARSHIP PROGRAM.

ON REACHING LASHIO AUG. 20, BRANDT AIRMAILED A LETTER TO FRIENDS IN RANGOON SAYING THAT TWO OTHER AMERICAN STUDENTS AND THEIR WIVES WERE STILL IN TAUNGGYI, BUT WERE UNHARMED WHEN HE LEFT. HE LISTED THEM AS MR. AND MRS. OTTO K. HUNERWADEL OF GAINESVILLE, FLA., AND MR. AND MRS. SAMUEL DASHIELL OF THE DALLAS, ORE.

A U.S. EMBASSY REPRESENTATIVE JOINED BRITISH, INDIAN, CHINESE AND PAKISTANI DIPLOMATS IN MAKING THE FLIGHT TO TAUNGGYI. SEVERAL THOUSAND FOREIGNERS, BELIEVED TO BE MOSTLY CHINESE AND INDIANS, WERE REPORTED TRAPPED IN THE CITY.

THE U.S. EMBASSY REPORTED A TOTAL OF 18 AMERICANS WERE BELIEVED TO BE IN TAUNGGYI. OTHER EMBASSIES GAVE THESE ESTIMATES OF THE NUMBER OF FOREIGNERS BESIEGED IN THE CITY: 16 BRITISH, 6,000 INDIANS, 3,500 PAKISTANIS, 2,500 CHINESE.

HONG KONG,AUG.26-(AP)-THIS BRITISH CROWN COLONY'S NAVAL STRENGTH WILL BE EXPANDED SOON BY THE ARRIVAL OF THE 14,000 TON AIRCRAFT CARRIER TRIUMPH AND THREE BAYCRAFT FRIGATES FROM SINGAPORE.

THE TRIUMPH CARRIES ABOUT 44 PLANES.

JM115PCS

AUG 26 1949

BY FRED HAMPSON

(DISPATCHES FROM SHANGHAI ARE CENSORED BY THE COMMUNISTS MILITARY)

SHANGHAI, AUG. 26-(AP)-A TOP COMMUNIST LABOR LEADER TOLD SHANGHAI UNIONS TODAY THEY MUST RECONCILE THEMSELVES TO LOWER WAGES FOR THE TIME BEING.

CHEN YUNG, CHAIRMAN OF THE COMMUNIST NATIONAL LABOR UNION AND MEMBER OF THE POLITBURO, CAME TO SHANGHAI A COUPLE OF WEEKS AGO TO TRY TO BRING THE LABOR SITUATION UNDER CONTROL.

ADDRESSING 600 REPRESENTATIVES OF SHANGHAI UNIONS, HE DECLARED THAT WHILE LABOR WAS NOW "THE LEADING CLASS" IN CHINA, IT COULD NOT RESORT TO STRIKES OR SABOTAGE AND THAT PRIVATE CAPITALISM WAS NECESSARY TO "THE NEW DEMOCRACY."

HE SAID LABOR'S TASK WAS TO SEEK GREATER PRODUCTION AND TO SUPPORT THE COMMUNIST ARMY AS A MEANS OF "CONSOLIDATING LABOR'S NEW POLITICAL POWER."

HANGHAI IS IN THE MIDST OF A DEEPENING DEPRESSION WHICH THE REDS BLAME LARGELY ON THE (NATIONALIST) SEA BLOCKADE. THE RED PRESS HAS ESTIMATED THAT SHANGHAI HAS MORE THAN 1,000,000 UNEMPLOYED.

CHEN DECLARED THAT TIMES WOULD GET WORSE BEFORE THEY GET BETTER, AND PREDICTED CLOSING, OR REDUCED OPERATION, OF MANY MORE FACTORIES.

FJ937PCS

MANILA, SATURDAY, AUG. 27-(AP)-PRESIDENT ELPIDIO QUIRINO ON HIS RECENT TRIP TO WASHINGTON EXTENDED AN INFORMAL INVITATION TO PRESIDENT TRUMAN TO VISIT THE PHILIPPINES, HIS OFFICE SAID TODAY.

A SPOKESMAN FOR THE PRESIDENT QUOTED QUIRINO AS SAYING THAT "IF MR.TRUMAN GOES TO JAPAN, I AM SURE HE WILL VISIT US IN THE PHILIPPINES."

(THERE HAS BEEN NO HINT, HOWEVER, THAT MR.TRUMAN PLANS TO VISIT JAPAN.)

THERE WAS NO OFFICIAL MENTION OF A POSSIBLE DATE FOR A VISIT FROM THE PRESIDENT OF THE UNITED STATES.

THE REPORT OF THE INVITATION CAUSED A STIR AMONG QUIRINO'S POLITICAL OPPONENTS.

SENATOR CAMILO OSAIAS, ONE OF QUIRINO'S LEADING OPPONENTS, TERMED IT AN ATTEMPT TO INFLUENCE QUIRINO'S CAMPAIGN FOR THE PRESIDENCY THIS FALL.

WR958PPS NM

MANILA, SATURDAY, AUG. 27-(AP)-AN AMERICAN TRAVELER FROM INDONESIA SAID TODAY THE INDONESIANS WERE PREARING A LIST OF WAR CRIMINALS BASED ON RECENT FIGHTING WITH THE DUTCH.

FRANK C. STARR, SACRAMENTO, CALIF., WHO FORMERLY WAS WITH A NEW YORK ENGINEERING FIRM, SAID INDIGNATION WAS RUNNING HIGH OVER THE KILLING AUG. 2 OF W. F. JACOB, AN INDONESIAN WHO IS AN OIL DRILLING EXPERT.

STARR SAID DUTCH TROOPS SHOT THE OIL DRILLER AT HIS HOME IN DURI, CENTRAL SUMATRA. HE REPORTED MANY INDONESIANS INTERPRETED THE SLAYING AS AN EFFORT BY THE DUTCH TO ELIMINATE NATIVE INTELLECTUALS AND TECHNICAL EXPERTS.

FJ1053PCS

A95

BUENOS AIRES, ARGENTINA, AUG.26-(AP)-GERMAN-BORN RICARDO W. STAUDT, ARGENTINE INDUSTRIALIST WHO WAS BLACKLISTED AS PRO-NAZI BY THE U.S. STATE DEPARTMENT DURING THE WAR, HAS BEEN GRANTED A VISA TO ENTER THE UNITED STATES, THE AMERICAN CONSULATE SAID TODAY.

STAUDT ALREADY HAS LEFT BUENOS AIRES AFTER TELLING THE U.S. CONSULATE HE WAS GOING TO NEW YORK ON BUSINESS. A CONSULATE OFFICIAL SAID THE WARTIME BLACKLIST WAS NO LONGER OPERATIVE.

WB1040PED

A60WX (5 PERCENTERS)

WASINGTON--1ST ADD NIGHT LEAD FIVE PERCENTERS X X X WASHINGTON."

MARTIN, HUNT'S HELPER, WAS THE FIRST WITNESS TO GIVE HUNT'S SIDE OF THE STORY.

HE WAS EMPHATIC IN DISPUTING GRINDLE'S STATEMENT THAT HUNT HAD TOLD GRINDLE HE COULD ARRANGE A PARTY FOR HIM WHICH SEVEN SENATORS WOULD ATTEND.

"I DON'T KNOW OF ANY PARTY OR ANY SEVEN SENATORS THAT HUNT SAID HE COULD GET FOR A PARTY," MARTIN SAID IN REPLY TO A QUESTION FROM SENATOR MARGARET CHASE SMITH (R-ME).

HE HAD TESTIFIED EARLIER THAT HE DIDN'T REMEMBER EVER SEEING ANY CONGRESSMAN OR SENATOR IN HUNT'S OFFICE "AT ANYTIME."

MRS.SMITH WANTED TO KNOW HOW HUNT GOT ALL THE PICTURES OF WASHINGTON OFFICIALS AND CONGRESS MEMBERS FOR HIS OFFICE WALL, INCLUDING HER OWN.

SHE NOTED THAT THE PANEL OF PICTURES HAD BEEN REPRODUCED RECENTLY IN LIFE MAGAZINE.

MARTIN SAID SOME OF THE PICTURES HAD BEEN SENT TO HUNT "VOLUNTARILY" AND OTHERS HAD BEEN REQUESTED BY HUNT.

BUT THE QUESTION OF HOW MRS.SMITH'S PICTURE WAS OBTAINED BY HUNT WAS LEFT UNANSWERED AS WAS MARTIN'S UNHAPPY OBSERVATION:

"I WOULD LIKE TO KNOW HOW LIFE MAGAZINE GOT THOSE PICTURES."

AFTER TODAY'S SESSION, COMMITTEE COUNSEL ROGERS AND AN ATTORNEY FOR DAVID BENNETT, HEAD OF THE VERLEY COMPANY, HAD A HEATED ARGUMENT IN THE CORRIDOR OVER PUTTING AN AFFIDAVIT INTO THE RECORD.

THE BENNETT ATTORNEY, JOSEPH KRAUS, INSISTED THAT THE COMMITTEE ACCEPT AN AFFIDAVIT BY JANETTE SCHWARTZ, TREASURER OF THE VERLEY FIRM.

CAPITOL POLICE PUSHED KRAUS ASIDE, BUT HE FOLLOWED ROGERS TO HIS OFFICE WHERE THE TWO CONFERRED.

AFTERWARD KRAUS HANDED COPIES OF THE AFFIDAVIT TO REPORTERS, BUT IT DID NOT GO IN THE RECORD.

THE AFFIDAVIT SAYS BENNETT KNEW NOTHING, AT THE TIME, OF MARAGON'E ALLEGED ATTEMPT IN 1945 TO BRING A QUANTITY OF PERFUME OILS THROUGH CUSTOMS DISGUISED AS A CHAMPAGNE FOR THE WHITE HOUSE.

THE AFFIDAVIT SAID FURTHER THAT WHEN BENNETT FOUND OUT ABOUT THE INCIDENT HE INSTRUCTED MARAGON "FIRMLY AND ANGRILY THAT (IT) INDICATED A TERRIBLE SITUATION; THAT THE VERLEY COMPANY HAD NEVER ENGAGED IN SUCH A SITUATION, AND DEPLORED IT; THAT MARAGON TAKE STEPS IMMEDIATELY TO CLEAR UP THE MATTER, HONORABLY AND HONESTLY."

V826PED

WITH 5 PER CENT

WASHINGTON,AUG.26-(AP)-A 25-YEAR-OLD EX-GI TODAY DISCLOSED HOW SENATE "FIVE PERCENT" INVESTIGATORS FOUND OUT ABOUT A BUSINESS TRIP TWO CHICAGO PERFUMERS MADE TO EUROPE SHORTLY AFTER V-E DAY IN MAY, 1945.

THE TWO, DAVID BENNETT, PRESIDENT OF THE ALBERT VERLEY PERFUME CO., AND HIS ASSOCIATE, OTTO BAPTISTE, TRAVELED IN AN ARMY PLANE WHEN SPACE WAS AT A PREMIUM.

WALTER E.RHODES,JR., OF BALTIMORE, TOLD SENATE INVESTIGATION SUBCOMMITTEE MEMBERS AND NEWSPAPERMEN ABOUT IT TODAY IN THE OFFICE OF SENATOR MUNDT (R-SD).

THE COMMITTEE LEARNED YESTERDAY THAT MAJ.GEN.HARRY H.VAUGHAN, PRESIDENT TRUMAN'S MILITARY AIDE, GAVE BENNETT A LETTER OF INTRODUCTION ON WHITE HOUSE STATIONERY TO AMERICAN OFFICIALS IN EUROPE. THEY ALSO LEARNED THAT THE MEN WENT TO EUROPE MAY 11 AND RETURNED TO NEW YORK JUNE 6 ON ATC (AIR TRANSPORT COMMAND) PLANES.

IT WAS BENNETT'S PERFUME COMPANY THAT PRESENTED VAUGHAN AND SIX OF HIS FRIENDS, INCLUDING MRS.HARRY S.TRUMAN, WITH HOME FREEZE BOXES IN 1945 AND EARLY 1946.

RHODES, A SIX-FOOTER WHO NOW IS A STUDENT AT THE UNIVERSITY OF MARYLAND, SAID HE WAS FLIGHT TRAFFIC CLERK ON THE C-54 WHICH BROUGHT BENNETT AND BAPTISTE FROM NEWFOUNDLAND TO NEW YORK.

FIVE UNUSUAL ASPECTS OF THE FLIGHT, HE TOLD REPORTERS, MADE HIM REMEMBER THE TWO CIVILIANS. THIS, IN TURN, HE SAID, LED HIM TO WRITE A LETTER ABOUT THE INCIDENT LAST WEEK TO HIS FATHER, WALTER E.RHODES, SR., A BALTIMORE ATTORNEY, AFTER HE HAD READ ACCOUNTS OF THE "FIVE PERCENT" INVESTIGATION.

RHODES SENIOR, WHO HAD MET MUNDT PREVIOUSLY, TURNED THE LETTER OVER TO HIM AND MUNDT SAID THIS LED COMMITTEE INVESTIGATORS TO DIG UP DETAILS ABOUT THE HITHERTO UNKNOWN TRIP, INCLUDING VAUGHAN'S "TO WHOM IT MAY CONCERN" LETTER.

THE YOUNGER RHODES SAID HE REMEMBERED THE TRIP BECAUSE:

1. THE TWO MEN WANTED, AND HAD, A GUARD POSTED OVER THEIR BAGGAGE AT NEWFOUNDLAND AND AGAIN AT LA GUARDIA FIELD,N.Y. THE COMMITTEE LATER FOUND OUT THAT 41 KILOS--ABOUT 90 POUNDS--OF PERFUME ESSENCE WAS IN THE BAGGAGE.

2. ONE MAN CARRIED A LETTER FROM THE WHITE HOUSE WHICH, IN EFFECT, GAVE THE PAIR THE STATUS OF "VIP'S"--VERY IMPORTANT PERSONS.
3. THEY WERE RIDING IN A "BUCKET-SEAT" PLANE, INSTEAD OF A "PLUSH JOB" SUCH AS USUALLY USED BY "VIP'S."
4. NO OTHER PRIVATE BUSINESSMEN WERE TRAVELLING DURING THAT PERIOD.
5. THE MEN TALKED A LOT ABOUT PERFUME; TOLD HIM THAT A BOTTLE HE HAD PURCHASED IN PARIS "FOR THE GIRL I WAS GOING WITH THEN" WAS ONLY A "GOOD IMITATION" OF A FAMOUS BRAND, AND LATER SENT THE GIRL A BOTTLE OF VERLEY PERFUME.

"THEY WERE VERY NICE FELLOWS," RHODES SAID. "VERY CONGENIAL PEOPLE."

HE SAID THEY ASKED FOR NO PARTICULAR FAVORS OTHER THAN FOR THE GUARDS BUT, "IT JUST STRUCK ME AS ODD THAT THEY SHOULD BE TRAVELLING AT THAT TIME, PARTICULARLY BEING PERFUMERS."

A64WX

RHODES SAID HE MADE 35 FLIGHTS TO EUROPE BUT RECALLED OF NO OTHER PRIVATE BUSINESSMEN ON THE TRIPS.

HE WAS QUESTIONED PRIVATELY BY SUBCOMMITTEE OFFICIALS TODAY AND IN ADVANCE OF A NEWS CONFERENCE NEWSMEN WERE TOLD BY MUNDT THAT RHODES WOULD NOT BE PERMITTED TO ANSWER CERTAIN QUESTIONS WHICH THE COMMITTEE MIGHT CONSIDER AS "EVIDENCE." IT WAS NOT DISCLOSED WHETHER RHODES WOULD TESTIFY PUBLICLY.

RHODES, WHO WAS DISCHARGED FROM THE ARMY AS A CORPORAL AFTER THREE YEARS SERVICE, WAS ACCOMPANIED TO MUNDT'S OFFICE BY HIS FATHER.

HY84PED

NIGHT LEAD TOKYO ROSE

SAN FRANCISCO, AUG.26-(AP)-A FORMER U.S. AIR FORCE MAJOR FROM TENNESSEE RELATED AT THE TOKYO ROSE TREASON TRIAL TODAY THAT HE WAS FORCED TO SING FOR WARTIME RADIO TOKYO.

THE WITNESS, WILLESDEN COX, NOW A BUILDING CONTRACTOR AT KNOXVILLE, SAID HE WAS CAPTURED AFTER HIS PLANE CRASHED OFF NEW GUINEA AUG.5, 1943.

EVENTUALLY, HE WAS TAKEN TO BUNKA PRISONER OF WAR CAMP AT TOKYO, WHICH WAS SET UP FOR PEOPLE WHOM THE JAPANESE HOPED WOULD PARTICIPATE IN BROADCASTS.

"THE MADE ME TAKE PART IN SKITS, NOW AND THEN SINGING IN CHORUSES, AND ON ONE OR TWO OCCASIONS READ COMMENTARIES," ON THE AIR, COX SAID.

BUNKA CAMP HAS FIGURED GREATLY IN THE TRIAL OF MRS.IVA TOGURI D'AQUINO, THE LOS ANGELES-BORN JAPANESE CHARGED WITH TREASON.

DEFENSE ATTORNEY WAYNE COLLINS CONTENDED CAMP CONDITIONS AND JAPANESE MISTREATMENT OF PRISONERS THERE AMOUNTED TO FORCE AND FEAR WHICH WAS COMMUNICATED TO MRS.D'AQUINO.

THIS, THE DEFENSE CONTENDED, CONVINCED THE WOMAN SHE MUST MAKE THE BROADCASTS WHICH THE U.S. GOVERNMENT CLAIMS INJURED THE MORALE OF ALLIED TROOPS AND WERE TREASONABLE.

FEDERAL JUDGE MICHAEL J.ROCHE SUSTAINED MOST OF PROSECUTOR TOM DE WOLFE'S OBJECTIONS TO THE QUESTIONS ABOUT BAD FOOD AND BEATINGS AT BUNKA CAMP. COX SAID BEFORE HE WAS CAPTURED HE HAD HEARD TOKYO BROADCASTS. THIS WAS IN JANUARY AND FEBRUARY, 1943, WHILE HE WAS AT PORT MORESBY, NEW GUINEA.

HE SAID HE HEARD A MAN'S VOICE GIVING NEWS AND ON ONE OR TWO OCCASIONS A WOMAN. HE SAID THE WOMAN WAS REFERRED TO AS "TOKYO ROSE."

WITNESSES FOR BOTH SIDES HAVE SAID THAT MRS.D'AQUINO DID NOT BEGIN TO BROADCAST FROM TOKYO UNTIL NINE MONTHS LATER.

THE DEFENSE QUESTIONING INTENDED TO SHOW THAT ALL WOMEN APPEARING ON THAT PARTICULAR BROADCAST FEATURE WERE CALLED "TOKYO ROSE."

A BIT OF TRAGEDY WAS REVEALED IN PROSECUTION CROSS EXAMINING OF KENNETH PARKYNS, 32, AUSTRALIAN ARMY NON-COMMISSIONED OFFICER WHO HAS BEEN CALLED BY THE DEFENSE. PARKYNS ALSO WAS IN BUNKA CAMP.

DE WOLFE ASKED PARKYNS "WHAT DOES YOUR FAMILY CONSIST OF?"

PARKYNS EYES FILLED WITH TEARS. HE REPLIED:

"WELL--TWO CHILDREN. I HAD THREE BUT ONE DIED THIS MORNING--MY BABY."

A CABLEGRAM HAD INFORMED HIM OF THE DEATH.

JQ823PCS

WASHINGTON--FIRST ADD NIGHT LEAD ARMS (TOP AYE)
X X X CHINA SPECIFICALLY.

SENATOR KNOWLAND (R-CALIF) TOLD REPORTERS LATER HE WILL OFFER AN AMENDMENT AUTHORIZING THE PRESIDENT TO FURNISH MILITARY ASSISTANCE TO NON-COMMUNIST CHINA, KOREA, THE PHILIPPINES AND ANY OTHER NATION IN THE FAR EAST IN A TOTAL AMOUNT OF $210,640,000.

OF THIS AMOUNT, $18,000,000 WOULD BE EARMARKED FOR THE FAR EAST OUTSIDE OF CHINA, KOREA AND THE PHILIPPINES.

THE REST WOULD BE AVAILABLE FOR THE LATTER THREE COUNTRIES AT THE PRESIDENT'S DISCRETION. KNOWLAND TOLD REPORTERS THAT THE AMENDMENT WOULD NOT COMPEL THE PRESIDENT TO FURNISH ANY AID TO CHINA.

IN THE ADMINISTRATION BILL, GREECE AND TURKEY ARE LUMPED TOGETHER AND PUT DOWN FOR $211,370,000 OF ARMS AID. KNOWLAND'S AMENDMENT WOULD GROUP IRAN WITH GREECE AND TURKEY AND ALLOT IT $10,000,000.

HE SAID THE $10,000,000 FOR IRAN WAS ARRIVED AT BY TAKING APPROXIMATELY ONE-THIRD OF THE $27,640,000 PROVIDED IN THE ADMINISTRATION BILL FOR IRAN, KOREA AND THE PHILIPPINES.

WITH THIS $10,000,000 DEDUCTED, $17,640,000 IS LEFT FOR KOREA AND THE PHILIPPINES. TO THIS IS ADDED THE $175,000,000 KNOWLAND HAS URGED FOR CHINA AND $18,000,000 FOR OTHER ASIATIC NATIONS--MAKING THE TOTAL OF $210,640,000 FOR THE FAR EASTERN GROUP OF NATIONS.

V839PED

(280) NIGHT LEAD TRUMAN-MIDDLE EAST

WASHINGTON,AUG.26-(AP)-PRESIDENT TRUMAN TODAY PLEDGED FULL AMERICAN SUPPORT FOR AN ECONOMIC SURVEY OF THE MIDDLE EAST, AIMED AT WORKING OUT A PERMANENT SETTLEMENT BETWEEN ISRAEL AND THE ARAB STATES.

MR.TRUMAN SAID HE IS CONVINCED THAT IF THE MIDDLE EAST NATIONS PUT ASIDE THEIR DIFFERENCES THEY CAN FIND "A BASIS ON WHICH TO BUILD PERMANENT PEACE AND STABILITY."

THE APPOINTMENT OF GORDON R.CLAPP, BOARD CHAIRMAN OF THE TENNESSEE VALLEY AUTHORITY, TO HEAD THE SURVEY MISSION WAS ANNOUNCED AT LAKE SUCCESS,N.Y., TODAY BY SECRETARY GENERAL TRYGVE LIE OF THE UNITED NATIONS.

CLAPP IS EXPECTED TO LEAVE FOR THE MIDDLE EAST NEXT WEEK. HE WILL BE AIDED BY REPRESENTATIVES OF BRITAIN, TURKEY, AND FRANCE.

THE SURVEY WAS PROPOSED BY THE UNITED STATES TO THE PALESTINE CONCILIATION COMMISSION AT LAUSANNE, SWITZERLAND, WITH THE SUPPORT OF BOTH THE ISRAELI AND ARAB GOVERNMENTS.

ASIDE FROM MAKING RECOMMENDATIONS FOR THE LONG-RANGE ECONOMIC DEVELOPMENT OF THE MIDDLE EAST, A PRIMARY PURPOSE OF THE SURVEY IS TO STUDY THE PROSPECTS FOR PROVIDING HOMES FOR UPWARDS OF 900,000 ARAB REFUGEES WHO FLED PALESTINE DURING THE 1948 JEW-ARAB FIGHTING.

PRESIDENT TRUMAN SAID CLAPP WILL RESUME HIS POST WITH THE TVA AS SOON AS THE MISSION HAS COMPLETED ITS WORK, WHICH HE SAID IS EXPECTED

TO BE ACHIEVED "IN A COMPARATIVELY SHORT TIME."
MR.TRUMAN DECLARED THAT WITH THE END OF ARAB-ISRAELI HOSTILITIES, THE GOVERNMENTS AND PEOPLES OF THE MIDDLE EAST "SHOULD NOW BE IN A POSITION TO DEVOTE THE FULL MEASURE OF THEIR ABILITIES AND THEIR RESOURCES TO THEIR ECONOMIC AND SOCIAL BETTERMENT."
THE CHIEF EXECUTIVE SAID APPLICATION OF HIS "POINT FOUR" PROGRAM--DEVELOPMENT OF UNDERDEVELOPED AREAS OF THE WORLD--TO THE MIDDLE EAST "WOULD BE OF MATERIAL ASSISTANCE IN REINFORCING ANY PROGRAM WHICH MIGHT BE FORMULATED ON THE BASIS OF RECOMMENDATIONS OF THE ECONOMIC SURVEY MISSION."

MD1104PEDNM

NIGHT LEAD AIR FORCE (300)
WASHINGTON,AUG 26-(AP)-THE AIR FORCE GOT ITS WINGS CLIPPED A BIT TODAY.
BOTH DEFENSE SECRETARY JOHNSON AND THE SENATE SHARED IN THE SNIPPING.
JOHNSON ABOLISHED SOME 18,000 CIVILIAN JOBS AT AIR FORCE INSTALLATIONS AND ORDERED 3,129 NON-REGULAR AIR FORCE OFFICERS RELIEVED FROM ACTIVE DUTY.
HE ALSO SAID SIX AIR FORCE GROUPS WILL BE PUT ON THE INACTIVE LIST.
THE SENATE MEANWHILE APPROVED BY A 49 TO 9 VOTE A $577,755,000 SLASH IN CONTRACT AUTHORITY ALLOWED BY THE HOUSE FOR PURCHASE OF ADDITIONAL PLANES BY THE AIR FORCE. THE SENATE ALSO VOTED A CUT OF $222,067,000 IN THE CASH THE HOUSE APPROVED FOR THE AIR FORCE.
UNDER THE CHANGES ANNOUNCED BY JOHNSON, 18 AIR FORCE BASES WILL BE INACTIVATED, (THAT IS, PUT ON A CARETAKER BASIS), NINE BASES MADE SURPLUS, AND THE HEADQUARTERS OF FOUR AIR FORCE WILL BE MOVED.
THE SIX GROUPS TO BE REDUCED TO AN INACTIVE STATUS ARE:
THE 55TH STRATEGIC RECONNAISSANCE (MAPPING) WING AT FORBES AIR FORCE BASE, TOPEKA,KANS.; THE 14TH FIGHTER WING AT DOW AFB, BANGOR,ME., THE 82ND FIGHTER WING, GRENIER AFB, MANCHESTER,N.H.; THE 23RD FIGHTER WING AT HOWARD AFB, BRUJA POINT, CANAL ZONE; THE 47TH LIGHT BOMBER WING AT BARKSDALE AFL, SHREVEPORT,LA.; AND THE 317TH TROOP CARRIER WING NOW ASSIGNED TO THE BERLIN AIR LIFT.
THOSE CHANGES WILL PROVIDE THE AIR FORCE WITH 48 GROUPS AS RECOMMENDED BY PRESIDENT TRUMAN.
THE AIR FORCE HEADQUARTERS TO BE CHANGED FOLLOW:
FIRST AIR FORCE HQS, FROM SLOCUM AFB, NEW ROCHELLE,N.Y., TO MITCHEL AFB, HEMPSTEAD,N.Y.
TENTH AIR FORCE HQS, FROM BENJAMIN HARRISON AFB, INDIANAPOLIS, TO A LOCATION STILL TO BE FIXED.
FOURTEENTH AIR FORCE, HQS, FROM ORLANDO,FLA., TO ROBINS AFB, MACON, GA.
FIFTEENTH AIR FORCE HQS, FROM ENT AFB, COLORADO SPRINGS, COLO., TO MARCH AFB, RIVERSIDE,CALIF.
THE SENATE, IN TRIMMING FUNDS FOR THE AIR FORCE, WOULD HOLD IT TO A 48-GROUP LEVEL WHILE THE HOUSE, BY AUTHORIZING MORE MONEY, WOULD HAVE BOOSTED IT TO A 58 GROUP.

HY1016PED

(450) NIGHT LEAD BRITISH FINANCIAL
BY JOHN SCALI
WASHINGTON,AUG 26-(AP)-SOME TOP GOVERNMENT OFFICIALS SAID TODAY THE BRITISH FINANCIAL CRISIS MAY MAKE IT NECESSARY TO RE-EXAMINE THE MARSHALL PLAN TO DETERMINE WHETHER IT CAN PUT WESTERN EUROPE ON ITS ECONOMIC FEET BY 1952.
PAUL HOFFMAN, THE MARSHALL PLAN ADMINISTRATOR, IS REPORTED TO BELIEVE IT STILL HAS A GOOD CHANCE TO SUCCEED DESPITE THE BRITISH DIFFICULTIES.
BUT OTHER OFFICIALS SAID SOME ADMINISTRATION PLANNERS ARE NOT AS SURE AS THEY WERE THAT IT CAN DO THE JOB.
TO BACK UP THEIR BELIEF, THEY POINTED TO YESTERDAY'S REPORT BY THE ECONOMIC COOPERATION ADMINISTRATION WHICH SAID THE PACE OF EUROPEAN RECOVERY IS SLOWING DOWN.
THESE OFFICIALS EMPHASIZED THAT ANY RE-APPRAISAL OF THE MARSHALL PLAN WOULD HAVE TO AWAIT THE RESULTS OF THE BRITISH-AMERICAN-CANADIAN FINANCIAL CONFERENCE WHICH BEGINS TOMORROW AT THE STATE DEPARTMENT.
ONLY AFTER THE BRITISH GOVERNMENT HAS FORMALLY DISCLOSED WHAT IT PROPOSED TO DO TO MEET THE CRISIS WILL IT BE POSSIBLE FOR THE ADMINISTRATION TO DECIDE WHETHER EVEN TO CONSIDER CHANGING THE FORM OR CONCEPT OF THE MARSHALL PLAN, THEY SAID.
THE ACTUAL DECISION MAY BE MONTHS IN COMING, THEY SAID, SINCE IT WILL TAKE SOME TIME TO DETERMINE WHETHER THE "EMERGENCY" MEASURES THE THREE GOVERNMENTS AGREE UPON WILL BE EFFECTIVE.
THE THREE-POWER DISCUSSIONS GET UNDER WAY AT 10 A.M. EASTERN STANDARD TIME, TOMORROW WHEN UNDERSECRETARY OF STATE WEBB MEETS WITH SIR HENRY WILSON SMITH, HEAD OF A BRITISH TECHNICAL DELEGATION.
THE TWO SIDES WILL SPEND ONE WEEK EXAMINING THE FACTS OF THE SITUATION IN PREPARATION FOR THE HIGH-LEVEL TALKS WHICH BEGIN SEPT. 7 WHEN THE IMPORTANT DECISIONS WILL BE MADE.
FOREIGN MINISTER BEVIN AND SIR STAFFORD CRIPPS, BRITAIN'S CHANCELLOR OF THE EXCHEQUER, WILL HEAD THE BRITISH DELEGATION AT THESE MEETINGS. SECRETARY OF STATE ACHESON AND TREASURY SECRETARY SNYDER WILL REPRESENT THE UNITED STATES. FOREIGN MINISTER LESTER B.PEARSON, AND FINANCE MINISTER DOUGLAS ABBOTT WILL SIT IN FOR CANADA.
BRITISH GOVERNMENT OFFICIALS HAVE MADE IT PLAIN IN THE PAST FEW WEEKS THAT THEY DO NOT BELIEVE THE MARSHALL PLAN, AS PRESENTLY DRAWN UP, WILL ENABLE BRITAIN TO STEP UP ITS RECOVERY. THE BRITISH GOVERNMENT FORMALLY REQUESTED AN EMERGENCY ALLOTMENT OF $620,000,000 FOR NEXT YEAR, BRINGING THE TOTAL IT IS ASKING FOR THE PERIOD TO AROUND $1,500,000,000.
THE 16-NATION COUNCIL OF THE MARSHALL PLAN TURNED THIS DOWN AND RECOMMENDED THAT BRITAIN BE GIVEN A TOTAL OF $940,000,000, SINCE AN INCREASE OF THE SIZE REQUESTED WOULD HAVE GIVEN BRITAIN MORE THAN IT GOT THE FIRST YEAR AND WOULD HAVE TAKEN FUNDS THAT WERE TENTATIVELY EARMARKED FOR OTHER NATIONS.

A7WX
THE MARSHALL PLAN WAS LAUNCHED APRIL 1, 1948. THE IDEA WAS TO GRANT AMERICAN AID ON A GRADUALLY DIMINISHING SCALE SO THAT BY JUNE 30, 1952 THE AIDED COUNTRIES WOULD BE ABLE TO CONTINUE THEIR RECOVERY WITHOUT NEED OF ADDITIONAL DOLLAR GRANTS.

GG437PED

(140) WITH WASHINGTON
OTTAWA, AUG.26-(AP)-A TOP-LEVEL GOVERNMENT ECONOMIST TODAY SAID THAT NO MATTER HOW THE WASHINGTON FINANCIAL TALKS GO, CANADA WILL NOT CONSIDER CUTTING HER LINK WITH THE UNITED STATES DOLLAR AREA TO ASSUME A QUESTIONABLE POSITION IN THE STERLING BLOC.
HE MADE THE STATEMENT FOLLOWING RUMORS CIRCULATED IN COMMONWEALTH QUARTERS THAT SUCH ABANDONMENT WAS BEING CONSIDERED, PRESUMABLY WITH THE VIEW OF REGAINING IMPORTANT MARKETS LOST TO CANADA THROUGH THE UNITED KINGDOM'S ANNOUNCED 25 PER CENT IMPORT CUT.
CANADA'S POSITION, HE SAID, IS THAT OF A PARTNER TO THE U.S. IT APPEARS ALMOST CERTAIN THAT WHATEVER POSITION THE U.S. TAKES AT THE WASHINGTON TALKS WILL BE SUPPORTED IN PART BY CANADA.
THERE WOULD, HOWEVER, BE THIS ASPECT--CANADA LIKELY WILL TRY TO TEMPER THE U.S. VIEWS TO MAKE IT EASIER FOR BRITAIN TO SOLVE HER ECONOMIC CRISIS.

WB751PED

30.24= 5279

BY DOUGLAS B.CORNELL

WASHINGTON, AUG.26-(AP)-CONGRESSIONAL INVESTIGATORS TOOK OFF TODAY ON THE TRAIL OF ADDITIONAL SUSPECTS WHO MAY HAVE SPREAD DISCREDITED CHARGES OF FRAUD AND FAVORITISM IN THE B-36 BOMBER PROGRAM.

ACTUAL HEARINGS ARE AT A STANDSTILL FOR SIX WEEKS WHILE AGENTS OF THE HOUSE ARMED SERVICES COMMITTEE DIG FOR MORE FACTS.

THE HEARINGS PRODUCED A SPECTACULAR CLIMAX YESTERDAY:

1. THE COMPLETE LIFTING OF ANY SUSPICIONS OF CORRUPTION FROM SECRETARY OF DEFENSE JOHNSON, SECRETARY OF AIR SYMINGTON, INDUSTRIALIST FLOYD ODLUM AND EVERYBODY ELSE CONNECTED WITH THE DEVELOPMENT OF THE GIANT, INTERCONTINENTAL BOMBER. THAT WAS BY UNANIMOUS ACTION OF THE COMMITTEE.

2. AN EQUALLY COMPLETE REPUDIATION OF ALL THE CHARGES AND RUMORS OF IRREGULARITIES CONTAINED IN A ONCE ANONYMOUS MEMO. THAT WAS BY THE AUTHOR OF THE DOCUMENT, SUSPENDED NAVY OFFICIAL CEDRIC WORTH. HE GOT PLENTY OF HELP IN HIS REPUDIATION FROM COMMITTEE COUNSEL JOSEPH B.KEENAN.

THE NAVY, MUCH EMBARRASSED, ORDERED AN INVESTIGATION OF ITS OWN. IT SET UP A COURT OF INQUIRY, TO CONVENE NEXT MONDAY, TO "INQUIRE PARTICULARLY AS TO WHETHER OTHER PERSONS, MILITARY OR CIVIL, UNDER THE NAVY DEPARTMENT PARTICIPATED IN OR INSTIGATED OR HAD KNOWLEDGE OF THE PREPARATION OF THE SAID DOCUMENT."

WORTH WAS SUSPENDED WEDNESDAY FROM HIS $8,500-A-YEAR JOB AS AN ASSISTANT TO UNDERSECRETARY DAN KIMBALL.

BEFORE THE HOUSE COMMITTEE, WITH KEENAN CRACKING THE WHIP, WORTH EXECUTED ONE OF THE MOST SENSATIONAL FLIP FLOPS EVER SEEN ON A CONGRESSIONAL WITNESS STAND.

HE WITHDREW HIS "UNSCRUPULOUS MAN" DESCRIPTION OF ODLUM, BOARD CHAIRMAN OF CONSOLIDATED-VULTEE AIRCRAFT COMPANY, MAKERS OF THE B-36.

HE ADMITTED TO REP.BATES (R-MASS) THAT HE HAS NO DIRECT OR INDIRECT KNOWLEDGE OF ANY CORRUPTION, FRAUD, COLLUSION, INFLUENCE OR FAVORITISM IN THE B-36 PROGRAM.

VOICING REGRET TIME AFTER TIME UNDER PRODDING FROM KEENAN, THE WITNESS AGREED THAT HE HAD:

MADE A "GREAT ERROR," "DONE THE NAVY NO GOOD," BROUGHT ABOUT HEARTACHES AND "A GREAT DISSERVICE TO THE AMERICAN PEOPLE," AND SPREAD "A LOT OF LOOSE, FALSE STATEMENTS."

WORTH SAID HE NO LONGER IS CONVINCED THERE WAS POLITICAL CHICANERY OR CORRUPTION IN THE B-36 PROGRAM, BUT:

"I BELIEVE AND STILL BELIEVE THERE IS NEED FOR SERIOUS CONSIDERATION BY A COMMITTEE OF CONGRESS OR BY A GROUP OF OBJECTIVE PEOPLE OF THE DEFENSE STRUCTURE, AND THAT IS PARTICULARLY RELATED TO THE B-36."

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AUG 26 1949

WHILE WORTH, A FORMER NEWSPAPER AND MOVIE WRITER, SAID NOBODY COLLABORATED WITH HIM, KEENAN SAID HE THINKS THE CHARGES FROM WHICH WORTH BACKED DOWN ORIGINATED IN OTHER AND HIGHER PLACES.

"THE AREA OF INFECTION IS WIDER AND DEEPER," HE SAID.

COMMITTEE CHAIRMAN VINSON (D-GA) TOLD REPORTERS HE IS IN NO POSITION TO DECIDE WHETHER WORTH, IN THE WORDS OF A NEWSMAN, IS "COVERING UP SOMEBODY ELSE." HE SIMPLY POINTED TO THE NEXT ORDER OF BUSINESS ON THE INQUIRY WORK SHEET:

"LOCATE AND IDENTIFY THE SOURCES FROM WHICH THE CHARGES, RUMORS AND INNUENDOES HAVE COME."

THEY CAME PARTLY FROM REP. VAN ZANDT (R-PA), A MEMBER OF VINSON'S COMMITTEE. WEEKS AGO HE PUT INTO A SPEECH ON THE HOUSE FLOOR MANY OF THE HINTS IN WORTH'S MEMO THAT SOMETHING WAS WRONG.

THESE HINTS WERE TO THE EFFECT THAT POLITICAL INFLUENCE AND FAVORITISM, INVOLVING JOHNSON, SYMINGTON AND ODLUM, WERE MIXED UP IN THE B-36 PROGRAM.

VAN ZANDT HIMSELF RAISED HIS HAND, ALONG WITH ALL THE OTHER COMMITTEEMEN, IN APPROVAL OF VINSON'S STATEMENT THAT:

"THERE HAS NOT BEEN, IN THE JUDGMENT OF THE COMMITTEE, ONE IOTA, NOT ONE SCINTILLA, OF EVIDENCE OFFERED THUS FAR IN THESE HEARINGS THAT WOULD SUPPORT CHARGES OR INSINUATIONS THAT COLLUSION, FRAUD, CORRUPTION, INFLUENCE, OR FAVORITISM PLAYED ANY PART WHATSOEVER IN THE PROCUREMENT OF THE B-36 BOMBER.

"THERE HAS BEEN VERY SUBSTANTIAL AND VERY COMPELLING EVIDENCE THAT THE AIR FORCE HAS SELECTED THIS BOMBER AND PROCURED THIS BOMBER SOLELY ON GROUNDS THAT THIS IS THE BEST AIRCRAFT FOR ITS PURPOSE AVAILABLE TO THIS NATION TODAY.

"AS OF THIS TIME, I FEEL THAT THE NATION SHOULD KNOW THAT THE SECRETARY OF THE AIR FORCE, MR.SYMINGTON, THE MILITARY LEADERS OF THE AIR FORCE, AND THE SECRETARY OF DEFENSE HAVE COME THROUGH THIS INQUIRY WITHOUT THE SLIGHTEST BLEMISH--THAT THESE MEN CONTINUE TO MERIT THE COMPLETE CONFIDENCE OF THE AMERICAN PEOPLE IN THEIR PAST ACTIONS AND IN THE FUTURE."

VH317AED

(NY)...WASHINGTON, AUG 26-(AP)-A STATE DEPARTMENT SPOKESMAN SAYS EVERY EFFORT IS BEING MADE TO OBTAIN RELEASE OF TWO AMERICAN COLLEGE STUDENTS BEING HELD BY SOVIET AUTHORITIES IN GERMANY.

THE TWO, WHO DISAPPEARED THREE WEEKS AGO WHILE ON A BICYCLING TOUR OF GERMANY, ARE WARREN OELSNER, 20, OF OYSTER BAY, N.Y., AND PETER SELLERS, 18, OF PHILADELPHIA.

THE STATE DEPARTMENT SPOKESMAN SAID LAST NIGHT THAT THE PAIR APPARENTLY CROSSED OVER INTO THE RUSSIAN ZONE DESPITE WARNINGS FROM BRITISH ZONE POLICE THAT TO DO SO WOULD BE DANGEROUS.

IN NEW YORK, EDWARD C. OELSNER, JR., A NEW YORK STEAMSHIP OPERATOR AND BROTHER OF WARREN, SAID THE STATE DEPARTMENT HAD INFORMED HIM THAT THE RUSSIANS WERE HOLDING THE TWO YOUTHS AS HOSTAGES.

AS A CONDITION OF THEIR RELEASE, HE SAID, THE SOVIET AUTHORITIES HAVE DEMANDED THAT THE UNITED STATES RETURN THREE RUSSIAN ARMY DESERTERS WHO FLED INTO THE AMERICAN ZONE.

HOWEVER, THE U.S. MILITARY GOVERNMENT SAYS IT DOES NOT HAVE THE RUSSIAN DESERTERS IN CUSTODY AND DOES NOT KNOW THEIR WHEREABOUTS, OELSNER SAID.

BOTH OF THE YOUTHS ARE STUDENTS AT THE UNIVERSITY OF PENNSYLVANIA. THEY HAD BICYCLED THROUGH SEVERAL EUROPEAN COUNTRIES, AND WERE REPORTED MISSING JULY 30.

U.S. ARMY AUTHORITIES SAID IN FRANKFURT MONDAY THAT A GERMAN INFORMANT HAD REPORTED THAT THE TWO YOUTHS WERE ARRESTED BY SOVIET POLICE ON AUG.4 OR 5 FOR TAKING PICTURES IN THE SOVIET ZONE TOWN OF BOITZENBURG, NEAR THE BRITISH-SOVIET ZONE BORDER.

THE ARMY'S PROVOST MARSHAL DIVISION HAD CONDUCTED AN INTENSIVE SEARCH FOR THE PAIR AT THE REQUEST OF JOHN J. MCCLOY, AMERICAN MILITARY GOVERNOR.

M725AED

AUG 26 1949

SAN FRANCISCO,AUG.26-(AP)-THE CHINESE COMMUNISTS JUMPED INTO THE RUSSIAN-YUGOSLAV QUARREL TODAY WITH STRONG DENUNCIATIONS OF YUGOSLAV MARSHAL TITO.

THE RED RADIO IN PEIPING QUOTED STATEMENTS BY A WIDE LIST OF LEADERS OF THE SINO-SOVIET FRIENDSHIP ASSOCIATION, LABOR AND WOMEN'S GROUPS AND AUTHORS.

TYPICAL QUOTATIONS FROM THE BROADCAST AS HEARD IN SAN FRANCISCO BY THE ASSOCIATED PRESS INCLUDED:

"TITO IS TRAVELING THE SAME ROAD TRAVELED BY CHIANG KAI-SHEK; WHAT CHIANG DID, TITO HAS DONE AND IS DOING."

"BOTH TITO AND CHIANG ARE DEADLY FOES OF THE PEOPLE. THOSE WHO CHOOSE THE ROAD OF TITO WILL WALK IN THE FOOTSTEPS OF CHIANG AND BE SMASHED BY THE PEOPLE."

"TITO STILL LOOKS ARROGANT IN HIS OWN COUNTRY BUT HE IS REALLY SITTING ON A VOLCANO."

JW1146ACS

NEW YORK, AUG.26-(AP)-FOUR CONGRESSMEN SAILED FOR EUROPE TODAY TO ATTEND THE ANNUAL MEETING OF THE INTER-PARLIAMENTARY UNION OPENING IN STOCKHOLM SEPT.9.

THEY WERE PASSENGERS ABOARD THE ARMY TRANSPORT GEN.MAURICE ROSE, EN ROUTE TO BREMERHAVEN.

THE CONGRESSMEN WERE SEN.RAYMOND E.BALDWIN (R-CONN), SEN.LESTER C. HUNT (D-WYO), SEN.HOMER FERGUSON (R-MICH) AND REP.JOHN D.DINGELL (D-MICH).

BALDWIN TOLD NEWSMEN THAT HE, HUNT AND SEN.ESTES KEFAUVER (D-TENN), WHO WILL FLY TO EUROPE WEDNESDAY, WOULD CONDUCT AN ON-THE-SCENE INVESTIGATION AT MALMEDY CROSSROAD WHERE AMERICAN PRISONERS WERE SHOT DOWN BY NAZI S.S.TROOPERS DURING THE WAR.

DINGELL, COMMENTING ON WHAT HE TERMED SENATE DELAYING ACTION ON PENDING LEGISLATION, SAID, "I THINK THE SENATE HAS CEASED TO FUNCTION. UNLESS THEY GET MOVING, WE'LL HAVE A UNICAMERAL SYSTEM."

HE SAID THE SENATE IS "JUST GASSING TOO MUCH."

SEN.FERGUSON SAID THAT "WE JUST HAVEN'T BEEN IN SYMPATHY WITH MATTERS THE PRESIDENT HAS PROPOSED. WE WORKED VERY HARD ON APPROPRIATIONS BILLS--THERE IS NO FILIBUSTER ON THE FLOOR."

THE SENATE IS CAREFULLY SCRUTINIZING THE HOUSE'S APPROPRIATIONS BILL, HE SAID.

OTHER PASSENGERS INCLUDED MAJ.GEN.FRANK HEILEMAN, ARMY CHIEF OF TRANSPORTATION, AND MAJ.GEN.PHILIP B.FLEMING, CHAIRMAN OF THE U.S. MARITIME COMMISSION.

FLEMING SAID HE IS GOING TO LISBON TO ATTEND THE FIRST POSTWAR MEETING OF THE PERMANENT INTERNATIONAL ASSOCIATION OF NAVIGATION CONGRESSES.

HEILEMAN SAID HE WOULD INSPECT TRANSPORTATION CORPS TROOPS IN GERMANY AND EXPLAIN DETAILS OF NEW PORT OPERATION TO OVERSEAS PORT OF EMBARKATION COMMANDERS. SECRETARY OF DEFENSE LOUIS JOHNSON HAS ORDERED THE TRANSFER OF ARMY TRANSPORT SHIPS TO THE NAVY.

"ALL DECISIONS HAVE BEEN MADE AND WORKED OUT IN DETAIL," HEILEMAN SAID.

JA925PED

WASHINGTON, AUG 26-(AP)-REP. HUBER (D-OHIO) ANNOUNCED TODAY CHINA HAS BEEN CUT FROM THE SCHEDULE OF A CONGRESSIONAL COMMITTEE'S TOUR OF ASIA BECAUSE "THE TEMPTATION TO SEIZE A CONGRESSIONAL GROUP AS HOSTAGES MIGHT BE TOO GREAT FOR CHINESE RED FORCES."

HUBER WILL LEAD A DELEGATION OF SIX CONGRESSMAN ON A 40-DAY FLYING TRIP TO ALASKA, JAPAN, KOREA, THE PHILIPPINES, NETHERLANDS EAST INDIES, SINGAPORE, ?-,&(9(, BURMA AND RETURN VIA THE MANDATED ISLANDS IN THE PACIFIC AND HAWAII. THEY WILL LEAVE HERE TUESDAY IN AN AIR FORCE C-54.

WITH HIM ON THE TRIP, HE SAID IN A STATEMENT, WILL BE REPS. BURNSIDE (D-W VA), DEANE (D-NC), O'KONSKI (R-WIS), RIEHLMAN (R-NY) AND LOVRE (R-SD).

THEY WILL TRAVEL AS OFFICIAL REPRESENTATIVES OF THE HOUSE EXPENDITURES COMMITTEE.

ON THEIR ALASKA STOP, HUBER SAID, THE COMMITTEE WILL STUDY THE TERRITORY'S DEFENSES AND DEFENSE NEEDS. ALASKAN OFFICIALS HAVE PROTESTED TO CONGRESS THAT THEIRS IS A NEGLECTED AREA.

HUBER SAID THE GROUP WILL ASK GEN. DOUGLAS MAC ARTHUR, SUPREME ALLIED COMMANDER IN JAPAN, FOR A REPORT ON DEVELOPMENTS IN CHINA AND THE FAR EAST AND OF PROGRESS IN JAPAN'S WAR RECOVERY.

IN KOREA, HE SAID, THE CONGRESSMEN WILL TRY TO APPRAISE THE VALUE OF U.S. FINANCIAL AID TO ANTI-COMMUNIST KOREANS, AND WHETHER IT SHOULD BE CONTINUED OR INCREASED.

THEY WILL MEET GOVERNMENT LEADERS IN BANGKOK AND BURMA, HE SAID, TO DISCUSS PROBLEMS OF COMMUNIST INFLUENCE AND DANGER, AND A PROPOSED PACIFIC PACT SOMEWHAT SIMILAR TO THE NORTH ATLANTIC TREATY.

AT MANILA, HE SAID, THEY WILL DISCUSS THE FEASIBILITY OF BUILDING A PROPOSED $12,000,000 VETERANS ADMINISTRATION HOSPITAL.

PE554PED

WASHINGTON,AUG.26-(AP)-REP.HUBER (D-OHIO) SAID TODAY HE HAS STARTED DIPLOMATIC NEGOTIATIONS WHICH HE HOPES MAY STAY OR AVERT THE EXECUTION OF THE GREEK RELATIVE OF TWO OF HIS CONSTITUENTS.

HE SAID THE CONDEMNED MAN, SENTENCED TO FACE A GREEK FIRING SQUAD IN MACEDONIA MONDAY, IS A BROTHER OF CHRIS MITSEFF, 1449 S.MAIN ST., AKRON, OHIO, AND COUSIN OF BORIS MITSEFF, 576 S.FIRESTONE BLVD., AKRON, WHO ARE AMERICAN CITIZENS.

THEIR DOOMED RELATIVE, HUBER SAID, IS VANGLEIS HATZIDIMITRIOU.

THE MAN, HUBER SAID, WAS SENTENCED LAST WEEK TO BE SHOT FOR AN OFFENSE NOT KNOWN HERE, BUT PRESUMABLY COOPERATION WITH GREEK COMMUNIST GUERRILLAS.

AT HIS REQUEST, HUBER SAID, THE STATE DEPARTMENT HAS CABLED FOR INFORMATION ABOUT THE CASE. THE WHITE HOUSE, HE ADDED, HAS EXPRESSED INTEREST IN IT. HE SAID HE HOPES THE RESULT WILL BE TO WIN AT LEAST A STAY OF EXECUTION, AND POSSIBLY A REDUCTION OF THE SENTENCE.

HE SAID HE ALSO HAS TAKEN UP THE CASE WITH THE COUNSELLOR OF THE GREEK EMBASSY, URGING HIS INTERCESSION IN HATZIDIMITRIOU'S BEHALF, AND TOLD HIM HE HAD SUPPORTED U.S. FINANCIAL AID TO GREECE.

MD1011PED

30.24- 5281

(160) MISSILES
WASHINGTON, AUG.26-(AP)-THE UNITED STATES IS DEVELOPING GUIDED MISSILES WHICH WOULD BOTH BRING DOWN ENEMY PLANES AND ENABLE AMERICAN BOMBERS TO SHOOT DOWN ATTACKING FIGHTERS.
DR. KARL COMPTON, CHAIRMAN OF THE DEFENSE DEPARTMENT'S RESEARCH AND DEVELOPMENT BOARD, DISCLOSED THE NEW WEAPONS LAST NIGHT.
HE DESCRIBED AS "EXCEEDINGLY IMPORTANT" THE AIR-TO-AIR MISSILE WHICH A B-36 COULD USE AGAINST SPEEDY JET FIGHTERS. HE SAID THIS WEAPON "MAY WELL BECOME THE PRINCIPAL ARTILLERY OF AIR COMBAT."
IN A RADIO BROADCAST WITH ATOMIC ENERGY COMMISSIONER SUMNER PIKE, COMPTON LISTED FOUR TYPES OF GUIDED MISSILE ON WHICH U.S. SCIENTISTS ARE AT WORK.
BESIDES THE PLANE-CARRIED MISSILE, HE NOTED A "SURFACE-TO-SURFACE" WEAPON WHICH COULD BE USED AS LONG-RANGE ARTILLERY. DEVELOPMENT OF THIS WEAPON "IS ALREADY WELL ADVANCED FOR THOSE OF A FEW HUNDRED MILES RANGE," HE SAID.
THE ANTI-AIRCRAFT, OR "SURFACE-TO-AIR" MISSILES, COMPTON SAID, "BID FAIR TO BECOME THE EFFECTIVE COUNTER MEASURE" FROM THE GROUND AGAINST SWIFT ATTACKING PLANES.
THERE ALSO IS AN "AIR-TO-SIRFACE" MODEL, SOME TYPES OF WHICH SAW ACTION IN WORLD WAR II.
VH338AED

PITTSBURGH, AUG.26-(AP)-PEGGY REILEY'S DOLLS ARE BOUND FOR EUROPE'S CHILDREN TODAY AND CALM HAS SETTLED ONCE MORE OVER PITTSBURGH'S CUSTOMS HOUSE.
MISS REILEY, WOMEN'S EDITOR OF THE SOMERSET (PA.) AMERICAN, WENT TO THE U.S. CUSTOMS WAREHOUSE YESTERDAY AND REPACKED 200 DOLLS THAT HAD BEEN SHIPPED HERE IN HER DOLLS FOR EUROPE CAMPAIGN.
CUSTOMS OFFICIALS RULED PAYMENT OF $14.63 IN DUTY COULD BE AVOIDED ONLY BY SHIPPING THE DOLLS DIRECTOT TO EUROPE INSTEAD OF TAKING THEM TO SOMERSET. SHE OBJECTED AS A MATTER OF PRINCIPLE.
BY REPACKING THE DOLLS, MISS REILEY WAS ABLE TO AVOID THE $14.63 DUTY THE GOVERNMENT SAID SHE WOULD HAVE TO PAY IF THE DOLLS LEFT U.S. TERRITORY.
PEGGY AND THE GOVERNMENT BECAME INVOLVED IN SOMEWHAT OF A DISPUTE WHEN THE YOUNG NEWSPAPERWOMAN SAID SHE WOULDN'T PAY THE DUTY. YESTERDAY, HOWEVER, ALL WAS SWEETNESS AND LIGHT.
PEGGY THANKED SAMUEL KLINVEX, DEPUTY CUSTOMS COLLECTOR, FOR HIS COOPERATION IN HELPING HER REPACK AND SHIP THE DOLLS.
"OUR CONTROVERSY," SHE SAID, "HAS ENDED HAPPILY."
THE DOLLS WILL REMAIN IN ENGLAND UNTIL PEGGY PICKS THEM UP IN OCTOBER. THEN SHE WILL DISTRIBUTE THEM TO DOLL-LESS LITTLE GIRLS IN ENGLAND, FRANCE, GERMANY AND AUSTRIA.
WJ344AED

OAKLAND,CALIF.,AUG.26-(AP)-A CHARTERED PLANE LOADED WITH BRITISH WAR BRIDES AND THEIR CHILDREN WAS READIED TODAY FOR A NOON DEPARTURE FOR LONDON (3 P.M. EASTERN STANDARD TIME).
ABOARD THE CRAFT WILL BE THREE MEN, 43 WOMEN AND 28 CHILDREN, 12 OF THEM INFANTS WHO WILL RIDE IN BUILT-IN BASSINETTES IN THE FOUR-MOTORED TRANSOCEAN AIRLINES PLANE, CHARTERED TO ICELANDIC AIRLINES.
THE PLANE WAS DUE IN NEW YORK AT 7 A.M. (EST), TOMORROW. FROM THERE IT WILL GO TO HEATH ROW AIRPORT,LONDON.
BETTY ARRIETA, RICHMOND,CALIF., SPOKESMAN FOR THE GROUP, SAID THE WAR BRIDES WANT TO GO HOME TO "SHOW OFF THE GRANDCHILDREN." ALL OF THEM ARE SCHEDULED TO RETURN ABOUT OCT.7.
THE WOMEN HAVE BEEN PLANNING THE TRIP FOR SEVERAL MONTHS. THEY GOT TOGETHER AT THE LOCAL BRITTANIA CLUB AND DECIDED THAT THIS WOULD BE THE CHEAPEST WAY FOR THEM TO MAKE THE TRIP. ALL ARE FROM CITIES IN THE SAN FRANCISCO BAY AREA.
JW114PCS

BOWLING GREEN, O., AUG. 26-(AP)-THE FIRST OBLIGATION OF CHRISTIANS IN THE EAST-WEST CONFLICT IS TO UNDERSTAND THE FACTS, THE WORLD'S STUDENT CHRISTIAN FEDERATION CONFERENCE AT BOWLING GREEN STATE UNIVERSITY WAS TOLD TODAY.
REV. MAX ALAIN CHEVALLIER, GENERAL SECRETARY OF THE FRENCH STUDENT CHRISTIAN MOVEMENT, SAID THAT IF CHRISTIANS UNDERSOOD THE FACTS "WE THEN WOULD SEE DISAPPEAR THE GROTESQUE MYTHS X X X OF THE COMMUNIST 'WITH A KNIFE BETWEEN HIS TEETH' AND THAT OF THE AMERICAN MILLIONAIRE."
THE ONLY POSSIBLE RECONCILIATION BETWEEN EAST AND WEST IS THE TOTAL CONVERSION OF EVERY ONE INVOLVED, THE FRENCH CLERIC ASSERTED.
RE1214AES NM

CARBONDALE, ILL., AUG.26-(AP)-A KOREAN DEPARTMENT OF AGRICULTURE REPRESENTATIVE, PAIK SEI KI, WILL STUDY THE FORESTRY INDUSTRY IN SOUTHERN ILLINOIS NEXT WEEK, THE U.S. FOREST SERVICE OFFICE HERE ANNOUNCED TODAY.
PAIK ALSO MAY ADDRESS BENTON AND CARBONDALE CIVIC CLUBS. HE IS ONE OF SIX KOREAN FORESTERS WHO WILL SURVEY FORESTRY METHODS IN THIS COUNTRY UNDER THE AUSPICES OF THE STATE DEPARTMENT.
KK714PCD NM

NIGHT LEAD U.N.SCIENCE
BY WILLIAM L.PHILLIPS
LAKE SUCCESS, AUG.26-(AP)-TOP OIL SCIENTISTS OF A HALF-DOZEN COUNTRIES AGREED TODAY THAT NOBODY KNOWS HOW MUCH PETROLEUM THERE IS INSIDE THE EARTH, OR HOW MANY YEARS OR HUNDRED YEARS IT WILL LAST, AND NOBODY IS LIKELY TO KNOW SOON.
THAT WAS THE CONSENSUS OF A SPECIAL MEETING OF OIL MEN ATTENDING THE UNITED NATIONS SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES.
SECRETARY OF THE INTERIOR JULIUS A.KRUG, VISITING THE U.N. CONFERENCE, DECLINED TO BE DRAWN INTO THE CONTROVERSY IN PROGRESS ALL WEEK OVER A DISPUTED ESTIMATE OF UNDISCOVERED WORLD RESERVES TOTALLING 1,500 BILLION (B) BARRELS.
KRUG TOLD A NEWS CONFERENCE HIS VIEW IS THAT THE UNITED STATES SHOULD HAVE A SYNTHETIC OIL INDUSTRY IN ANY CASE, AS A CUSHION BOTH AGAINST EVENTUAL EXHAUSTION OF RESERVES AND "EMERGENCIES." HE SAID "OIL AND COAL INTERESTS" HAVE BLOCKED SUCH A DEVELOPMENT SO FAR.
MOST OF THE OIL MEN AT THEIR MEETIMG DISAGREED IN ONE WAY OR ANOTHER

WITH THE 1,500 BILLION-BARREL ESTIMATE, "ENOUGH FOR SEVERAL HUNDRED YEARS," ENDORSED ON MONDAY BY DEAN A.I.LEVORSEN OF STANFORD UNIVERSITY'S SCHOOL OF MINTERAL SCIENCES.

THEY GAVE A LUKEWARM RECEPTION, HOWEVER, TO AN APPEAL BY MANUEL RODRIGUEZ AGUILAR OF MEXICO'S NATIONALIZED PETROLEANOS MEXICANOS, FOR ALL TO WORK FOR CREATION OF AN INTERNATIONAL "COMMITTEE ON APPRAISAL OF OIL RESOURCES" TO MAKE A WORLD SURVEY.

EXPERTS FROM TEXAS, OKLAHOMA AND BRITAIN'S MIDDLE EASTERN FIELDS OBJECTED THAT SUCH A COMMITTEE WOULD HAVE LITTLE MORE TO WORK WITH THAN INDIVIDUALS WHO ALREADY HAVE LABOAVTVVVVVVVVVVVVV

EXPERTS FROM TEXAS, OKLAHOMA AND BRITAIN'S MIDDLE EASTERN FIELDS OBJECTED THAT SUCH A COMMITTEE WOULD HAVE LITTLE MORE TO WORK WITH THAN INDIVIDUALS WHO ALREADY HAVE LABORED IN THE FIELD, UNTIL NEW METHODS ANI CRITERIA ARE WORKED OUT FOR MEASURING OIL RESERVES.

THE DISPUTED ESTIMATE WAS MADE BY SUCH AN INDIVIDUAL, AMERICAN SCIENTIST L.G.WEEKS.

M.KING HUBBERT OF THE SHELL OIL COMPANY, HOUSTON, TEXAS, SAID HE AGREED WEEK'S FIGURE WAS AS GOOD AS COULD BE PROJECTED AT PRESENT, BY THE METHOD OF APPLYING EXPERIENCE IN KNOWN FIELDS TO THE WORLD'S SEDIMENTARY BASINS THAT MIGHT CONTAIN OIL.

HUBBERT SAID HE OBJECTED, THOUGH, TO "BASELESS" FORECASTS BY LEVORSEN THAT THIS PROBABLY WAS ONLY A FRACTION OF THE RESERVES THAT WOULD BE ESTIMATED 25 YEARS FROM NOW, AND THAT ONLY FAILURE OF DISCOVERY EFFORTS CAN CAUSE "FAILURE OF WORLD SUPPLY TO MEET WORLD DEMAND OVER THE NEXT SEVERAL HUNDRED YEARS."

AUG 26 1949

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HE SAID THE COUNTER VIEW TO THE STANFORD DEAN WAS A POSSIBILITY THAT "WE MIGHT BE STARTING ON THE DOWNSIDE OF RESERVES WITHIN 50 TO 75 YEARS," IF PRODUCTION KEEPS RISING AT THE PRESENT RATE OF DOUBLING EVERY 15 YEARS.

IRA H.CRAM OF PONCA CITY, OKLA, BACKED LEVORSEN, WHO WAS NOT PRESENT.

"THE PHILOSOPHY THAT WE WILL FIND MORE OIL AS WE LEARN MORE ABOUT THE EARTH'S CRUST IS TRUE AND IS GOING TO BE TRUE FOR A LONG TIME," SAID CRAM, VICE-PRESIDENT OF THE CONTINENTAL OIL COMPANY.

"TO DATE HISTORY HAS BEEN ON LEVORSEN'S SIDE," CRAM CONTINUED. "SO FAR WE HAVE ALWAYS DISCOVERED MORE OIL THAN WAS EXPECTED. THIS IS BOUND TO END SOMETIME, BUT I MAKE NO PROGNOSTIGATION OF WHEN, AND NEITHER DOES LEVORSEN."

W.F.P.MCLINTOCK, DIRECTOR OF BRITAIN'S GEODETIC SURVEY, OBJECTED TO LEVORSEN'S USE OF 70 BILLION BARRELS AS THE WORLD'S KNOWN OIL RESERVE AS "COMPLETELY CONSERVATIVE." HE SAID HE HAD PERSONAL KNOWLEDGE OF FIELDS IN THE MIDDLE EAST WITH 70 BILLION TO 100 BILLION BARRELS OF RECOVERABLE RESERVES.

RODRIGUEZ AGUILAR IN MAKING HIS APPEAL FOR AN INTERNATIONAL SURVEY URGED ALL THOSE PRESENT TO INTERCEDE WITH THEIR GOVERNMENTS TO PROMOTE IT, "BECAUSE IT IS HIGH TIME FOR A PROPER WORLD WIDE APPRAISAL."

HE SAID THE PROPOSED COMMITTEE, POSSIBLY UNDER U.N. AUSPICES, SHOULD HAVE ACCESS TO INFORMATION IN PUBLIC AND PRIVATE HANDS AND "SELFISH FACTORS WILL HAVE TO BE DISREGARDED FOR THE GOOD OF THE WORLD."

HE SUGGESTED EVERETT DEGOLYER (CAPS D, G) OF DALLAS, TEX., WHO HEADED PRESIDENT ROOSEVELT'S OIL MISSION TO THE MIDDLE EAST DURING THE WAR, AS A GOOD POSSIBILITY FOR CHAIRMAN.

CRAM COMMENTED THAT "WE'D JUST BE TURNING OUR WHEELS" TO ATTEMPT SUCH A SURVEY UNTIL DEVELOPMENT OF NEW METHODS OF SURVEYING OIL UNDERGROUND.

PAUL WEAVER OF THE GULF OIL COMPANY, HOUSTON, TEX., WHO PRESIDED, SAID ONE POINT THAT SHOULD NOT BE IGNORED WAS THAT "THE OIL PEOPLE WANT TO KNOW ABOUT IS THE OIL THAT CAN BE FURNISHED THEM," RATHER THAN THEORETICAL FIGURES.

JA741PED

AUG 26 1949

B.H.-OIL

BY WILLIAM L. PHILLIPS (AAP)

LAKE SUCCESS, AUG 26 (AAP)-THE OIL INDUSTRY'S BIG THEORETICAL SPLIT

--BETWEEN OPTIMISTS AND PESSIMISTS ON THE SUBJECT OF PETROLEUM RESERVES

--HAS BEE FOR AN AIRING TODAY THAT MAY BRING BOOSTERS OF RESERVES.

TWO OPPOSING GROUPS OF OIL SCIENTISTS ARRANGED TO SWAP ARGUMENTS AT A SPECIAL FUELS SECTION MEETING THIS AFTERNOON (1 P.M. EASTERN STANDARD TIME) AT THE UNITED NATIONS CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES.

DR. A.I. LEVORSEN, DEAN OF STANFORD UNIVERSITY'S SCHOOL OF MINERAL SCIENCES, WAS INVITED TO DEFEND HIS BELIEF IN THEORETICAL ESTIMATES THAT THE WORLD'S PETROLEUM RESERVES TOTAL ABOUT 1,500,000,000,000 (1) BARRELS--ENOUGH FOR 300 YEARS.

MANUEL RODRIGUEZ AGUILAR OF MEXICO'S GOVERNMENT-OWNED PETROLEANOS MEXICANOS, WHO SAYS THESE ESTIMATES "MEAN NOTHING" BECAUSE OF LACK OF DATA, WAS READY WITH ARGUMENTS IN FAVOR OF FORMING AN INTERNATIONAL STUDY GROUP FOR WHAT HE CALLED AN "INTELLIGENT" SURVEY. RODRIGUEZ

30.24- 5283

REGULAR SUCCESS THE U.S. MIGHT SPONSOR THE SURVEY GROUP.

M. KING HUBBERT OF THE SHELL OIL COMPANY IS ON THE HUBBERT'S SIDE. HUBER H. FOHS OF THE HUMBLE OIL COMPANY, HOUSTON, TEXAS, LOOKED TO WITH DR. LEVORSEN YESTERDAY BY ACCEPTING A THEORETICAL ESTIMATE OF MORE THAN 500,000,000,000 (B) BARRELS OF UNDISCOVERED OIL UNDER THE SHALLOW COASTAL WATERS OF SO CALLED "CONTINENTAL SHELVES."

CONSERVATION IN THE PRODUCTION OF PETROLEUM WAS DISCUSSED AT TODAY'S REGULAR MEETING OF THE FUELS AND ENERGY SECTION OF THE CONFERENCE, ATTENDED BY SCIENTISTS FROM 40 NATIONS.

WILLIAM J. MURRAY JR., OF AUSTIN, TEXAS, CHAIRMAN OF THE TEXAS RAILROAD COMMISSION, REPORTED AMONG OTHER POINTS ON A SUCCESSFUL CO-OPERATIVE PROGRAM IN THE EAST TEXAS FIELD, WHEREBY 300,000 BARRELS OF PRODUCED WATER ARE RETURNED DAILY TO THE OIL-BEARING RESERVOIR. HE SAID THIS MAY INCREASE ULTIMATE RECOVERY FROM THE FIELD BY ABOUT 200,000,000 (M) BARRELS.

PAUL D. TORREY, PRESIDENT OF LYNES, INC., OF BOSTON, MASS., REPORTED ADVANCES IN RECOVERY OF SECONDARY OIL RESERVES, NOTABLY BY WATER FLOODING, IN EXISTING FIELDS IN TEXAS, OKLAHOMA AND KANSAS.

AUG 26 1949

BUT

"IN CERTAIN INSTANCES THE RECOVERY OF OIL HAS BEEN DOUBLED," TORREY SAID, ADDING THAT FLOODING COSTS RANGED FROM $1.32 TO $1.35 PER BARREL OF OIL PRODUCED.

TORREY SAID THAT SECONDARY OIL RESERVES OF THE UNITED STATES ARE ESTIMATED IN EXCESS OF 7,000,000,000 (B) BARRELS.

MORRIS MUSKAT OF THE GULF RESEARCH AND DEVELOPMENT COMPANY, PITTS-BURGH, TOLD THE SECTION ONLY A GUESS COULD BE MADE OF THE ACTUAL GAINS WHEN MORE EFFICIENT OIL RECOVERY, BUT PRAISED COOPERATIVE EFFORTS OF PRODUCERS TOWARD IMPROVEMENT.

"THE RAPID INCREASE IN THE NUMBER OF UTILIZATION PLANS FOR FIELD OPERATION UNDERTAKEN IN THE LAST FIVE YEARS CREDITABLY REFLECTS THE DEEP FEELING OF RESPONSIBILITY OF THE OIL PRODUCING INDUSTRY IN THE CONSERVATION OF ONE OF THE NATION'S MOST IMPORTANT NATURAL RESOURCES," MURRAY SAID.

AUG 26 1949

WITH U N SCIENCE

LAKE SUCCESS, AUG. 26-(AP)-JULIUS A KRUG, SECRETARY OF THE INTERIOR, SAID TODAY HIS DEPARTMENT HAS UNCOVERED "ENCOURAGING" PROSPECTS THAT SCIENCE MAY HARNESS THE SUN'S ENERGY FOR INDUSTRIAL PRODUCTION.

KRUG BROUGH UP THE SUBJECT HIMSELF AT A NEWS CONFERENCE DURING A VISIT TO THE UNITED NATIONS SCIENTIFIC CONFERENCE ON CONSERVATION AND UTILIZATION OF RESOURCES.

HE SAID HE WAS CONVINCED THAT THE PROBLEM OF USING SOLAR ENERGY, LONG AN INTRIGUING ONE TO SCIENCE, MIGHT BE SOLVED BY EXPENDITURE OF SUMS LIKE THE $3,000,000,000 SPENT BY THE U.S. ON THE PROBLEM OF ATOMIC ENERGY.

HIS DEPARTMENT HAS BEEN ENCOURAGING SMALL SCALE EXPERIMENTS AT VARIOUS UNIVERSITIES AND LABORATORIES, ON SUCH USES OF SUN POWER AS HEALING HOUSES AND OBTAINING FRESH WATER FROM SALT. IT EXPECTS TO COMPLETE A SURVEY OF RESULTS SO FAR "IN THE NEXT SEVERAL MONTHS," HE SAID.

ASKED IF HE PLANNED ANY GOVERNMENT PROJECT TO FOLLOW UP PRIVATE EXPERIMENTATION, THE SECRETARY SAID HIS SURVEYS HAD NOT REACHED THAT STAGE, ALTHOUGH THEY MIGHT AT SOME FUTURE DATE.

"WE ARE SURVEYING THE FIELD AND IT LOOKS VERY ENCOURAGING," HE SAID.

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AUG 26 1949

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LAKE SUCCESS, AUG.26-(AP)-GORDON CLAPP, CHAIRMAN OF THE BOARD OF TVA, WAS NAMED BY U.N. SECRETARY-GENERAL TRYGVE LIE TODAY TO HEAD THE PROPOSED ECONOMIC SURVEY OF THE MIDDLE EAST.

THE SURVEY WAS PROPOSED BY THE UNITED STATES IN THE PALESTINE CONCILIATION COMMISSION AT LAUSANNE, SWITZERLAND, AND HAS THE SUPPORT OF BOTH ISRAEL AND THE ARAB GOVERNMENTS.

CLAPP WAS NOMINATED BY THE U.S.GOVERNMENT, LIE SAID. HE HAS BEEN CONNECTED WITH TVA SINCE 1939 AND BECAME CHAIRMAN OF THE BOARD WHEN DAVID LILIENTHAL RESIGNED TO BECOME HEAD OF THE ATOMIC ENERGY COMMISSION.

CLAPP RECENTLY FIGURED IN THE HEADLINES AS A RESULT OF BERLIN STORIES WHICH SAID THAT THE ARMY DEPARTMENT IN WASHINGTON HAD TURNED DOWN A REQUEST OF THE MILITARY GOVERNMENT THAT CLAPP BE ASKED TO COME TO GERMANY ON A TEMPORARY ASSIGNMENT. THE REPLY FROM WASHINGTON SAID CLAPP WAS CLASSIFIED AS "UNEMPLOYABLE." CLAPP IMMEDIATELY DENIED HE EVER HAD BEEN APPROACHED ABOUT GOING TO GERMANY, AND SECRETARY OF THE ARMY GORDON GRAY SAID HIS CLASSIFICATION AS "UNEMPLOYABLE" WAS ALL A MISTAKE. HE BLAMED A JUNIOR OFFICER AND SAID HE HAD TAKEN STEPS TO SEE THAT NO SUCH THING HAPPENED AGAIN.

LIE SAID CLAPP WOULD COME TO LAKE SUCCESS NEXT WEEK TO DISCUSS HIS NEW JOB AND PROBABLY WOULD LEAVE FOR THE MIDDLE EAST IMMEDIATELY. AS CHAIRMAN OF THE SURVEY GROUP, CLAPP WILL BE AIDED BY REPRESENTATIVES OF BRITAIN, FRANCE AND TURKEY. THE LATTER TWO COUNTRIES, TOGETHER WITH THE UNITED STATES, MAKE UP THE THREE-NATION CONCILIATION COMMISSION. BRITAIN IS REPRESENTED BECAUSE OF HER SPECIAL ECONOMIC INTERESTS.

IN ADDITION, THE SURVEY PARTY WILL CONSIST OF ABOUT 40 TO 50 EXPERTS AND SECRETARIAT MEMBERS.

THE PRIMARY PURPOSE OF THE SURVEY IS TO DETERMINE THE ABILITY OF THE VARIOUS MIDDLE EASTERN COUNTRIES TO PROVIDE HOMES FOR THE 500,000 TO 900,000 ARAB REFUGEES WHO FLED PALESTINE DURING THE 1948 FIGHTING.

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AUG 26 1949

LAKE SUCCESS, AUG. 26-(AP)-THE UNITED STATES SHOULD BE GRANTED ONLY A TOKEN CUT IN HER CONTRIBUTIONS TO THE UNITED NATIONS, THE GENERAL ASSEMBLY'S COMMITTEE ON CONTRIBUTIONS RECOMMENDED TODAY.

DESPITE U.S. CONTENTIONS THAT IT IS PAYING MORE THAN ITS SHARE OF THE WORLD ORGANIZATION'S COSTS, THE COMMITTEE SAID IN ITS REPORT TO THE ASSEMBLY THAT WORLD CONDITIONS PREVENT ANY MAJOR REVISION IN THE PRESENT SCALE OF ASSESSMENTS.

THE COMMITTEE RECOMMENDED THAT ALL ASSESSMENTS CONTINUE UNCHANGED FOR ANOTHER YEAR WITH THE EXCEPTION OF THOSE OF THE UNITED STATES AND SWEDEN. THESE TWO WERE GIVEN TOKEN CUTS TO OFFSET ADDITIONAL INCOME WHICH THE U.N. WILL GET FROM ITS NEWEST MEMBER--ISRAEL.

THE COMMITTEE RECOMMENDED THAT ISRAEL PAY 0.12 PER CENT OF THE UN'S COSTS. THE UNITED STATES ASSESSMENT, IN TURN, WOULD BE REDUCED FROM 39.89 PER CENT TO 39.79 PER CENT AND SWEDEN'S SHARE WOULD BE CUT FROM 2 PER CENT TO 1.98 PER CENT.

THE GENERAL ASSEMBLY LAST YEAR ADOPTED A RESOLUTION WHICH ENDORSED THE U.S. CONTENTION THAT NO COUNTRY SHOULD PAY MORE THAN ONE-THIRD OF THE BUDGET. U.S. REPRESENTATIVES ARGUED THEN THAT ABNORMAL POST-WAR CONDITIONS WHICH CAUSED THIS COUNTRY TO ASSUME ALMOST 40 PER CENT OF THE U.N'S EXPENSES ARE DISAPPEARING AND IT IS NOW TIME FOR AN ADJUSTMENT.

THE COMMITTEE, HOWEVER, SAID THESE ABNORMAL CONDITIONS STILL PREVAIL.

UNDER THE COMMITTEE'S RECOMMENDATIONS, THE OTHER BIG POWERS WOULD CONTINUE TO CONTRIBUTE AS FOLLOWS: BRITAIN, 11.37 PER CENT; RUSSIA, 6.34 PER CENT; FRANCE, SIX PER CENT AND CHINA SIX PER CENT. THE PROPOSED U.N. BUDGET FOR 1950 TOTALS $44,314,398.

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OIL SABOTAGE DENIED BY TITO

Belgrade Admits Refinery Fire, But Not Fiume Blast

Belgrade, Yugoslavia, Aug. 27 (AP)—Yugoslavia said officially today there had been a small fire in its great oil refinery at Fiume, but denied reports published abroad that the plant was sabotaged.

Premier Marshal Tito's Ministry of Information made this statement:

"News that the oil refinery was blown up is thoroughly false and fabricated. The refinery continues its work in full capacity. There was a small fire in a storehouse of heavy oil, but it was immediately put out."

Reported Burning 2 Days

Rome, Aug. 27 (AP)—The Italian news agency Astra reported from Trieste that the Yugoslav refinery at Fiume is being consumed by fire today.

The agency reported travelers reaching Trieste from Fiume said the Romsa refinery had burned for two days. These sources said the area was strictly controlled and censorship made it difficult to get exact information of the damage.

Rome newspapers suggested the fire was set by saboteurs and said such action was part of the Cominform's economic warfare against Marshal Tito.

The fire came a week after Moscow, in a stiff note to Tito's anti-Cominform Government, threatened to take "more effective action" against Yugoslavia.

Owned By Government

The Christian Democrat organ, *Il Popolo*, said the fire was intended "to aggravate Yugoslavia's internal situation and paralyze supplies and movements of the army."

The refinery is owned by the Government and supplies 80 per cent of Yugoslavia's diesel fuel, *Il Popolo* said.

The Astra agency report from Trieste said intense heat kept firefighters away from the blaze. It reported telephone communication was cut off with Fiume, 40 miles from Trieste.

Astra also reported numerous arrests were made by Yugoslav police in the last two days.

Others Seek Part Of Their Country, Slavs Say

ALEX SINGLETON

Belgrade, Yugoslavia, Aug. 27 (AP)—Yugoslavs charged today that Romania and other Cominform states are designing to carve up this country and annex parts of it to their own territory.

The charges were aired in the newspaper *Borba*, Communist mouthpiece of Premier Marshal Tito's Government. It said Romania is trying to grab the rich wheat and corn district of Banat.

That bread-basket area was saved from Romanian hands during World War II on advice of Yugoslavia's Queen Mary to her nephew, Michael, then King of Romania.

Borba linked its charge with a report that Cominformists (members of the Russia-led Communist Information Bureau) are spreading false claims that Yugoslavia aims to let the British and Americans use her territory for attacks on Cominform countries.

[The Vatican radio said today that, despite Tito's leanings to the West, Yugoslavia clings to the Cominform policy of suppressing the Roman Catholic Church.]

Borba reviewed in detail Yugoslavia's relations with Romania, alleging maltreatment of Yugoslavs there, violation of trade treaties and refusal to fulfill terms of a friendship treaty.

Russia Charges Mistreatment

[In the series of angry notes passing between Moscow and Belgrade recently, Russia charged maltreatment of Soviet citizens in Yugoslavia and threatened reprisals.]

Borba said Yugoslavia is pictured in Romania as a potentially dangerous enemy and that Cominformists are talking of a possibility of taking over Banat.

The paper added that such talk in Romania is encouraging Communists in Hungary, Bulgaria and Albania to think they can grab parts of Yugoslavia with Cominform help.

Douglas Regaining Sight Of Left Eye

Southampton, England, Aug. 27 (AP)—Lewis Douglas, United States Ambassador, got good news about his injured left eye today: Its sight is returning.

Dr. E. C. Zorab took a bandage and dressing off the eye and tested itjust before Douglas boarded the Queen Mary to attend the United States-British dollar talks in Washington September 7. Zorab said Douglas could see a little with the eye.

Douglas snagged the eye with a fish hook while flycasting April 4. He received emergency treatment at Southampton and later had an operation to remove a cataract which formed because of the injury. (ADD)

EUROPEANS GET BILL OF RIGHTS

Eleven-Point Plan Drawn Up For Twelve Council Nations

FRANK O'BRIEN

Strasbourg, France, Aug. 27 (AP). A committee of the consultative assembly announced today it had drawn up an eleven-point bill of rights for Europeans.

The proposed magna carta for the common man is to be taken up by the assembly of 101 delegates during the coming week. If it is approved the twelve member nations of the Council of Europe will be asked to sign a binding convention guaranteeing it will be observed.

Briton Announces Plan

Meanwhile, the general affairs committee agreed to draw up a plan by next April 30 for the political union of Europe.

The members of this committee also are preparing a plan for a general steering committee which would hold the reins of assembly work between sessions and press the member nations to act on assembly projects.

One member of the committee said this plan was "the cornerstone of a future government of Europe."

Sir David Maxwell-Fyfe, British prosecutor of high Nazi war criminals at Nuernberg and chairman of the assembly committee on human rights, announced the plan to protect fundamental human freedoms. He said the list of freedoms could and probably would be expanded before it is handed to the Assembly for approval.

Eleven Points Of Bill

The eleven-point bill of rights as it stands now:

1. Security of person.
2. Freedom from arbitrary arrest, detention or exile.
3. Freedom from slavery, servitude or discriminatory forced labor.
4. Freedom of speech and expression of opinion.
5. Freedom of religious belief, practice and teaching.
6. Freedom of association.
7. Protection of the natural rights associated with marriage, paternity and family.
8. Inviolability of the home.
9. Equality before the law.
10. Freedom from discrimination because of race, religion, national origin, sex and political or other opinion.
11. Freedom from arbitrary confiscation of property.

Spaak To Be Chairman

This list was based on preparatory work done by the European movement, the private organization headed by former British Prime Minister Winston Churchill, which used the bill of rights of the United States Constitution as one of its models.

The proposed steering committee is intended to meet numerous suggestions that the assembly create some permanent body to direct and co-ordinate its work between yearly sessions.

Committee members said the chairman would be Paul-Henri Spaak, Belgian Socialist president of the assembly. Other members would be the four vice presidents of the assembly and ten to twelve delegates elected by the assembly from a list nominated by Spaak and the vice presidents.

The vice presidents are Lord Layton of Britain, Francois de Menthon of France, Ole Bjoern Kraft of Denmark, and Stefano Jacini of Italy.

An assistant secretary general would work full time for the steering committee which would have permanent headquarters at Strasbourg.

Bill Of Rights For Europe Is Drafted

JOSEPH DYNAN

Strasbourg, France, Aug. 27 (AP). A group within the European Consultative Assembly agreed today on a basic bill of rights to protect fundamental freedoms in the twelve nations making up the European Council.

Sir David Maxwell-Fyfe, of Britain, chairman of the Assembly's juridical committee, said the committee decided to draft a convention embracing at least eleven principal human rights.

He emphasized that the eleven fundamentals could and probably would be expanded before the committee writes its final draft—possibly at Monday's session.

Collective Guarantee

Intended to provide a minimum standard, through a collective guarantee, these rights were:

Security of person.

Immunity from arbitrary arrest, detention or exile.

Exemption from slavery, servitude or forced labor of a discriminatory nature.

Freedom of speech and expressions of opinion.

Freedom of religious belief, practice and teaching.

Freedom of association.

Protection of natural rights pertaining to marriage, paternity and family.

Inviolability of domicile.

Equality before the law.

Protection from discrimination based on religion, race, national origin, sex, political or other opinion.

Protection from arbitrary confiscation of property.

Committee members agreed, Maxwell-Fyfe reported, that each member state is fully empowered to fix the rules by which these rights are to be guaranteed within its territory. The projected convention would seek to standardize these rules and their application. (ADD)

Reds Hint Allies Plan Reich War

CARTER DAVIDSON

BERLIN, Aug. 27 (AP).—Soviet-inspired German newspapers hinted today that the Western Powers are actively girding for another war on German soil.

The main cause for editorial alarm in the East appeared to be the U. S. Army maneuvers planned in the Western zone Sept. 6.

Referring to what it called the "criminal field maneuvers in the Western zones," the Soviet-licensed Berliner Zeitung said armies of Western European States would participate and "also German legionnaries, which were organized secretly under the splitting war policy of the Americans and British and which are now to appear in public for the first time."

A high officer of the U. S. Occupation Army in Berlin laughed and said "there is no such thing," when told of the newspaper's report of the secret German legion. (ADD)

McCurdy Returning To Harvard Law Post

Berlin, Aug. 27 (AP)—William E. McCurdy, Sr., the United States Military Government's legal director since last March, goes back to his job as law professor at Harvard University next week, his office announced today.

McCurdy, a native of Augusta, Ga., has been on leave from Harvard since he joined the occupation army's legal branch in June, 1947.

A Harvard graduate, McCurdy formerly was secretary to Supreme Court Justice Louis D. Brandeis.

9 Scholars Honored At Goethe Festival

Frankfurt, Germany, Aug. 27 (AP)—The University of Frankfurt conferred honorary degrees upon nine scholars from four countries today in ceremonies connected with the celebration of the two hundredth birthday of Johann Wolfgang von Goethe.

Among those who received awards were Dr. Ernst Levy, Washington State University in Seattle, honorary doctor of law; and Dr. Paul A. Weiss, University of Chicago, honorary doctor of law.

AUG 27 1949

GERMAN POLICE EVIL SEEN

U. S. Group Warns of Reversion to Brutality, Gestapo Rule

FRANKFORT, Germany, Aug. 27 (AP)—A group of United States police chiefs reported here today that they found the German police "leaning over backward trying to use democratic methods."

They warned, however, that there was growing danger of a reversion to brutality and centralized state police systems. And they expressed fear that too many Nazis were creeping back into the police ranks.

The Americans criticized the United States Military Government for reducing too soon and too sharply its staff of public safety officers who used to work with and supervise German police activities.

This opened the way for the return of Gestapo methods that the Allies were trying to stamp out, they warned.

These views were expressed at a press conference by three American police officials who came here as special advisers to the United States Military Government.

They are John M. Gleason, chief of police in Greenwich, Conn.; Howard W. Hoyt, chief of police in Kalamazoo, Mich., and Lieut. Farley E. Mogan of the Oregon State police. (AP)

Loebe, Nazi Foe, to Open West German Parliament

BONN, Germany, Aug. 27 (AP).—Paul Loebe, who was president of the Reichstag under the pre-Hitler Weimar Republic, will preside over the opening session of the new West German Parliament Sept. 7.

Seventy-seven and a Social Democrat, he was selected for the honorary role by the Ministers—President (governors) of the new republic's eleven member states. He will preside only until the Parliament elects its own president.

Loebe is one of eight observers sent by the West Berlin city government to sit without votes in the West German Parliament.

Gen. Eddy's Daughter Is Wed In Germany

Heidelberg, Germany, Aug. 27 (AP)—Martha Eddy, of Columbus, Ga., daughter of Lieut. Gen. Manton S. Eddy, was married here today to John Hassell, of Morton-on-the-Marsh, Gloucester, England, at a ceremony glittering with high United States Army brass.

The bride's father is commandant of the general staff college at Fort Leavenworth, Kan. She was formerly a reporter on the Columbus (Ga.) *Ledger*. She is 26.

The bridegroom, 32, is a former lieutenant colonel in the British Army, now an official in the food section of the British-American occupation control office in Frankfurt. (AP)

Resist Leftists, Italy Urged

Rome, Aug. 27 (AP)—A spokesman for Italy's middle-of-the-road Government says it will resist all Leftist efforts to nationalize the electric industry.

Public Works Minister Umberto Tupini, addressing the nation by radio last night on effects of Italy's worst drought in 50 years, acknowledge the privately owned hydro-electric system is staggering along at only 40 per cent of normal output.

He contended, however, that Communist and Socialist demands for nationalization will not solve the crisis. He pointed to similar drought-induced power shortages in the nationalized industry of Britain and semi-nationalized industry of France.

Discipline Proposed

He proposed for Italy:

1. "National discipline" to reduce consumption of electricity voluntarily as well as through ration controls. He said voluntary rationing was a success in neighboring Switzerland, also gripped by drought.

2. Stricter Government control over production and distribution of electric energy — short of nationalization.

3. Government pressure on the electricity industry to "increase rapidly the production of energy in harmony with the increased need of the country."

Catholics Report Korea Communists Cover Cross

Rome, Aug. 27 (AP)—When a workman was unable to remove a granite cross from atop a Korean Catholic School building, Communists covered the cross with a metal drum, Fides, the International Catholic News agency, reported from Seoul.

The report said that when Communists occupied Won-San they took over the Benedictine School for use as a Communist school. A workman was ordered to remove the cross atop the building but the heavy stone was too much for him; that Joseph Stalin was not only the leader of the Soviet Union "but also our leader."

Both Banska Bystrica and Topolcianky were heavily guarded by soldiers and police.

Church Linked To Tito

In another speech at Podbrezove, Slovakia, Rudolf Slansky, secretary general of the Czechoslovak Communist party, charged that the "reactionary church hierarchy" and Marshal Tito were in league with the "western warmongers."

"But," he added, "the forces of democracy, led by the Soviet Union, are in the majority now. The western warmongers cannot be helped either by Tito or the high church dignitaries because our people know that the hierarchy is not interested in religion but only in their financial assets.

"We will not tolerate interference in our country's internal affairs—either from the Vatican or Anglo-American agents.

CZECH SCORES FOREIGN ROLE

Gottwald Charges Slovaks Are Goaded By 'Reactionaries'

Banska Bystrica, Czechoslovakia, Aug. 27 (AP)—Klement Gottwald, Communist president, charged today that foreign reactionaries were stirring up Slovak Catholics against his government.

He asserted the nation's home-grown reactionaries had been "driven into their holes and to the devil" before they were re-invigorated from abroad by a shameful abuse of "the feelings of the sincere Slovak faithful."

Gottwald spoke briefly at the small town of Topolcianky in Slovakia as he began a tour in the three-day celebration of the fifth anniversary of the Slovak uprising against the Nazis. He is to make a major address at Zvolen tomorrow.

Loyalty To Russia Affirmed

His tour is in the strongly Catholic province where the nation's church-state conflict has been the most heated. Slovak Catholic villagers in several communities have fought Communist police in recent weeks to protect their priests.

The three-day celebration was opened formally at Banska Bystrica with an address by Oldrich John, speaker of parliament, who declared "we shall remain loyal forever to Soviet Russia" and asserted

Casualties Heavy In Greek Fighting

ATHENS, Aug. 27 (AP).—Fighting in the Grammos Mountain region raged on today, with a heavy casualty toll reported on both sides.

Driving against the last rebel redoubt, Greek forces captured the important height of Kouria, about two miles west of Slimmitsa, a Greek communique said.

The report said the entire area east of the springs of the Uliakmon and Sarantaporos rivers had been occupied.

The communique placed army losses at 45 dead and 349 wounded —the rebels' at 263 killed and 48 captured.

Communist stronghold in northern Greece. The Greek Army offensive to drive the rebels out began three days ago.

A bitter battle raged for Flambouri Heights, 11 miles west of Nestorion, where elements of two guerrilla regiments from Vitsi fought to keep open an escape route through the Baroukas River Valley.

Hard Fighting On Border

The 9th Greek Division, which faltered in an attempt to close the Vitsi sack two weeks ago and let the 103d and 105th Communist regiments escape into Albania at Kroustalopiyi, was being opposed by the same two regiments today.

Fighting hard on the border among 6,000-foot peaks, the 9th Division had made sensational progress to close the sole escape route from the eastern Grammos. It captured 6,300-foot Porta Osman Peak and was moving down hill toward the valley. The other side was held by the Communist veterans of Vitsi.

The Greek units fought their way onto the southern end of Flambouri mountain following heavy artillery shelling and divebombing by Greek-manned United States Navy Helldivers.

Greek Officers Optimistic

Southeast of Flambouri on the banks of the Sarandaporos River the Greek 15th Division was checked by three guerrilla brigades and another battalion which also had escaped from Vitsi. A rebel brigade normally numbers 600 to 800 men, a battalion 250.

To the southwest, on the front north of Konitsa, strong Greek detachments were known to be scattered along the main routes of a guerrilla retreat in the vicinity of Pyrosonyanni, Vourbiani, Kantizkon and Zerma. But it was not known whether these forces were strong enough to stop a withdrawal.

Greek officers were optimistic concerning the possibility of closing the Baroukas River line of retreat. An authoritative military source said if this route is closed the entire guerrilla force in the eastern Grammos, including the large units facing the 15th Division would be forced to make a long detour to the west, then to the south while under air attack.

Americans Praise Pilots

During the day the steady drone of attacking Helldivers and Spitfires could be heard along the front. American observers praised the briefly trained Greek pilots for their handling of the navy's Helldivers.

The Greek general staff said continuous and systematic aid was being given the rebels by Albania. It said four regiments formerly at Vitsi had moved into the Grammos area by way of Albania.

The Greek Army suffered casualties from artillery and infantry fire from Albania while capturing two heights, the general staff added. It said United Nations observers had confirmed these violations of Greece's border.

Greek Insurgents Battling For Escape Line Into Albania

L.S. CHAKALES

With the Greek Army on the Grammos Front, Aug. 27 (AP)—Guerrilla troops but recently escaped from the collapsed Vitsi redoubt joined the mounting battle today to keep open a line of retreat into Albania from the Grammos Mountains.

The Grammos area is the last

17,000 Greeks Sent To Siberia by Reds

ATHENS, Aug. 27 (AP).—A Greek Foreign Ministry spokesman said today about 17,000 Greeks were removed by Russia recently from the Caucasus to Siberia and are held under appalling conditions.

He charged also that they were paid ridiculously low compensation for properties they left behind.

Ark Hunters At Mt. Ararat

Dogubayazidi, Turkey, Aug. 27 (AP)—An American expedition to find Noah's Ark arrived here last night beneath the towering height of Mount Ararat.

The party is expected to set out on its quest within the next 24 hours.

Local political and military leaders welcomed the Americans as they arrived with full authority to explore this highly militarized area on the Turkish-Russian frontier.

The party is headed by Dr. Aaron J. Smith, of Greensboro, N.C. It was accompanied by State officials and newsmen on the journey from Erzurum.

The Russians have charged that the expedition is really a spying operation directed against the Soviets.

30.24- 5287

Briton Assails Gen. Bradley At Soviet Peace Forum

Moscow, Aug. 27 (AP)—Prof. J. D. Bernal, British physicist, told the Soviet Conference of Peace Proponents today that Gen. Omar N. Bradley openly declares Americans are planning to bomb Russian cities. Such talk, Bernal added, is disgusting.

[Bernal was among several British left-wingers who were denied visas by the American State Department when they sought to attend a Communist-led peace conference in New York last spring.]

Bernal said science is being put almost exclusively to use in war preparations under capitalism in the Western countries. He contended a group he called Anglo-American imperialists is planning mass destruction of millions of peaceful people.

Red Army Hailed

The professor contended it was not mass bombing of cities that won the war, but rather heroic efforts of the Soviet Army. And, he said, it was not the atom bomb that forced Japan to surrender, but Japan's knowledge of the overwhelming strength of the U.S.S.R.

[Russia went to war against Japan a few days before the surrender, after the atom bombs were dropped on Hiroshima and Nagasaki.]

Bernal hailed Prime Minister Stalin as the "great leader and defender of peace and science" and was heartily applauded.

[The attack on General Bradley spread also in Berlin's Soviet-controlled press and in caricatures posted in the German city overnight. He was pictured there as a warmonger.

Pope Is Assailed

[Postcard-size caricatures were plastered in the Western sectors of Berlin, showing Bradley posed Napoleon-style with hand in tunic viewing an array of bombs labeled England, France, Germany and other western European countries. The caption: "I know no nations any more, I only know cannon fodder."]

Pope Pius XII was another figure under attack at the Soviet conference. A Russian Orthodox Church dignitary said the Pope is anti-Christian, "the agent of American imperialism" and "an ardent enemy of the U.S.S.R."

Russia to Send Wheat to Bulgaria

SOFIA, Bulgaria, Aug. 27 (AP).—The Bulgarian Government press department said tonight Russia will supply this country 160,000 tons of wheat to offset a poor domestic crop.

Premier Vassil Kolarov thanked Prime Minister Joseph Stalin in a letter.

A hundred thousand tons are scheduled for delivery this year and the rest in 1950, the announcement said.

Australian Reported Captured By Burmese

Rangoon, Burma, Aug. 27 (AP)—It was officially reported here today that Burmese rebels have captured Capt. Ken Beggs, of Sydney, Australia, after his Government-chartered plane made a forced landing in central Burma near Taungdwingyi.

Late dispatches said the rebels have taken Beggs to their headquarters at Prome, 160 miles north of Rangoon.

Nationalists Cite Recapture Of 3 China Towns

SPENCER MOOSA

Canton, Aug. 27 (AP)—The Nationalists have counterattacked and recaptured three key towns just outside the Kwangtung province border in an arc 140 miles northeast of Canton, private reports said tonight.

[The Communist radio claimed meanwhile that the Red Army had captured Lanchow, capital of Kansu province, in China's far northwest. It said the city fell yesterday.]

The three towns reported retaken by the Nationalists in south western Kiangsi province are Kiennan, Lungnan and Tingnan. They had been designated by one-eyed Red Gen. Liu Po-chang as springboards for a drive on Kukong, 125 miles north of Canton.

New Red Gains

Kukong is on the Canton-Hankow railway. Its capture by the Reds would cut off the Nationalist Central China defense bastion of Hengyang, 265 miles north of Canton, in Hunan province.

Red forces farther north of Hengyang have returned to the offensive after being shoved back by the Nationalists and have made new gains, the Defense Ministry admitted.

The Ministry said the Manchurian veterans of Red Gen. Lin Piao have recaptured Anhwa, 90 miles west of Changsha on a sector of the front more than 370 miles north of this refugee capital.

Nationalist troops at that northwestern outpost retired, and fighting still is in progress in Anhwa's southern suburbs, the Ministry reported.

There was no news from the front closest to Canton. That is on the northeast where the Reds are 140 miles or less away.

ROMULO OFF FOR U. S. WITH A PACIFIC PLAN

MANILA, Aug. 27 (AP)—Brig. Gen. Carlos P. Romulo left by air today for the United States with a blueprint of a Pacific union.

For the past month the Philippine Ambassador to the United Nations has been marking out areas of minimum agreement that might bring together the diverse interests of Asian nations in a Pacific counterpart of the Atlantic pact.

In returning to Lake Success, General Romulo expects to work there to bring the Governments of Southeast Asia into agreement on the pact. He will concentrate on harmonizing his union plans with the United States State Department's new Far East policy as it develops.

He does not look for a meeting of the interested nations until December or January. By that time General Romulo may have the prestige of the presidency of the United Nations General Assembly

China Raises Philippine Mission

MANILA, Sunday, Aug. 28 (AP)—China today raised the Legation in Manila to the status of an Embassy. Chen Chih-peng presented his credentials as Ambassador to President Elpidio Quirino at the summer capital at Baguio.

Truman Invited to Philippines

MANILA, Aug. 27 (AP).—President Elpidio Quirino, during his recent visit to Washington, extended to President Truman an informal invitation to visit the Philippines, his office said today.

Idea For Canada Bears Little Fruit

Ottawa, Aug. 27 (AP)—A California congressman's idea of making more Marshall-aid dollars avaliable to Canada so that the Dominion could buy more California fruit was received with little enthusiasm by the trade department today.

"Basically, the idea is sound," said one official, "but California fruit is not Canada's urgent need. We would like to use the money to buy other things in the United States."

Florida normally is also a big supplier of fruit to Canada.

Britain Urges U.S. to Buy More Abroad

Seeks Way to Ease Economic Crisis as Capital Parley Opens

JOHN HIGHTOWER

WASHINGTON, Aug. 28 (AP).—Great Britain proposed today that the United States and Canada increase their purchases of foreign goods as a means of helping to ease the British economic crisis.

Authoritative informants said the British, for their part, pledged an attempt to cut production costs and take other measures designed to increase British exports to the United States and Canada.

'SITUATION PAPER'

The broad outlines of the British position were set forth in a "situation paper" as the three countries opened preliminary discussions on Britain's financial dilemma.

American officials regard the British plight as a serious threat to the power of the West in the cold war.

Presentation of the "situation paper" as a suggested basis for joint action was described as the first major business of the preliminary talks.

Informants said the British paper suggested that the United States and Canada, particularly this country, should engage in a long-term effort to increase purchases of foreign goods — which would have the result of increasing Britain's dollar income through regular commercial channels.

URGE FOREIGN INVESTMENT

The United States also was urged to undertake more capital investments abroad, which would have an additional effect of putting dollars to work in other countries with eventual benefits to Britain.

In addition to saying they would seek to cut production costs and take other measures to increase their exports to the United States and Canada, the British also propose to continue the programs of curtailing sharply the purchases of goods for which they must pay in dollars. This is a means of conserving their gold and dollar reserves.

The British paper was reported to have described in detail the growth of the international trading system which made Britain a great world power and the destructive effects of two world wars, which partially destroyed that system and much of Britain's economic strength.

AGREE IN PRINCIPLE

The British agreed in principle with American aims of restoring this trade system, but argued that under present-day conditions, in which great periods of depression involving widespread unemployment are no longer acceptable, the process of restoration would be slow and difficult.

The immediate objective of the talks, which are expected to result in important decisions next month, is to try to check the drain on Britain's gold and dollar reserves to keep them from falling below $1,000,000,000. The target date for this achievement is Jan. 1.

OFFICIALS CONFIDENT

British and American officials alike appeared fairly confident that this first goal of saving Britain from a kind of national bankruptcy would be accomplished. American authorities said that the British, by ordering cutbacks in their spending of dollars, already had taken one important step.

There is a good deal less confidence that the long-range British economic problem can be solved in a fashion agreeable to both Governments.

MORE SALES NEEDED

Top officials on both sides say that the essence of the solution, over a long pull, was for Britain to sell a lot more goods in the United States. Yet there is no certainty that this can be brought about.

As a result, some British authorities are reported thinking of proposing the creation of a tightly-knit and largely self-sufficient "sterling bloc." This would mean the division of the world economy into three areas—Russian, British and American. State Department officials fear that such a move would tend to break down Western political cooperation and split Western unity in the cold war.

WEBB TAKES CHAIR

The first round of negotiations opened today in the State Department building, located in an area of Washington which old residents call "Foggy Bottom."

Undersecretary of State James E. Webb, chief of the American delegation, was chosen chairman for the preliminary talks, which will continue for about 10 days.

The British group was headed by Sir Henry Wilson Smith, Second Secretary of the British Treasury, and the Canadian negotiators by Norman Robertson, Secretary of the Canadian Cabinet.

In their first session, lasting an hour and a half, participants said they cleared away some details of procedure and prepared for Smith to outline the nature of Britain's crisis.

The Webb-Smith-Robertson talks are designed to produce agreement among all three delegations on the basic facts of Britain's economic situation—a tremendously detailed and complicated matter, since Britain's financial well-being is intimately re-

lated to the economics of Asia, Africa and other parts of the world.

The second round of talks at the so-called "ministerial-level" will be held beginning Sept. 7. Then the men who have the power to make decisions will begin trying to work out some concrete measures.

Those men are Secretary of the Treasury John W. Snyder and Secretary of State Dean Acheson; British Foreign Minister Ernest A. Bevin and Chancellor of the Exchequer Sir Stafford Cripps, and Canadian Foreign Minister Lester B. Pearson.

departments and agencies of the Government."

The task of the negotiators will be to determine the basic facts of Britain's economic plight in preparation for the Cabinet-level talks.

Snyder To Take Part

The Cabinet conference will bring together Secretary of the Treasury Snyder and Secretary of State Acheson with Britain's Foreign Minister Bevin and Chancellor of the Exchequer Sir Stafford Cripps. Canada's delegates will be led by Minister for External Affairs

Talks On British-Dollar Crisis Open In D.C.

JOHN HIGHTOWER

Washington, Aug. 27 (AP) — The United States, Britain and Canada opened preliminary talks on Britain's economic crisis today.

The conferences at the State Department will continue about ten days. Then full-scale negotiations among the three governments will be opened.

Officials and technical experts of the three countries met in a fifth-floor conference room at the State Department with Under Secretary of State Webb presiding.

Smith Heads British

Sir Henry Wilson Smith, Second Secretary of the British Treasury, headed the British group, and Norman Robertson, Secretary of the Canadian Cabinet, the Canadian mission.

The State Department issued an announcement which said:

"Technical and fact-finding discussions concerning the dollar-earning problem opened today between representatives of the United States, the United Kingdom and Canada at the Department of State. These discussions will be followed by a conference at the ministerial level opening on September 7.

ECA Represented

"Mr. James E. Webb, Under Secretary of State, will head the United States delegation during the preliminary discussions. Mr. Willard L. Thorp, Assistant Secretary of State for Economic Affairs; Mr. William McChesney Martin, Jr., Assistant Secretary of the Treasury, and Mr. Richard M. Bissell, Jr., assistant deputy administrator of the Economic Co-operation Administration, are other members of the United States delegation. They will be assisted by advisers from other

Lester B. Pearson.

Responsible American informants say it now appears certain that no single set of solutions will be found in the September meetings, but that further negotiations will have to be held to work out long-term arrangements.

"Definitely Hopeful"

A memorandum issued by the State and Treasury departments said:

"The United States Government is definitely hopeful that beneficial conclusions may be reached. It cannot, of course, forecast in any way the results of the conference."

The United States is reported ready to consider sympathetically any proposals Britain may make for long-range American action.

the Atlantic Alliance, although Gen. Omar N. Bradley told Senate committees yesterday that such a cut would be false economy.

Most of the money that the Michigan Senator wants to take out of the program is intended to stimulate arms production in Atlantic Pact countries. He is backing an amendment jointly with Senator John Foster Dulles (R., N. Y.).

Bradley, chairman of the Joint Chiefs of Staff of the U. S. armed services, contends the $155,000,000 Mr. Truman asked for this purpose would enable pact members to retool existing factories and produce more than $700,000,000 of arms.

ARGUE FOR DELAY

Vandenberg and his supporters argue, however, that increasing Western European arms production should await recommendations to be made by the Defense Council contemplated under the Atlantic Alliance.

They are reported to feel also that helping France to increase its arms-making would be resented in Western Germany, where the occupying powers have dismantled many industrial plants.

Vandenberg intends to present his arguments next week to the combined Senate Committees on Foreign Relations and Armed Services, which are preparing the arms aid bill for Senate consideration. It has passed the House, which voted to cut funds for Western Europe exactly in half.

Knowland promised a "full-scale review of our policy in the Pacific" when the program reaches the Senate floor.

BALKS AT COMPRIMISE

The Californian said he would not be satisfied by a reported compromise

Acheson, who has written off China's Nationalist Government as a failure, told Congress recently that the Administration did not feel justified in asking arms for China.

WOULD ASK $210,640,000

Knowland's latest proposal would authorize the President to spend $210,640,000 at his discretion for military assistance to non-Communist China, Korea, the Philippines and elsewhere in the Far East.

Knowland and Senator Walter F. George (D., Ga.) agreed that $1,000,000,000—the amount favored by Senator Vandenberg—is the most the Administration can hope to obtain from the Senate for arms aid to Atlantic Pact countries.

The Californian said this is the "top limit" and George said he would like to limit the entire program to between $700,000,000 and $800,000,000 in carsh, plus $450,000,000 in excess arms.

divided equally between cash and contract authority, has been offered by Senators Vandenberg (R., Mich.) and Dulles (R., N.Y.)

George, a member of the Foreign Relations group, said he personally would like to limit the entire program to between $700,000,000 and $800,000,000 in cash, plus $450,000,000, in "excess" arms. But he conceded Vandenberg's plan has the better chance in the combined committes.

"What the American people don't realize," George said "is that the Administration program amounts to nearly $2,000,000,000 when one considers the cash and excess arms."

Meantime, Senator Knowland (R., Cal.) disclosed that he has drafted a new amendment designed to give aid to the beleaguered Far Eastern nation which has already been partially overrun by Chinese Communists.

Knowland, who originally proposed to cut China in for $175,000,-

were made which will send the bill back to the House.

Today's action did not, however, restore an $800,000,000 slash in the Air Force's appropriation voted yesterday by the Senate.

The bill instead merely provided authority for the military to buy—when Congress agrees to put up the money—all aircraft deemed necessary to bring the air arm up to the 70-group level.

Senate Alters Sections

How soon this goal might be reached was something only Congress can answer since funds for expansion must come from the Air Force's annual appropriation. The House voted funds this year to build and operate 58 groups but this was upset yesterday when the Senate slashed the budget to permit only 48.

President Truman originally asked 48 but congressional air power advocates fought hard to raise it.

In granting approval to map plans for the 70-group Air Force, the Senate struck out two House-approved sections and altered others. It deleted certain language defining just what the 70 groups were to consist of.

From 33,500 To 30,600

The Senate's version also cancelled authority in the House bill for both the Army and Air Forces to develop and buy guided missiles. Just which branch will be in charge of this, the Senate apparently left up to Louis A. Johnson, Defense Secretary.

The Senate retained the House-approved authority for "24,000 serviceable aircraft or 224,000 airframe tons aggregate."

The Senate made reductions in the House bill's authorization for future officer manpower of the Air Forces and Army. Actual expansion to the limits finally agreed upon will be controlled by future appropriations.

The House authorized 33,500 regular Army officers on active duty. The Senate cut it to 30,600.

For Fewer Officers

The House approved 27,500 active regular Air Force officers. The Senate would hold it to 22,400.

For the organized reserves, the House authorized 896,000 officers, warrant officers and enlisted persons. The Senate dropped this and specified "such personnel strength as is necessary to form the basis for" immediate mobilization in an emergency.

The Senate used the same term in striking out the 500,000 air force reserve strength written into the House bill.

The Senate refused the Air Force authority to use its funds for development, design or procurement of transport or cargo planes intended primarily for commercial use.

Vandenberg, Knowland Spur Fight on Arms Bill

WASHINGTON, Aug. 27 (AP).—Two Republican Senators—Arthur H. Vandenberg of Michigan and William F. Knowland of California—maintained presure today for major changes in President Truman's $1,450,000,000 arms aid program.

A Senate committee showdown is due shortly on the issues. These involve: (1) whether to cut the Western Europe aid figure, and (2) whether to write China into the bill.

VANDENBERG INSISTENT

Vandenberg refused to drop his demand that Congress make a $160,990,000 slash in proposed military assistance for European members of

proposal that some money for non-Communist China—but no requirement that it spent for arms — be added to the bill.

"I'm going to insist that China be treated on the same basis as other nations in this bill," Knowland declared. "We have neglected our Asiatic flank long enough."

The bill carries nothing for China at present. Secretary of State Dean

Billion Arms Aid Is Held 'All There's Hope For'

Washington, Aug. 27 (AP)—Senator George (D., Ga.) said today that $1,000,000,000 is the most the Administration can hope for from the Senate in arms aid for Atlantic-pact nations.

He said the sum would be split between cash and contract authority. "And they won't get that," he predicted, "until after a long debate, if at all."

President Truman has asked $1,450,000,000 for the arms program, including $1,160,990,000 for the Atlantic-pact nations.

Bitter Struggle Ahead

The House slashed the $1,160,990,000 in half, but left unchanged the proposed $211,370,000 for continued military assistance to Greece and Turkey, and $27,640,000 for Iran, Korea and the Philippines.

The combined Senate Foreign Relations and Armed Services committees start their second week of arms-aid discussion Monday. But a bitter struggle over (a) the size of the program and (b) demands that it include aid for China may prevent final action until Tuesday or Wednesday

Bows To Vandenberg Plan

An amendment to cut the pact nations to an even $1,000,000,000,

000, now would authorize the President to furnish $210,640,000 in military assistance to non-Communist China, Korea and the Philippines. That proposal seemed likely to produce a battle.

Senator Ellender (D., La.) disclosed that he will vote against an arms program on the floor "if the Administration forces the issue now, without giving full information on Europe's overall needs."

CONGRESS BACKS LARGER AIR FORCE

How Soon It Will Be Built Remains Unanswered

Washington, Aug. 27 (AP)—Congress today approved plans for an ultimate vast expansion of the Air Force—but how soon the record peace-time air fleet will be built remained unanswered.

The Senate by unanimous consent passed the so-called 70-group Air Force bill which previously was approved by the House. Changes

30.24- 5289

Senate Approves Bigger Air Force Without Dissent

WASHINGTON, Aug 27 (AP).—Authority for a big expansion of the Air Force won Senate approval by unanimous consent today after brief discussion.

It passed the 70-group Air Force bill previously approved by the House after striking out a section that spelled out the 70 combat groups and other units.

FUNDS STILL LACKING

Retained in the bill, however, was the House-approved authority for "24,000 serviceable aircraft or 224,000 airframe tons aggregate."

This would authorize the Air Force to buy—if Congress provides funds later—all the airplanes regarded as necessary for an expansion to 70 groups.

Senators said the House language spelling out the 70 groups, 22 separate squadrons and 61 Air Reserve groups was meaningless because a group or squadron varies widely.

GUIDED MISSILES CURBED

This authorization bill deals with the size and composition of the various branches of the armed services. It has no direct connection with the House-approved military appropriations bill now under consideration by the Senate. The authorization measure can be carried out only so far as funds are provided in the money bill.

The Senate also struck from the House-passed bill authority for both the Army and Air Forces to develop and buy guided missiles.

These are the pushbutton type, long-range weapons of the future wars of which the German buzz bombs and rockets were a forerunner toward the end of the Second World War.

The Senate action apparently would leave up to the Secretary of Defense an undercover dispute among the Air Force, Navy and Army as to which arm should handle guided missiles.

The Senate bill must go back to the House for action on numerous changes. These probably will be adjusted by a Senate-House conference committee.

CONTROLLED BY FUNDS

Both the House bill and the Senate version fix the size and composition of both the Air Force and the Army for the futufre.

Actual expansion to these limits will be controlled by the funds allowed by Congress in annual appropriations. This year the House allowed funds to expand the Air Force to 58 groups but the Senate cut this total back to 48 groups in the military money bill now being debated in the Senate.

The Senate bill trimmed maximum authorized officer strength for both the Army and Air Force.

The House had autherized 33,500 regular officers on active duty for the Army. The Senate reduced this to 30,600.

For the Air Force the House authorized 27,500 active regular officers. The Senate bill held this to 22,400.

SENATE USES BROAD TERM

The House had authorized 936,000 officers, warrant officers and enlisted persons for the Organized Reserve Corps but the Senate struck this out in favor of "such personnel strength as is necessary to form the basis for complete and immediate mobilization for national defense in the event of a national emergency."

The Senate used the same broad term for the Air Force Reserve instead of the 500,000 limit put in by the House.

Finally, the Senate bill denied authority to use Air Force funds for development, design or procurement of transport or cargo aircraft intended primarily for commercial use. Some members of Congress have been urging that the Air Force meet costs of developing prototype commercil aricraft which would be used in case of war.

Truman Picks 3 For Defense Posts

WASHINGTON, Aug. 27 (AP).—President Truman today nominated Paul H. Griffith, Mark Leva and Wilfred J. McNeil to be Assistant Secretaries of Defense. He sent their names to the Senate for confirmation.

Griffith, like Secretary of Defense Louis Johnson, is a past commander of the American Legion. He has been personal assistant to Johnson since last March, when Johnson took office. A native of Uniontown, Pa., Griffith is 52 and a veteran of both World Wars.

McNeil, 48, is a native of Boone, Iowa. In his new post he is expected to serve as comptroller with responsibility for budget and fiscal matters. He was a rear admiral in the Supply Corps of the Naval Reserve during the Second World War.

Leva, 34, is a native of Selma, Ala. As assistant secretary he is expected to handle legal matters and serve as counsel. Leva served in the Navy in the Second World War.

U.S. GOT JAP WAR WARNING

State Department Bares Tips As Early As 1933

Washington, Aug. 27 (AP)—Warnings of war with Japan began reaching the State Department as early as 1933. This was discolsed today in secret papers made public by the State Department.

The warnings came from a variety of sources as Japan pushed her far eastern conquest. Looking back, they may appear today to have more significance than they did at the time—qualified observers also were sending in speculation that the outcome might be a war by Japan with Russia rather than with America.

The Japanese attack on Pearl Harbor and Manila was eight years away.

The volume, one of a series on foreign relations, covers the 1933 period of the far eastern crisis taking in Japan's conquests in Manchuria.

U.S. Fought Sanctions

Britain, France and other countries were trying, the record shows, to work out through the League of Nations some way to check Japanese expansion. The United States in the closing days of the Hoover Administration, while following a policy of nonrecognition of Japan's puppet state, Manchukuo, held a firm position against using economic sanctions to stop the Tokyo empire builders.

After the Roosevelt Administration began on March 4, 1933, the State Department advised the British Embassy on March 11 that Congress would be asked to authorize embargoes on belligerent states. But it also declared that it saw no useful purpose to be served then by embargoing arms shipments to both Japan and China.

On February 7, an American Embassy official in Paris reported that, in the opinion of a French diplomat, Japan had been preparing for war. He felt she intended to possess the chain of islands along the Asiatic coast, including the Philippines, "so as to make her complete mistress of the Asiatic continent." The diplomat saw in this a sign that Japanese preparations for war were aimed directly at the United States.

Grew Gave Warning

The United States Embassy official added that a well-known French naval expert had suggested that while American naval strength in the Far East was necessary, Japan's "great adversary" was Russia because Japan was aiming at expansion on the Asiatic continent.

On March 9, 1933, Joseph C. Grew, the United States Ambassador at Tokyo, sent the State Department lengthy intelligence from a "reliable Soviet source" reporting among other things that the Japanese were fortifying Bonin Islands in the western Pacific, and also the Japanese mandated islands, and that this work "is directed against the United States."

On March 17, Theodore Marriner, ranking diplomat in the American Embassy at Paris, quoted a "French authority" as saying that the French general staff "expects Japan to pursue a policy of expansion in the Pacific, and that country may not stop short of an attempt to take the Philippines."

At the same time the French general staff rated Japan as low in military power.

TRIAL HELD SET FOR SCIENTIST

Perjury Data Got By Former Agents, Spy Prober Says

Washington, Aug. 27 (AP)—House investigators say three former Federal agents may supply a perjury case against the "Scientist X" accused of giving atomic secrets to a Communist.

The three, an authority of the House Un-American Activities Committee said, will swear they saw Scientist X and a Communist leader, Steve Nelson, in a wartime conference in Nelson's home.

"That means," this authority said, "that so far as the Nelson-Scientist X case is concerned it is all locked up on the perjury issues."

The committee has said that the scientist denied knowing Nelson.

The committee informant declined to be identified.

The scientist worked at the radiation laboratory of the University of California at Berkeley, which handled part of the atom-bomb project.

Accused In Committee Report

The committee has said in an official report that in March, 1943, the scientist gave Nelson a complicated atomic formula. It called Nelson a Communist espionage agent and described meetings he held with Russian diplomatic officials at which it said documents and money changed hands. The scientist has never been named by the committee.

The committee informant said that the three former agents perched in a tree for an hour one night and watched the scientist and Nelson through a window of Nelson's home.

He said he didn't know whether they listened in on the conversation.

The three already have been questioned secretly in a preliminary to possible public hearings.

Fourth Former Agent

Representative Velde (R., Ill.), a committee member, who is pushing a campaign to wind up the Scientist X case, quizzed one of the prospective witnesses last Sunday. This witness is understood to have tipped Velde as to the other two.

Velde himself is a former FBI agent, who worked for a time on the Scientist X case.

Nelson, a naturalized Yugoslav, is now Communist party organizer for western Pennsylvania, with headquarters in Pittsburgh. Early in the war, he had a similar job in Alameda County, Cal., which includes Berkeley.

The committee has said a Communist cell operated at the radiation laboratory at Berkeley.

Vaughan's Bank Account Being Investigated

Washington, Aug. 27 (AP)—Senator Hoey (D., N.C.) said today any adverse testimony regarding Government officials in the five-percenter inquiry will go to their superiors—except in the case of Maj. Gen. Harry H. Vaughan.

Hoey so declared after disclosing that "in a measure" Senate investigators are looking into the bank accounts of Vaughan, who is Mr. Truman's military aide.

A special subcommittee headed by Hoey is checking on whether improper influence has figured in the handling of Government business. Vaughan is scheduled to testify when the public hearings are resumed next Tuesday. His name has come up at the inquiry nearly ever day.

Maragon Evidence

Hoey said the committee plans to turn over to the Justice Department evidence it has gathered about the affairs of John Maragon. Maragon was silent yesterday when the committee sought to question him.

Included is testimony by a committee investigator that Maragon made deposits of $119,608.61 in checking accounts over a five-year period. Maragon previously had sworn at a hearing behind closed doors that his income over the same period totaled only around $30,000.

"Case Of Perjury"

Senator Mundt (R., S.D.) called it "a clear cut case of perjury." But Maragon asserted his constitutional rights at yesterday's session and refused to discuss the matter.

Hoey said that in addition to the Maragon evidence, testimony regarding any Government officials whose names have cropped up at the inquiry will be turned over to the departments concerned.

Asked whether that meant the testimony dealing with Vaughan would be laid before Mr. Truman, Hoey said the committee won't take

the initiative in that case.

"We won't send it unless the President should ask for it," he replied. "That's a different matter. It is the President's prerogative to ask for it if he wants it."

Vaughan Accounts

As for Vaughan's bank accounts, Hoey was asked last night whether the committee was looking into those as it did Maragon's.

"We have in a measure," he said, without explaining just how far the investigation has gone. He said it depends in part on what may seem necessary after Vaughan testifies Tuesday.

Hoey gave the same reply—"in a measure"—when he was asked whether the investigators have taken a look at the bank accounts and expenses of James V. Hunt, Washington management counselor who is a key figure in the inquiry.

Hoey also was asked whether there was an implication that Maragon had perjured himself.

"It would look very much like that," he said.

Many Friends

Hoey was questioned on whether the committee has any evidence "as to why General Vaughan mixed himself up in all these things and what he got out of it."

Hoey said he thinks that is explained by Vaughan's disposition. He said:

"General Vaughan has a good many friends; he as anxious to please his friends. He seems susceptible to appeals for help from his friends and he is not averse to exercising some authority."

Calls Newspapers

Maragon, who had little to say on the witness stand, called newspaper offices last night to take exception to some of the things said about him by other witnesses.

Dr. Henry F. Grady, for example, sent the committee a memorandum saying that when he headed an American mission to Greece he sent Maragon home three days after he arrived in Athens.

"Even if I had not received instructions to send him back to Washington, I would have done so because he was making himself a nuisance," said Grady.

"Memory Failed"

Said Maragon several hours after the Grady memo was read at the hearing: "Dr. Grady's memory has failed him badly."

Maragon also was willing later to say something about a push in the face which Col. William L. Lee has said he gave Maragon in Rome in 1945. Shortly after that episode, Lee, now stationed at March Airbase in California, lost his brigadier general rank and was reprimanded and sent back to the United States. Lee said earlier this week the reduction in rank and the face-pushing incident coming so close together may have been just a coincidence.

At any rate, Maragon commented: "Certainly I made no complaint against General Lee."

Marchers Assail Medina In Slogans

AUG 27 1949

New York, Aug. 27 (AP)—A slowly moving, sometimes-noisy line of marchers has become almost a regular fixture outside the Federal Courthouse where eleven top Communist leaders are on trial.

The marchers don't like the trial and want it stopped.

They staged one of their loudest and bitterest demonstrations yesterday, one day after Federal Judge Harold R. Medina had denounced attempts to pressure the court.

About 100 men and women, most of them young, were in the line that moved back and forth. They carried signs, and chanted and sang their protests.

Some Of Slogans

While a score of police watched silently, the pickets yelled such slogans as:

"Hey, Medina, why the delay! Grant a mistrial today!"

"Come on, Medina, get on the ball, free Winston, Green and Hall."

Defendants Henry Winston, Gus Hall and Gilbert Green are held in jail, on contempt sentences, except when the trial is in session.

The pickets varied their routine with these chants:

"How do you spell Medina? R-A-T."

"How do you spell Medina? K-K-K."

They carried signs reading:

"Give the Communist party leaders the right to present their case freely."

"Hitler jailed the Communists. America must not."

"Medina subverts justice."

"Don't gag the defenders of peace and freedom."

They also sang a song entitled: "If Medina's in the Way, We're Going to Roll Right Over Him."

Janney One Target

Chants of the pickets also referred to futile efforts of defense attorneys to win a mistrial on the basis of the charge that one juror, Writer-Producer Russell Janney, had shown prejudice against the defendants.

The pickets shouted at intervals: "Jail Juror Janney—free the three" and "Throw Juror Janney in the jug."

Medina on Thursday had declared he would "not be intimidated by picketing or pressure of any sort."

A late witness at the trial yesterday was Max Weiss, 28, of Chicago, the Communist party's regional co-ordinator in the mid-West, and former head of the Young Communist League.

He said the party had never advocated force or violence to overthrow the Government.

The eleven defendants are charged with conspiring to advocate such steps.

The trial is in recess until Monday.

LEGION PARLEY SET THIS WEEK

31st National Convention To Hear Truman Tomorrow

Philadelphia, Aug. 27 (AP)—The American Legion opens its thirty-first national convention here Monday in the midst of bitter congressional dispute over arms for Europe.

President Truman, Missouri's most eminent legionnaire, will address the convention at 3 P.M. Monday. Louis A. Johnson, Secretary of Defense, will make two speeches Wednesday.

Spirited pleas for Legion support of the full Truman aid program are anticipated both from the President and the Defense Secretary. Some congressional leaders are leading a drive to lop nearly half a billion dollars from the measure.

Resolutions supporting the President's program will be presented to the convention.

China Arms Demand Seen

In addition, there is likely to be a heated demand for arms for China and other parts of the Orient threatened by Communist armies.

But the 6,000 legionnaires who'll be here for the convention aren't coming just to talk and listen to speeches. There will be plenty of opportunity for the traditional Legion convention funmaking.

The always-colorful Legion parade is scheduled for Tuesday. Other business at the four-day conclave is at parade rest that day and the blue-capped veterans will take over the city.

More than 1,000,000 persons are expected to watch the fifteen-hour parade that will have 18,000 men and women stepping to the tunes of 100 musical organizations.

Election Slated Thursday

Election of a new national commander, to succeed Perry Brown, of Beaumont, Texas, is set for Thursday.

And it seems likely now that the Legion, for the first time, will choose a World War II veteran. Several state departments, including Pennsylvania, already have picked younger veterans for their state commanders.

Of the six announced candidates for the national post, four are veterans of the World War II. They are Earle Cocke, Jr., of Dawson, Ga., James F. Green, of Omaha, Neb.; Donald R. Wilson, of Clarksburg, W. Va., and George M. Craig, of Brazil, Ind.

The veterans of World War I in the race are Arthur J. Connell, of Middletown, Conn., and James F. Daniel, of Greenville, S. C.

50,000 Visitors Expected

Some 50,000 visitors are expected here in addition to the delegates. Hotels already are filling up and the convention overflow will spill into private homes and nearby cities.

Police are under orders to arrest any users of water pistols, electric canes and other trick devices, outlawed in a recent city ordinance. They've been favorite devices at some other conventions.

Meeting simultaneously with the Legion sessions at Convention Hall will be the women's auxiliary and the funmaking groups, "40 et 8" for men and "8 et 40" for women.

The "40 et 8," named after the 40 men and eight-horse capacity of French boxcars in World War I, will put on their own parade Monday night, rolling replicas of the well-remembered boxcars through the streets.

The funmakers will don their traditional brightly colored smocks and hats and maneuver through the streets in ancient model autos, cannon-firing battleships and other floats.

Headline contests for musical organizations are scheduled Monday night in huge Municipal Stadium. Others are slated Sunday and Monday afternoons.

Up for consideration by Legion committees will be more than 800 proposals from state departments. These will be discussed at committee meetings before submission to the convention.

Most of the convention action will be on foreign affairs. There also is likely to be another broadside leveled at Communists and fresh decisions on veterans' job preference and housing.

Two Arrive For Last G.A.R. Encampment; Four More Due

AUG 27 1949

Indianapolis, Aug. 27 (AP)—Two boys in blue, with memories of '65, came to Indianapolis today for a "final" encampment of the Grand Army of the Republic.

"Yes, this will be the last," said Theodore A. Penland, of Vancouver, Wash., G.A.R. commander-in-chief.

"The boys are getting so feeble," the Civil War veteran added a little sadly, "they've got to stay at home and take care of themselves."

The 100-year-old commander, veteran of the Army of the Potomac, was the first to arrive among the six expected for the meeting.

Wheelchairs Meet Trains

Wheelchairs were on hand to carry the commander and Albert Woolson, of Duluth, Minn., 102-year-old chief of staff, who arrived on another train ten minutes later this afternoon.

By agreement of the six veterans at the 1948 encampment in Grand Rapids, Mich., this is to be the G.A.R.'s last get-together. After next Wednesday night's "campfire" reminiscences, the Grand Army that once had 408,489 members will be a mere scattered handful of veterans.

Not everyone is sure that this actually will be the last meeting, though it is being proclaimed so on a special postage stamp.

Probably No Election

Charles L. Chappel, of Long Beach, Cal., told homefolks he'd "be proud to be the last commander." Unless another encampment is planned, Commander Penland made it clear there'll be no election of new officers here.

The 102-year-old Californian has advanced to the senior vice commander's post in the past year through the death of three other national officers. If he should outlive Penland, Chappel would become commander. He is expected to arrive here by plane tomorrow.

The Chamber of Commerce in Wilson, N.C., got behind Chappel's suggestion, inviting the G.A.R. to have one more "final" encampment there next year.

Poses With Two Girls

Though he was helped into his wheelchair by solicitous young National Guardsmen, Penland agreeably posed for a news photographer's picture with two pretty girls. He complained when he left Portland, Ore., three days ago that women were fussing over him too much.

Later, he and Woolson sat back in easy chairs and heard hill-billy songs sung by Roy Acuff, who brought part of his theater stage show to their hotel.

Woolson, a drummer boy at Chickamauga, arrived with his son, R. C. Woolson, Dayton (Wash.) druggist. Now partly deaf, the Duluth veteran let his son do the talking for him.

55 Recorded On Both Sides

The G.A.R. has records of only ten living members besides the six on their way to the last encampment. Miss Cora E. Gillis, G.A.R. secretary, said Federal pension records show only 23 Union veterans—in or out of the G.A.R.—surviving in seventeen states. State pension records show 32 surviving Confederate veterans, she said.

Because of sentiment attached to the final encampment, Miss Gillis said she expects the meeting to draw 3,000 to 4,000 delegates from the five auxiliary organizations.

Sessions open with a church service tomorrow morning, and some of the allied groups continue meeting through next Thursday.

30.24- 5291

6 Vets Expected At Last G.A.R. Encampment

Indianapolis, Aug. 27 (AP)—Indianapolis, scene of the first national encampment of the Grand Army of the Republic 82 years ago, today rolled out the welcome mat for the last gathering of Union veterans.

A half dozen of the surviving sixteen members of the G.A.R. are expected for the encampment, which begins officially tomorrow. Five affiliated groups with a membership of about 2,500 also are to meet, tomorrow through Wednesday.

Two of the Civil War veterans are coming by air. One of them, Charley Chappel, 102, of Long Beach Cal., senior vice commander, says he'll be "proud to be the last commander."

Other One From New York

The second is James A. Hard, 108, of Rochester, N.Y.

Hard has said he favors another encampment next year, but indicated he would not push the matter. The G.A.R. last year amended its rules and regulations to make the 1949 meeting at Indianapolis the last.

Theodore Penland, 100, of Portland, Ore., national commander in chief, is expected to arrive by special train later today. Albert Woolson, 102, of Duluth, Minn., also is due to arrive by train this afternoon.

For Joseph Clovese, 105, of Pontiac, Mich., the last encampment will be his first. Clovese, the only surviving Negro member, will arrive tomorrow by train.

Robert Barrett, 102, of Princeton, Ky., is coming by automobile. Clovese, Hard, Barrett and Chappel are expected tomorrow.

A special hospital room has been set up in a hotel at which the centenarians will stay. Described as a "precautionary measure," the facilities are provided by the Veterans Administration, officially responsible for the health of the aged soldiers.

Memorial services tomorrow afternoon will be the first session. The United States Marine Band will give a concert tomorrow night. Special ceremonites will be held Monday, opening the sale of the G.A.R. commemorative stamp.

On Tuesday the veterans will be permitted to rest. They will hold their last business session Wednesday. A "twilight parade" and a final campfire Wednesday night will conclude the encampment.

Matthews Flays Soviet at Oil Fete

TITUSVILLE, Pa., Aug. 27 (AP).—Western Civilization faces its greatest challenge from "godless, cynical, grasping materialistic Marxist Communism," Secretary of the Navy Francis P. Matthews declared today at the oil industry's 90th birthday celebration.

Matthews told a shirtsleeved crowd gathered around the world's first oil well that:

"The outcome of the new conflict of ideologies depends upon us. We can favorably resolve even that issue if we so desire and are ready to pay the price for so precious a victory."

'MUST NOT HESITATE'

"We must neither hesitate nor falter in our search for peace," he added, "no matter how long the road or rough the way. We have learned through the operations of the Truman Doctrine, the Marshall Plan that we can hold off aggression if we demonstrate firmness of purpose and adequate military strength to back up our foreign policy."

A crowd of some 3000 townsmen in this Western Pennsylvania oil center, oilmen from all parts of the country, and State officials saw the original well start pumping "black gold" again.

The well was drilled on Saturday, Aug. 27, 1859, by Col. Edwin L. Drake, a New England train conductor who turned oilman. The few barrels of petroleum produced that day founded an industry that has spread to 26 states. More than 31,000,000,000 barrels of crude have been produced since Drake brought in his well.

On the 90th anniversary of Drake's feat, his granddaughter, Mrs. Ross E. Carver, 66, of Nashua, N. H., pressed a button from the speakers' stand that started simulated reactivation of the original well.

CRUDE OIL PUT IN WELL

The 69½-foot-deep well has long since given up its store of petroleum but oil officials deposited several barrels of crude in the casing for today's reactiviation.

While spectators watched inside the tiny, unpainted, wooden engine house of the derrick, a slow flow of crude rose out of the well hole.

A flight of 60 naval fighter planes from Akron, O., and the Truculent Turtle, famed Navy distance flight airplane, swooped over the gathering in the Drake Memorial Park just outside Titusville.

At a luncheon session, Senator Andrew F. Schoeppel (R., Kas.) told guests "our standard of living and what we call our American way of life, is in a large degree built upon the availability of petroleum and its products. Unhampered by restrictive legislation, the oil men have shown over and over again that they can keep this Nation well supplied with all the products of petroleum that it needs."

Schoeppel said that despite World War II's tremendous drain, oil men have discovered so much new oil "that currently proven reserves are almost 28,000,000,000 barrels of liquid hydrocarbons."

Drake's well did not provide the first crude petroleum. It had been found elsewhere in Pennsylvania and New York in springs, wells and on stream surfaces. Early settlers used it for medicine and liniment.

Firing Of Test Rocket By Navy Is Canceled

White Sands, N.M., Aug. 27 (AP)—Firing of a navy Viking test rocket at White Sands Proving Ground has been canceled.

The shoot previously had been postponed from Tuesday until yesterday.

Capt. William A. Goring, of the naval unit, today said the test was canceled because of missile trouble. He said he would release no further information at this time.

Goring did not indicate when or if the shoot would take place.

AUG 27 1949

BRITISH
BY ARTHUR GAVSHON
LONDON, AUG. 27-(AP)-FOREIGN SECRETARY ERNEST BEVIN AND ECONOMICS BOSS SIR STAFFORD CRIPPS WILL GO THE WASHINGTON DOLLAR TALKS IN PERSONAL DISAGREEMENT OVER ONE OF BEVIN'S IDEAS, THEIR ASSOCIATES SAID TODAY.

PRIME MINISTER ATTLEE HAS CALLED THE BRITISH CABINET TO ALL-DAY TALKS MONDAY TO OKAY FORMALLY A POLICY WORKED OUT IN WEEKS OF BACKROOM DISCUSSION.

THE BEVIN-CRIPPS CLEAVAGE IS LIKELY TO BACKDROP THE CABINET CONFERENCE.

BEVIN, HIS ASSOCIATES SAY, HAS BEEN PLUMPING FOR WHAT HE CALLS A FILL-SCALE INTEGRATION OF THE DOLLAR AND POUND STERLING SY TEM . THI COULD PO IBLY MEAN A CU TOMS UNION OR EVEN A COMMON CURRENCY, BUT INFORMANTS SAY BEVIN HAS NEVER MADE CLEAR JUST WHAT HE HAS IN MIND.

AMERICAN SOURCES, IN DISCUSSING HIS IDEA, HAVE USED THE PHRASE "ECONOMIC UNION"--AN IDEA ALREADY PUBLICLY REJECTED BY SECRETARY OF STATE ACHESON.

BEVIN REPORTEDLY ARGUES THAT INTEGRATION IS NOT ONLY ESSENTIAL BUT ALSO A LOGICAL OUTCOME OF ANGLO-AMERICAN DIPLOMATIC UNITY.

RESPONSIBLE OFFICIALS IN CRIPPS' DEPARTMENT--THE TREASURY--THROW UP THEIR HANDS AT BEVIN'S IDEA. THEY SAY IT'S POETIC AND TARTLY DECLARE THAT BEVIN IS NO ECONOMIST.

CRIPPS TAKES THE VIEW THAT BRITAIN CAN WIN THROUGH ONLY BY HARD WORK--BY PRODUCING MORE GOODS AT LESS COST AND USING HIGH PRESSURE SALESMANSHIP TO MARKET THEM FOR DOLLARS. BRITAIN MUST HAVE DOLLARS TO BUY THE RAW MATERIALS AND FOOD SHE NEEDS.

THE WASHINGTON CONFERENCE OPENS SEPTEMBER 7 WITH U.S., BRITISH AND CANADIAN REPRESENTATIVES TAKING PART.

BEVIN AND CRIPPS WILL BE TRAVELING TOGETHER ON THE MAURETANIA. THEY LEAVE WEDNESDAY. BEVIN ORIGINALLY WAS BOOKED TO SAIL ON THE QUEEN ELIZABETH TODAY. HE POSTPONED HIS SAILING, INFORMANTS SAID, TO HAVE ANOTHER TRY AT GETTING CRIPPS TO THINK AS HE DOES.

BEFORE THE CABINET MONDAY WILL BE A 15-PAGE BRIEF DRAWN UP BY TREASURY, FOREIGN OFFICE AND TRADE OFFICIALS ON THE CAUSES AND POSSIBLE CURES OF BRITAIN'S ECONOMIC PLIGHT.

IN ESSENCE IT WOULD BIND BOTH THE BRITISH GOVERNMENT AND INDUSTRY TO CUT DOWN WORKING COSTS AND TO RAISE PRODUCTIVITY.

IT SUGGESTS WAYS IN WHICH BRITAIN CAN EARN MORE DOLLARS BY SELLING MORE AND CHEAPER GOODS THROUGH HIGH-PRESSURE SALES TECHNIQUE.

IT ASKS THE UNITED STATES TO LIBERALIZE BOTH TARIFF POLICY AND TARIFF ADMINISTRATION.

IT CALLS FOR AN AMERICAN PROMISE TO BUY FIXED AMOUNTS OF BASIC COMMODITIES FROM THE STERLIN AREA AT FIXED PRICES FOR FIXED PERIODS.

AND IT PROPOSES SWIFT, JOINT IMPLEMENTATION OF PRESIDENT TRUMAN'S "FOURTH POINT" FOR DEVELOPING BACKWARD AREAS WHERE THE BRITISH POUND IS USED.

THE MANDATE BEVIN AND CRIPPS WILL CARRY TO WASHINGTON WILL BE BROAD. ALTHOUGH THEY WILL BE IN CONSTANT TOUCH WITH LONDON, THEY ARE NOT LIKELY TO BE BOUND DOWN BY TOO-PRECISE CABINET INSTRUCTIONS.

A14

BRITISH OFFICIAL SPOKESMEN ALWAYS DENY THERE IS A BASIC BEVIN-CRIPPS RIFT. THEY QUALIFY THAT, USUALLY, BY SAYING IT'S NATURAL AND UNDERSTANDABLE FOR TWO MINISTERS HAVING DIFFERENT RESPONSIBILITIES TO APPROACH THE SAME PROBLEM FROM DIFFERENT DIRECTIONS.

IT IS TRUE THAT WHEN BEVIN AND CRIPPS SAIL FOR WASHINGTON THEY WILL GO AS A TEAM, NOT AS INDIVIDUALS. NOT WILL EITHER HAVE ANY OVERRIDING RESPONSIBILITY. THE RESPONSIBILITY IS COLLECTIVE AND IS VESTED IN THE CABINET.

DESPITE ALL THIS, BEVIN IS UNLIKELY EASILY TO DROP HIS VISION OF INTEGRATING THE POUND AND DOLLAR SYSTEMS AS HE HELPED TO INTEGRATE THE TWO COUNTRIES' POLITICAL AND MILITARY SYSTEMS THROUGH THE NORTH ATLANTIC PACT.

AUG 27 1949

THE INFORMANTS ADD THAT THE ESSENTIAL DIFFERENCE BETWEEN BEVIN AND CRIPPS MAY WELL BE EXPRESSED IN THE WASHINGTON TALKS IN THIS WAY:

BEVIN MAY APPEAR MORE READY TO MAKE CONCESSIONS TO THE UNITED STATES THAN CRIPPS. TO HIM MAINTENANCE OF ANGLO-AMERICAN DIPLOMATIC UNITY IS TRANSCENDANT.

CRIPPS, HOWEVER, IS LIKELY TO SEEM LESS ACCOMMODATING BECAUSE OF HIS INTENSE DESIRE TO RETAIN BRITAIN'S AND THE COMMONWEALTH'S ECONOMIC INDEPENDENCE, AND TO ACHIEVE FULL BRITISH ECONOMIC RECOVERY, BY SOUND ECONOMIC--AND NOT POLITICAL--METHODS.

ONE QUESTION ON WHICH THE TWO MEN HAVE EASILY AGREED CONCERNS A PROPOSAL THEY WILL MAKE IN WASHINGTON FOR SETTING UP A JOINT, PERMANENT ANGLO-AMERICAN ECONOMIC COUNCIL.

THIS ECONOMIC HIGH COMMAND WOULD HAVE FUNCTIONS VERY MUCH LIKE THOSE OF THE ANGLO-FRENCH OR THE ANGLO-CANADIAN ECONOMIC COMMITTEES.

IT WOULD BE EMPOWERED TO PLAN AND COORDINATE ECONOMIC DEVELOPMENT, TRADE, PRODUCTION, OF THE TWO OF THE TWO COUNTRIES. ONE OF THE BRITISH ADVISERS AT WASHINGTON WILL BE SIR EDWIN PLOWDEN, CHAIRMAN OF BRITAIN'S ECONOMIC PLANNING BOARD.

BJ459PED

PARIS, AUG. 27-(AP)-INFORMED SOURCES SAID TODAY THAT FRENCH FOREIGN MINISTER ROBERT SCHUMAN WILL NOT SAIL FOR THE UNITED STATES BEFORE SEPTEMBER 5.

THE INFORMANT SAID HIS DECISION WAS TAKEN FOLLOWING THE ANNOUNCEMENT THAT THE CONVERSATIONS ON THE CREATION OF THE PERMANENT BODIES OF THE ATLANTIC PACT, DUE TO BEGIN EARLY IN SEPTEMBER, WILL ONLY START AFTER THE BEGINNING OF THE UNITED NATIONS SESSION, AND THAT THE CURRENCY CONVERSATIONS BETWEEN THE U.S.A. AND BRITAIN AND CANADA WILL BEGIN ON SEPTEMBER 7 INSTEAD OF SEPTEMBER 3.

M.ETSCHE, FRENCH MINISTER OF FINANCES AND M.HERVE ALPHAND, DIRECTOR OF THE ECONOMIC AFFAIRS OF THE FOREIGN MINISTRY, ARE TO SAIL FOR THE UNITED STATES ON AUGUST 30.

BJ815AED

BERLIN, AUG. 27-(AP)-SIXTY-TWO GERMAN STUDENTS WERE AWARDED PRIZES RANGING FROM A MONTH'S TRIP TO ENGLAND AND THE UNITED STATES TO RADIOS AND BOOKS TODAY FOR WINNING ESSAYS ON THE MEANING OF THE MARSHALL PLAN.

COL.GORDON E.TEXTOR, DIRECTOR OF THE U.S. MILITARY GOVERNMENT'S INFORMATION SERVICES DIVISION, SAID THE TOP PRIZES WERE WON BY MRS. HOLDE STOFFELS OF HILDEN, NORTH RHINE-WESTPHALIA, IN THE BRITISH SECTOR, AND GERHARD HORNEMANN OF BERLIN.

EACH WILL HAVE A MONTH'S TRIP TO THE UNITED STATES AND ENGLAND. FOUR OTHERS WON ONE-WEEK TRIPS TO ENGLAND.

THE U.S. AND BRITISH MILITARY GOVERNMENTS SPONSORED THE CONTEST JOINTLY AND ATTRACTED NEARLY 3,000 ENTRIES.

ENTRANTS WROTE ON "WHAT THE EUROPEAN RECOVERY PLAN MEANS TO ME, MY FAMILY AND GERMANY."

MJ1006AED

DOUGLAS GAVE AN IMPROMPTU PARTY ABOARD THE SHIP FOR HOSPITAL EMPLOYES WHO ATTENDED HIM WHEN HE WAS FIRST TREATED.

HE WAS ACCOMPANIED BY HENRY F.STEBBINS, FIRST SECRETARY OF THE EMBASSY. ADD 1DN (DOUGLAS) X X X 1 TAKEY

MEANWHILE, MRS.DOUGLAS WILL FLY TO FRANKFURT MONDAY TO VISIT HER SISTER, MRS.JOHN J.MCCLOY, WIFE OF THE U.S. HIGH COMMISSIONER TO GERMANY. MISS SHARMAN DOUGLAS WILL JOIN HER MOTHER THERE NEXT WEEKEND.

RW1012AED

IN THE GENERAL AFFAIRS OR POLITICAL COMMITTEE, MEMBERS AGREED UNANIMOUSLY TO FIX APRIL 30, 1950, AS THEIR DEADLINE FOR COMPLETING RECOMMENDATIONS ON STEPS NECESSARY TO PROMOTE GREATER POLITICAL UNITY AMONG NATIONS OF WESTERN EUROPE, A COMMITTEE OFFICIAL REPORTED.

THE COMMITTEE ALSO VOTED, 20 TO THREE, TO TRANSFORM ITSELF INTO A PERMANENT COMMITTEE AND HOLD MEETINGS AND HEARINGS THROUGHOUT THE YEAR.

RW1036AED ADD STRASBOURG (DAY EUROPEAN COUNCIL) X X X APPLICATION (DNAN)

BERLINER ZEITUNG SAID SECRET ORGANIZATION OF THE WEST GERMAN LEGIONARIES IS "FOR THE GERMAN PEOPLE, A WARNING WHICH MUST NOT BE IGNORED." ADD BERLIN (REICH WAR) X X X (ERLER (DAVID DN)

"A WAR ORGANIZED BY THE WESTERN POWERS ON GERMAN SOIL AND WITH GERMAN MEN WOULD MEAN THE COMPLETE DESTRUCTION OF GERMANY," IT SAID.

THE SOVIET OCCUPATION AUTHORITIES ALREADY HAVE FORMED AND ARMED AN EAST ZONE "PEOPLES' POLICE," WHICH WESTERN SOURCES HAVE REPORTED IS BEING EXPANDED INTO A FULL-FLEDGED ARMY.

TAEGLICHE RUNDSCHAU, THE OFFICIAL ORGAN OF THE RED ARMY IN GERMANY, CARRIED A REPORT TODAY THAT BRITISH ARMY OFFICERS WERE PREPARING TO BLOW UP BRIDGES IN LOWER SAXONY.

QUOTING A DISPATCH FROM HANNOVER BY THE SOVIET-LICENSED ADN NEWS AGENCY, THE NEWSPAPER SAID "NUMEROUS HOLES WERE DRILLED INTO THE FOUNDATIONS "OF SEVERAL HIGHWAY AND RAIL BRIDGES."

RUNDSCHAU COMMENTED:

"THE LOWER SAXONY POPULATION IS GREATLY ALARMED BY THESE PREPARATIONS AND IN VIEW OF THE FORTHCOMING FALL MANEUVERS OF THE ATLANTIC PACT STATES ON GERMAN SOIL."

BJ1256PED

AUG 27 1949

REX R.ANDREWS, CHIEF OF POLICE IN WINNETKA,ILL., ALSO WORKED WITH THE GROUP, BUT RETURNED TO THE UNITED STATES TODAY. ADD FRANKFURT (GERMAN POLICE) X X X POLICE

ALL AGREED GERMAN POLICE ARE DOING A GOOD JOB, CONSIDERING THEIR SHORTAGE OF FACILITIES AND THEIR INEXPERIENCE CAUSED BY LOSS OF VETERANS THROUGH WAR AND DENAZIFICATION.

"THEY LEAN OVER BACKWARD TRYING TO USE DEMOCRATIC METHODS," SAID MOGAN. "U.S. MILITARY GOVERNMENT HAS STRESSED THAT THEY MUST OBSERVE INDIVIDUAL RIGHTS, AND IN SOME RESPECTS THEY GO EVEN FARTHER THAN WE SOMETIMES DO IN THE STATES."

"BUT," HE ADDED, "THE GERMAN PEOPLE HAVE NOT YET LEARNED TO DEMAND THEIR OWN RIGHTS AND UNLESS WE AMERICANS KEEP THE PRESSURE ON THE POLICE THEY ARE LIKELY TO FALL BACK INTO THEIR OLD WAYS."

GLEASON SAID THE NUMBER OF AMERICAN POLICE SUPERVISORS HAS BEEN "THINNED DANGEROUSLY".

"WE SHOULD REMEMBER THAT THE GERMAN POLICE HAVE BEEN PART AND PARCEL OF THE NAZI POLICE STATE, AND PROVIDE GOOD, ALERT MEN IN THE FIELD TO WATCH THEM," HE CAUTIONED.

HOYT SUGGESTED THAT "WE ARE TAKING OFF OUR CONTROLS TOO SOON. BEFORE THE GERMANS HAVE REALLY LEARNED DEMOCRACY."

AS AN EXAMPLE OF HOW FORMER NAZIS ARE RETURNING TO POLICE JOBS, THE POLICE CHIEFS SAID 500 OUT OF 1,700 RURAL POLICE IN THE STATE OF WUERTTEMBERG-BADEN WERE ONE TIME PARTY MEN.

THERE ARE MORE THAN TWICE AS MANY POLICE IN GERMANY, IN COMPARISON TO POPULATION THATN IN THE UNITED STATES, THE AMERICANS NOTED.

THEY AGREED THE GERMAN S' CRIME DETECTION IS "SUPERB" BUT COMPLAINED THAT THEY PAID TOO LITTLE ATTENTION TO CRIME PREVENTION.

"THE GERMANS KEEP BIG GROUPS OF MEN IN RESERVE TO RUSH OUT WHEN A CRIME HAPPENS, WHILE IN AMERICA WE KEEP OUR POLICEMENT OUT ON THEIR BEAT TO PREVENT CRIME HAPPENING," MOGAN COMMENTED.

MJ/SJ440PED

AFTER A HONEYMOON IN ITALY, THE COUPLE WILL LIVE IN FRANKFURT.

AMONG THE WEDDING GUESTS WERE GEN.CLARENCE R.HUEBNER, COMMANDER OF THE U.S. ARMY IN EUROPE; MAJ.-GEN.FRANK W.MILBURN, DEPUTY TO HUEBNER; AND BRIG.-GEN.RALPH J.CANINE, COMMANDER OF THE FAMOUS FIRST INFANTRY DIVISION. ADD HEIDELBERG (EDDY WEDDING) X X X FRANKFURT

THE COUPLE MET IN HAMBURG WHEN HASSELL WAS AN ARMY OFFICER AND THE BRIDE WORKED IN THE U.S. CONSULATE.

AUG 27 1949

MJ250PED

PRECEDE BELGRADE

ROME, AUG 27-(AP)-THE YUGOSLAV GOVERNMENT HAS TAKEN DRASTIC MEASURES TO HALT A WAVE OF SABOTAGE BY COMINFORM AGENTS, SAID DISPATCHES FROM TRIESTE PUBLISHED IN ROME NEWSPAPERS TODAY.

THE STORIES SAIDYUGOSLAV TROOPS HAD MOVED INTO THE COAL MINING AREAS NEAR ARSA AND INTO THE SHIPYARDS AT POLA AND NEARBY PORTS TO PREVENT "TERROR AND SABOTAGE."

THE REPORTS CLAIMED SABOTAGE WAS RESPONYIBLE FOR THE RECENT FIRE IN AN OIL REFINERY AT FIUME, THE DESTRUCTION OF YUGOSLAVIA'S BIGGEST PASSENGER SHIP AT SPOLETA AND RAILWAY "ACCIDENTS" IN CROATIA.

THE YUGOSLAV GOVERNMENT PUBLICLY DISCLOSED NO SUCH CONCERN OVER SABOTAGE. IT DENIED THE REFINERY HAD BEEN SABOTAGED AND BRANDED SUCH REPORTS "THOROUGHLY FALSE AND FABRICATED."

IN BELGRADE, CAPITAL OF YUGOSLAVIA, OFFICERS AND SOLDIERS OF MARSHALL TITO'S ARMY SAID, IN EFFECT, "WE ARE NOT SCARED OF ANYONE."

THEIR STATEMENT CAME AT A TIME WHEN TENSION IS MOUNTING IN THE COLD WAR BETWEEN COMINFORM COUNTRIES AND YUGOSLAVIA. IT WAS CONTAINED IN A MESSAGE TO COAL MINERS WHO HAVE BEEN COMMENDED FOR THEIR OUTPUT UNDER THE COUNTRY'S FIVE-YEAR ECONOMIC PLAN.

"NO ONE SHOULD THINK THAT WE ARE AFRAID OF THREATS FROM WHATEVER SIDE THEY MAY COME," THE GARRISON STATEMENT SAID. "WE ARE NOT THREATENING ANYONE, AND WE ARE NOT GOING TO THREATEN ANYONE.

"ALL THAT WHICH COMES FROM ABROAD AGAINST OUR COUNTRY IS GOING TO HIT THE HEADS OF THOSE WHO SPREAD THE REPORTS AGAINST US JUST AS EACH TON OF COAL XXX IS HITTING THEM IN THE HEAD."

MEANWHILE, THE MINISTRY OF INFORMATION DENIED REPORTS A FOREIGN PLANE HAD FLOWN OVER YUGOSLAV TERRITORY AND DROPPED A BOMB.

THE MINISTRY SAID THE REPORTS WAS CARRIED "IN FOREIGN NEWSPAPERS," WHICH IT DID IDENTIFY.

(TANJUG, OFFICIAL YUGOSLAV NEWS AGENCY, SAID IN A BROADCAST HEARD IN LONDON THAT REPORTS OF THE BOMBING WERE BROADCAST BY THE PARIS AND ATHENS RADIOS. TANJUG SAID THESE STATIONS REPORTED THAT "AN AIRCRAFT OF UNKNOWN NATIONALITY FROM ALBANIA HAD BOMBED A MILITARY AIRFIELD ON YUGOSLAV TERRITORY NEAR PRISTONA. TANJUG IS AUTHORIZED TO DENY THIS REPORT AS UNTRUTHFUL.")

GH1039PED

BELGRADE, YUGOSLAVIA, AUG. 27-(AP)-THE YUGOSLAV PRESS REPORTED TODAY THAT PREMIER MARSHAL TITO GRANTED AN INTERVIEW TO A GROUP OF FIVE AMERICAN EDUCATORS AND CLERGYMEN STUDYING CONDITIONS IN EASTERN EUROPE. THE PRESS DESCRIBED THEM AS MEMBERS OF THE PROGRESSIVE PARTY OF HENRY A. WALLACE.

TITO RECEIVED THE VISITORS AT HIS SUMMER RETREAT ON ONE OF THE ISLANDS OF THE BRIONI GROUP IN THE ADRIATIC SEA. HE HAS MADE THIS ISLAND HIS HEADQUARTERS SINCE EARLY SUMMER.

HE ANSWERED A NUMBER OF QUESTIONS ON YUGOSLAVIA'S DEVELOPMENT SINCE LIBERATION FROM THE NAZIS, BUT THE QUESTIONS AND ANSWERS WERE NOT PUBLISHED.

THE GROUP WAS IDENTIFIED AS DR.JEROME DAVIS, AN EDUCATOR; HENRY PRATT FAIRCHILD, A MEMBER OF THE NATIONAL COUNCIL FOR AMERICAN-SOVIET FRIENDSHIP; KIRTLEY F.MATHER OF CAMBRIDGE, MASS.,; THE REV. GEORGE E. PAINE OF CAMBRIDGE, MASS., AND ARTHUR LONG.

RW1054AED

AUG 27 1949

ROME, AUG. 27-(AP)-ITALIAN NEWSPAPERS PUBLISHED A REPORT TODAY THAT ITALIAN COMMUNIST LEADER PALMIRO TOGLIATTI, 56, IS SEEKING AN ANNULMENT OF HIS MARRIAGE TO SENATOR RITA MONTAGNANA, 54, ALSO A COMMUNIST.

NO CONFIRMATION WAS AVAILABLE. THE TWO MARRIED IN 1924.

THE MODERATE ROME NEWSPAPER MOMENTO-SERA SAID IT WAS RUMORED IN LEGAL CIRCLES THAT THE ACTION WOULD BE FILED IN A ROMANIAN COURT AND HANDLED BY A ROMANIAN LAWYER.

TOGLIATTI IS VACATIONING IN THE ITALIAN ALPS NEAR TURIN.

FOR SEVERAL YEARS THE DAPPER, BESPECTACLED COMMUNIST LEADER HAS BEEN SEEN FREQUENTLY IN THE COMPANY OF BUXOM, 29-YEAR-OLD LEONILDE IOTTI, A COMMUNIST DEPUTY. SHE WAS WITH HIM JULY 14, 1948, WHEN TOGLIATTI WAS WOUNDED BY GUNFIRE IN AN ASSASSINATION ATTEMPT AT A SIDE DOOR OF THE PARLIAMENT BUILDING.

BJ311PED

AUG 27 1949

molfetta, italy, aug. 27--(AP)--Italian fishermen said today Yugoslavia had seized six more of their fishing boats at cannon point.

They said a yugoslav warship comandeered the vessels before dawn last monday well within italian territorial waters in the adriatic sea.

The ships were forced into yugoslav ports where captians of ~~yu~~ the six boats were detained and their cargo seized. About 70 crewemn ~~xxxxxx~~ were released and permitted to return to italy today aboard a seventh ~~x~~ fishing boat.

AUG 27 1949

Yugoslavia released recently a number of other italian fishing boats seized in the adriatic. Italy had demanded their release.

AUG 27 1949

--the official czechoslovak press agency

f a nine-man gang of terrorists accused of

announced tonight the smashing of a

communist-led ~~xxxxxxx~~ government.

trying to overthrow the ~~xxxxxx~~ com

All were convicted of high treason and various other

crimes in a secret trial before a st

the leader, jiri kala, was sentenced

to prison terms ranging from four to

The agency said the gang "wanted to cross the czechoslovak

vorder and go into the pay of foreign intelligence services and continue

their terrorist sabotage activities against the republic." Presumably

this meant they were trying t reach western-occupied Germany.

They were accused of printing and distributing leaflets bearing

prague, aug. 22--(AP)--th

30.24- 5295

critical articles written by an exiled czech journalist which appeared originally in a swiss newspaper; cutting telegraph wires and committing arson; making an armed attack upon an official of a communist-controlled committee.

AUG 27 1949

BANSKA BYSTRICA, CZECHOSLOVAKIA, AUG. 27-(AP)-A THREE-DAY CELEBRATION OF THE FIFTH ANNIVERSARY OF THE SLOVAK UPRISING AGAINST THE NAZIS BEGAN HERE TODAY WITH PLEDGES OF LOYALTY TO RUSSIA AND PRIME MINISTER STALIN.

DR.OLDRICH JOHN, SPEAKER OF THE CZECHOSLOVAK NATIONAL PARLIAMENT, SAID "WE SHALL REMAIN LOYAL FOREVER TO SOVIET RUSSIA."

ALL THE TOWNS IN CENTRAL SLOVAKIA WHERE THE CELEBRATIONS ARE TAKING PLACE WERE HEAVILY GUARDED BY SOLDIERS AND UNIFORMED POLICE ARMED WITH RIFLES AND TOMMYGUNS. THEY STOOD FIFTY YARDS APART IN THE STREETS AND STOPPED AUTOMOBILES FOR IDENTIFICATION OF PASSENGERS.

DELEGATIONS FROM THE SOVIET UNION AND ALL THE "PEOPLE'S DEMOCRACIES" PARTICIPATED IN THE CELEBRATIONS.

PRESIDENT KLEMENT GOTTWALD IS SCHEDULED TO SPEAK AT ZVOLEN TOMORROW.

DR.JOHN ACCUSED THE UNITED STATES OF TRYING TO SUBJUGATE EUROPE ECONOMICALLY. HE SAID:

"AMERICAN MINISTER (SECRETARY OF THE TREASURY) SNYDER IS SUBJUGATING ENGLAND, FORMERLY THE QUEEN OF THE SEAS, TO WALL STREET."

HE CHARGED THAT ITALY WAS BEING COLONIZED UNDER THE EUROPEAN RECOVERY PROGRAM.

RW1049AED

WARSAW, POLAND,AUG.12-(AP)-TWELVE NEW RUSSIAN-BUILT IL-12 PLANES ARE BEING USED IN POLISH NATIONAL AND INTERNATIONAL SERVICE, THE CIVIL AIR COMPANY LOT REPORTED TODAY. THE IL-12 IS A TWIN-ENGINED CRAFT RESEMBLING THE AMERICAN DOUGLAS DC-3. IT CARRIES 28 PASSENGERS.

BJ325PED

Geneva, Switzerland, Aug. ~7 -(ap)- A group of the world's mental experts have started a project to find out what makes men succeed.

AUG 27 1949

Dr. John Cohen of Leeds university, eng. outlined the plan today to the assembly of the world federation mf for mental health.

The plan calls for "intensive research on international leadership", Dr. Cohen explained.

The federation with 300 groups working in many different countries, plans to concentrate first on leadership in local communities, then will determine how national and international bigwigs got that way.

The study will bring out the personal qualities of the leaders, Case histories will be compiled of the historical, cultural and psychological factors involved. The international researchers expressed belief they can draw conclusions and their findings might improve the stature of future leaders.

rsm lp heinerlings 1/2130

NIGHT LEAD PEACE CONFERENCE

MOSCOW AUG 27-(AP)-DAVID ZASLAVSKY, EDITORIAL WRITER FOR PRAVDA, TOLD THE CONCLUDING SESSION OF THE SOVIET UNION CONFERENCE OF PEACE PROPONENTS TODAY "THE CAPITALISTIC PRESS IS AN EVIL WHICH MUST BE DESTROYED BY DEMOCRACY."

HE COMPARED THE AMERICAN PRESS TO THAT OF HITLERITE GERMANY IN COMMENTING ON AN EDITORIAL WHICH HE SAID HAD BEEN PUBLISHED IN THE WASHINGTON TIMES HERALD. HE SAID THE EDITORIAL CALLED FOR THE BOMBING OF RUSSIAN CITIES.

PROF.J.D.BERNAL, BRITISH PHYSICIST, TOLD THE CONFERENCE SCIENCE IN THE CAPITALISTIC COUNTRIES IS BEING PUT ALMOST EXCLUSIVELY TO USE IN PREPARATIONS FOR MASS DESTRUCTION OF PEOPLES IN WAR.

BERNAL WAS DENIED A VISA WHEN HE SOUGHT TO ATTEND A COMMUNIST-ORGANIZED PEACE CONFERENCE IN NEW YORK LAST SPRING. THE MOSCOW PEACE CONFERENCE IS SIMILAR TO OTHERS HELD EARLIER IN NEW YORK, PARIS AND PRAGUE.

IT ENDED WITH ORGANIZATION OF A PERMANENT COMMITTEE OF PROMINENT SOVIET CITIZENS. THE COMMITTEE WILL HOLD ITS FIRST MEETING TOMORROW.

ONE OF THE TASKS OF THE COMMITTEE WILL BE COLLECTION OF FUNDS IN THE U.S.S.R. TO AID THE INTERNATIONAL PARTISANS OF PEACE, IT WAS ANNOUNCED.

(ADN, THE SOVIET NEWS AGENCY IN GERMANY SAID GERHART EISLER, COMMUNIST FUGITIVE FROM THE UNITED STATES, IS A MEMBER OF A GERMAN DELEGATION AT THE CONFERENCE.)

BJ257PED

METROPOLITAN NIKOLAI TOLD RUSSIA'S ALL-UNION CONFERENCE OF PEACE PROPONENTS YESTERDAY THAT THE VATICAN'S "TRUE FACE" WAS SHOWN IN THE "UNCHRISTIAN" DECREE EXCOMMUNICATING COMMUNISTS.

NIKOLAI, METROPOLITAN OF KRUTITSKY AND KOLOMNA, TOLD THE CONFERENCE THE RUSSIAN ORTHODOX CHURCH IS NOT PERSECUTED AND STANDS STRONGLY BEHIND THE SOVIET GOVERNMENT.

THE PEACE CONFERENCE IS SIMILAR TO THOSE HELD EARLIER IN NEW YORK, PARIS AND PRAGUE. ADD MOSCOW (DAY PEACE CONFER) X X X USSR

M245AED

a dignitary of the russian orthodox church says

moscow,aug.27-(ap)-pope pius XII is "anti-christian", "the agent of american imperialism", and "an ardent enemy of the u.s.s.r.", said a dignitary of the russian church yesterday.

AUG 27 1949

metropolitan nikolai told russia's all-union conference of peace proponents that the vatican's "true face" was shown in the "un-christian" decree excommunicating communists.

nikolai, metropolitan of krutitsky and kolomna, told the conference the russian orthodox church is not persecuted and stands strongly behind the soviet government.

AUG 27 1949

the peace conference is similar to those held earlier in new york, paris and prague.

By Teddy Rosenthal

Helsinki, Finland, Aug. 27 -(ap)- Finland's wildcat strikes are costing the nation 2,100,000,000 (B) marks (about $13,000,000) a month in loss of production and wages, a newspaper estimated today.

AUG 27 1949

The Liberal Swedish language paper Nya Pressen said it based its estimate on the basis that 40,000 men are now idle. The newspaper said the loss might run considerably higher because of the dislocation of industry.

The Kemi lumber industry, hard hit by a strike marked by

bloodshed, may not be able to continue timber cutting in a normal way next winter because so much uncleared timber is on hand.

This and similar instances would mean that billions of marks in unemployment aid might be spent, the newspaper said.

Meanwhile communists intensified their strike canvassing in the metal trades. Workers in the metal center walked out yesterday and several additional industries will be forced to close down next week, it was predicted. There are 50,000 to 60,000 organized metal workers in Finland. They produce most of the nation's war reparations goods. So far the strikes have NOT affected deliveries of these goods.

AUG 27 1949

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ASMARA, ERITREA, AUG. 27-(AP)-TRAVELLERS ARRIVING HERE FROM DJIBUTI IN ADJOINING FRENCH SOMALILAND HAVE REPORTED RIOTING BY STRIKING ETHIOPIAN WORKERS AGAINST THE MANAGEMENT OF THE FRENCH-CONTROLLED RAILWAY THAT RUNS FROM DJIBUTI TO ADDIS ABABA, THE ETHIOPIAN CAPITAL.

(A DISPATCH FROM ADDIS ABABA SAID THAT TRAFFIC HAS BEEN TIED UP ON THE RAILROAD--THE ONLY ONE IN ETHIOPIA--AS A RESULT OF THE STRIKE. THE WORKERS ARE ASKING HIGHER PAY.)

(THE RIOTING OCCURRED AT DIREDAWA, AN ETHIOPIAN TOWN ON THE RAILROAD 150 MILES SOUTHWEST OF DJIBUTI AND 210 MILES FROM ADDIS ABABA. IT CAUSED INJURIES TO 43 EUROPEAN EMPLOYES OF THE RAILROAD.)

REPORTS IN ASMARA SAID 600 ETHIOPIAN WORKERS DEMONSTRATED AT DIREDAWA AGAINST THE FRENCH MANAGEMENT. SOME FRENCH OFFICIALS WERE WOUNDED BEFORE ORDER WAS ESTABLISHED. AUTHORITIES AT DJIBUTI SAID THEY BELIEVED THE TROUBLE WAS INSTIGATED BY "FOREIGN ELEMENTS." THEY DID NOT DESCRIBE THESE ELEMENTS FURTHER.

THE FRENCH SUSPENDED RAILWAY TRAFFIC ON THE SOMALILAND SIDE OF THE RAILROAD AND ANNOUNCED THEY WOULD SEEK REPARATIONS AND GUARANTEES FROM THE ETHIOPIAN GOVERNMENT. ABOUT 60 MILES OF THE RAILROAD LIES IN FRENCH SOMALILAND.

GH1030PED AUG 27 1949

SECOND NIGHT LEAD CHINESE AUG 27 1949

BY SPENCER MOOSA

CANTON,SUNDAY,AUG. 28-(AP)-THE NATIONAL DEFENSE MINISTRY TODAY ANNOUNCED THAT THE CHINESE COMMUNISTS HAVE CAPTURED LANCHOW, BASTION OF NATIONALIST RESISTANCE IN NORTHWEST CHINA.

THE MINISTRY SAID THAT THE DEFENDERS WITHDREW THURSDAY NIGHT AND RED TROOPS ENTERED THE NEXT DAY.

THE GOVERNMENT OF KANSU PROVINCE, OF WHICH LANCHOW IS THE CAPITAL, WITHDREW TO WUWEI, 150 MILES NORTH, THE MINISTRY REPORTED.

THE NATIONALISTS CLAIMED GAINS, HOWEVER, ON THE FRONT NEAREST THIS REFUGEE CAPITAL.

THE DEFENSE MINISTRY ADDED TO PRIVATE ACCOUNTS WHICH SAID THAT A NATIONALIST COUNTERATTACK HAD RECAPTURED THREE CITIES ON THE FRONT 140 MILES NORTHEAST OF CANTON. THE POINTS ARE KIENNAN, LUNGNAN AND TINGNAN.

THE MINISTRY SAID THAT ONE RED DIVISION WAS ROUTED WEST OF LUNGNAN AND FORCED TO RETREAT NORTHWARD YESTERDAY. THE MINISTRY ADDED THAT THE REDS WERE UNABLE TO OVERCOME SUPPLY PROBLEMS.

ON THE FRONT DUE NORTH OF CANTON, THE MINISTRY DECLARED THE GOVERNMENT HAD RECAPTURED SIANGTAN, ONLY 17 MILES SOUTH OF CHANGSHA. CHANGSHA, FORMER NATIONALIST STRONGHOLD NOW OCCUPIED BY THE REDS, IS ABOUT 365 MILES NORTH OF CANTON.

THE ADVANCE IN THIS AREA WOULD HELP TO STRENGTHEN THE WESTERN FLANK OF THE MAJOR NATIONALIST DEFENSE FORCES IN SOUTH CHINA, THE ARMIES OF GEN.PAI CHUNG-HSI.

OFFICIAL ACCOUNTS FROM THE OLD WARTIME CAPITAL OF CHUNGKING SAID GENERALISSIMO CHIANG KAI-SHEK IN A SPEECH THERE URGED NATIONALIST OFFICERS TO PUT A MAXIMUM EFFORT INTO THE WAR WITH THE REDS. HE SAID THE COMMUNISTS WOULD BE HARDER TO DEFEAT THAN JAPAN.

THE COMMUNIST SETBACK NORTHEAST OF CANTON CHECKED, AT LEAST FOR THE MOMENT, THE RED DRIVE ON STRATEGIC KUKONG. THIS CITY SITS ASTRIDE THE RAILWAY TO CANTON AND IS 125 MILES NORTH OF THIS CITY.

FARTHER NORTH, THE NATIONAL DEFENSE MINISTRY ACKNOWLEDGED RED RECAPTURE OF ANHWA, 90 MILES WEST OF CHANGSHA AND 400 MILES NORTHWEST OF CANTON.

THE MINISTRY ALSO VIRTUALLY ADMITTED LOSS OF TSINGKIANG (CHUANCHOW) ON THE COASTAL HIGHWAY 45 MILES NORTHEAST OF AMOY. PRIVATE REPORTS SAID TSINGKIANG HAD FALLEN, BUT THE MINISTRY SAID ITS SITUATION WAS "OBSCURED." AN ARMORED DIVISION, PRESUMABLY FROM THE ISLAND OF FORMOSA, IS BEING SENT TO REINFORCE AMOY, THE MINISTRY REPORTED.

TEMPORARY LOSS OF RADIO CONTACT WITH LANCHOW, CAPITAL OF THE DISTANCE NORTHWEST PROVINCE OF KANSU, ALSO WAS ACKNOWLEDGED.

(THE COMMUNIST RADIO IN PEIPING ANNOUNCED CAPTURE OF LANCHOW, AND PRIVATE REPORTS IN CANTON INDICATED THIS WAS PROBABLY CORRECT.)

COMMENTING ON THE PROSPECTS OF CANTON'S DEFENSE, GEN. LAI CHUNG-LU, STAFF OFFICER OF THE NEW SOUTH CHINA HEADQUARTERS, SAID, "WE ARE QUITE CONFIDENT OF OUR ABILITY TO HOLD KWANGTUNG (CANTON'S PROVINCE) AND ARE DETERMINED TO DO SO."

LAI SAID THE RED FORCES IN THE VICINITY OF THE NAN TOWNS WERE NOT VERY STRONG AND HE DID NOT THINK THEY WOULD DARE PUSH FARTHER SOUTH.

"WE DON'T EVEN THINK ABOUT THE FALL OF CANTON," HE ASSERTED.

(IN HONG KONG THE OFFICIAL NATIONALIST CENTRAL NEWS AGENCY REPORTED THAT NATIONALIST HEAVY BOMBERS FROM FORMOSA HAD 90 PER CENT DESTROYED THE MAIN CHENJU RADIO STATION JUST OUTSIDE SHANGHAI FRIDAY. IT SAID THE WATER WORKS AND POWER PLANT IN SHANGHAI'S CHAPEH AREA ALSO WERE DAMAGED SEVERELY. RADIO DISPATCHES CONTINUED TO COME THROUGH FROM SHANGHAI, BUT THE MAIN STATION WAS OFF THE AIR INTERMITTENTLY. NO SHANGHAI DISPATCHES MENTIONED THE BOMBING, APPARENTLY DUE TO THE RED CENSORSHIP.)

EWDJ7PCS

AUG 27 1949

SHANGHAI, AUG. 27-(AP)-SHANGHAI'S MILITARY MAYOR SAID TODAY "FOREIGNERS ARE WELCOME TO DO BUSINESS IN SHANGHAI ONLY IF THEY OBEY THE LAWS AND CHANGE THEIR OLD IMPERIALISTIC ATTITUDES."

CHEN YI MADE THE STATEMENT AT A MEETING OF TRAMWORKERS. HE ALSO SAID MORE THAN 1,000 LABOR DISPUTES WHICH CAME UP SINCE THE REDS TOOK OVER SHANGHAI ARE BEING SOLVED UNDER THE PRINCIPLES OF "MUTUAL BENEFITS TO CAPITAL AND LABOR."

THIS PROVES, CHEN SAID, THAT "THE COMMUNISTS AND THE PEOPLES GOVERNMENT HAVE ADMINISTRATIVE ABILITY."

CHEN'S SPEECH WAS CARRIED IN SHANGHAI NEWSPAPERS ALONGSIDE LONG LISTS OF ADVERTISEMENTS BY FOREIGNERS ANNOUNCING INTENTIONS TO LEAVE CHINA ON THE FIRST TRANSPORTATION AVAILABLE. THEY ASK THAT ANY CLAIMS AGAINST THEM BE FILED WITHIN FIVE DAYS.

THESE ADVERTISEMENTS ARE REQUIRED BEFORE FOREIGNOVVIMU

AUG 27 1949

THESE ADVERTISEMENTS ARE REQUIRED BEFORE FOREIGNERS CAN OBTAIN EXIT PERMITS FROM THE COMMUNISTS. THE NUMBER OF FOREIGNERS DESIRING TO LEAVE SHANGHAI INCREASES AS THE (NATIONALIST) BLOCKADE LENGTHENS AND ECONOMIC AND LABOR TROUBLES GROW WORSE.

CHEN TOLD THE TRAMWORKERS CONDITIONS CAUSED BY THE "ENEMY BLOCKADE" CAN BE OVERCOME. BUT HE ADVISED THE WORKERS TO BE FARSIGHTED AND LOOK AT LEAST 10 YEARS AHEAD.

PRO-RED NEWSPAPERS ANNOUNCED 74 MORE SHANGHAI RESTAURANTS HAVE ASKED PERMISSION TO CLOSE. PREVIOUSLY 200 OF THE CITY'S 668 RESTAURANTS CEASED OPERATIONS.

JS/X640APS

SHANGHAI, AUG. 27 (AP) ANNOUNCEMENT OF A COALITION GOVERNMENT WHICH WILL BE THE PERMANENT GOVERNMENT OF COMMUNIST CHINA HAS BEEN SET FOR OCTOBER 1, IT WAS REPORTED TODAY.

THE REPORT CAME FROM A LOCAL SOURCE WHICH APPEARED RELIABLE. IT COULD NOT BE CONFIRMED THROUGH ANY OFFICIAL SOURCE HERE, HOWEVER.

THE SOURCE SAID THE COMMUNIST POLITICAL CONSULTIVE CONFERENCE WILL CONVENE AT PEKING (PEIPING) SEPT. 15-20 TO SET UP THE FORMAL RED GOVERNMENT. IT HAS BEEN REPORTED SEVERAL TIMES THAT THE CONFERENCE WOULD MEET FOR THIS PURPOSE SOMETIME EARLY THIS AUTUMN.

ONE OF THE FIRST QUESTIONS AFTER THE REDS SET UP THEIR GOVERNMENT WILL BE THE MATTER OF RECOGNITION BY WORLD POWERS. THE SOVIET UNION IS EXPECTED TO RECOGNIZE THE REGIME IMMEDIATELY.

TASS, THE SOVIET NEWS AGENCY, PLANS TO MOVE ITS MAIN OFFICE TO PEKING SHORTLY ALTHOUGHFOREIGN NEWSMEN STILL ARE NOT PERMITTED TO FILE DISPATCHES FROM THERE.

SEVERAL NEWSMEN HAVE APPLIED RECENTLY FOR PERMITS TO TRAVEL FROM SHANGHAI TO PEKING BUT NONE HAVE BEEN GRANTED SO FAR.

X645APS NM

AUG 27 1949

OFFICIAL DISPATCHES SAID THAT AN ARMORED DIVISION WAS BEING SENT TO THE DEFENSE OF AMOY. THIS MAJOR NATIONALIST PORT ON THE SOUTHEAST COAST IS THREATENED BY A RED DRIVE FROM THE NORTH.

(THE ARMORED DIVISION PRESUMABLY WAS COMING FROM FORMOSA, OPPOSITE AMOY. FORMOSA IS A NATIONALIST ISLAND FORTRESS.)

PRIVATE REPORTS SAID THAT CHUANCHOW (TSINKIANG), ON THE COAST 45 MILES NORTHEAST OF AMOY, HAD FALLEN TO THE REDS.

ON THE FAR NORTHWESTERN FRONT, OTHER DISPATCHES SAID THE RED ATTACK ON THE CITY OF LANCHOW HAD TAPERED OFF TO INTERMITTENT FIGHTING.

THE DISPATCHES ASSERTED AN INCREASING NUMBER OF REDS, SUPPOSEDLY SHORT OF FOOD AND AMMUNITION, WERE DESERTING TO THE NATIONALISTS.

LANCHOW IS THE CAPITAL OF KANSU PROVINCE.

THE OFFICIAL NATIONALIST CENTRAL NEWS AGENCY REPORTED MEANWHILE FROM FORMOSA THAT HEAVY BOMBERS HAD HEAVILY DAMAGED A BIG COMMUNIST RADIO STATION JUST OUTSIDE SHANGHAI.

NINETY PER CENT OF THE CHENJU INTERNATIONAL TRANSMITTING STATION WAS DESTROYED, THE AGENCY SAID. IT ALSO SAID NATIONALIST PLANES SERIOUSLY DAMAGED A WATERWORKS AND POWER STATION IN SHANGHAI'S CHAPEH AREA.

ADD CANTON (DAY TOWNS RECAPTURED) X X X AWAY (MOOSA)

X555APS NM

BY MILTON MARMOR

(ADVANCE) SINGAPORE, AUG 27-(AP)-THE ANTI-COMMUNIST LANDS OF SOUTHEAST ASIA ARE BRACING MILITARILY FOR WHATEVER MAY COME WHEN CHINESE COMMUNISM PRESSES AGAINST THEIR BORDERS.

THE BRITISH AND FRENCH DO NOT EXPECT AN INVASION IN THE OLD SENSE, BUT THEY HAVE BUILT UP THEIR ARMED STRENGTH FOR ANY CONTINGENCY AND THEIR EYES ARE ON HONG KONG AND THE NORTHERN BORDERS OF INDOCHINA.

SOME SORT OF SHOWDOWN APPEARS TO BE IN THE OFFING. IT MAY BE A DELAYED ONE, BUT WITHIN A FEW MONTHS, PERHAPS EVEN WEEKS, AFTER CANTON IS IN COMMUNIST HANDS THE NEXT MOVES OF CHINESE RED LEADER MAO TZE-TUNG SHOULD BE IN THE MAKING.

WHAT MILITARY STRENGTH CAN SOUTHEAST ASIA PRESENT IN THE FACE OF THE ADVANCE OF COMMUNISM? SECURITY CLOAKS EXACT FIGURES, OF COURSE, BUT THE BEST AVAILABLE SOURCES INDICATE THAT THE BRITISH AND FRENCH ARE READY FOR THE INVASION-BY-INFILTRATION WHICH MOST OBSERVERS

30.24- 5299

CONSIDER LIKELY.

THE PRIZE AT STAKE IS ONE OF THE WORLD'S RICHEST AREAS. IT INCLUDES THE FERTILE RICE LANDS OF INDOCHINA, BURMA AND THAILAND (SIAM); THE SUBBER AND TIN OF MALAYA; THE VARIED RICHNESS OF INDONESIA, AND THE TRADE OF HONG KONG AND SINGAPORE.

OF THE 130,000,000 PERSONS IN THE AREA, ABOUT 10,000,000 ARE CHINESE. POTENTIALLY THE CHINESE ARE THE BIGGEST FIFTH COLUMN IN THE WORLD. NOT ALL ARE COMMUNISTS, OF COURSE, BUT ALMOST ALL HAVE TIES WITH THEIR HOMELAND WHICH IS RAPIDLY FALLING INTO COMMUNIST HANDS.

NATIONALIST MOVEMENTS EXIST IN SOME AREAS WHICH REMAIN UNDER VARIOUS FORMS OF CONTROL BY EUROPEAN COUNTRIES. COMMUNIST INFLUENCE IS STRONG IN MANY OF THESE NATIONALIST GROUPS.

THE BRITISH ARE CONFIDENT THEY CAN HOLD THEIR CROWN COLONY OF HONG KONG INDEFINITELY, EVEN AGAINST AN OUTRIGHT INVASION. THE BRITISH WILL FIGHT AND PRESENT THE MATTER TO THE UNITED NATIONS IF THE COMMUNISTS ACTUALLY INVADE, OBSERVERS BELIEVE. THIS COULD KINDLE A THIRD WORLD WAR. IN HONG KONG AND THE KOWLOON LEASED TERRITORIES ON THE CHINESE MAINLAND ARE 25,000 FIRST LINE BRITISH TROOPS. MORE ARE ON THE WAY.

THE SITUATION IN SOME OF THE OTHER LANDS IN THIS TROUBLED PART OF THE WORLD SHAPES UP THIS WAY:

INDOCHINA--THIS IS PERHAPS AN EVEN MORE CRITICAL FOCAL POINT THAN HONG KONG. HERE, TOO, THE THREAT OF AN ACTUAL INVASION IS MINIMIZED, BUT THE FRENCH ARE READY. INDOCHINESE NATIONALISTS ARE LED BY MOSCOW-TRAINED HO CHI MINH. HIS FORCES CONTROL MOST OF THE NORTHERN PROVINCE OF TONKIN WHICH BORDERS ON CHINA. AT PRESENT THE NATIONALISTS' WAR WITH THE FRENCH IS A STANDOFF. WHAT WILL HAPPEN IF THE CHINESE COMMUNISTS SEND STRONG ARMS AND TROOPS OVER THE BORDER TO AUGMENT HO'S
125,000 GUERRILLAS IS THE BIG QUESTION.

AUG 27 1949

THE FRENCH ARE NOT TELLING HOW MANY TROOPS THEY HAVE IN INDOCHINA. RELIABLE SOURCES BUT THE FRENCH HOMELAND FORCES IN THE NEIGHBORHOOD OF 100,000. THE FRENCH ALSO HAVE SOME 50,000 INDOCHINESE SUPPORTERS WHOSE ACTUAL WORTH IN A SHOWDOWN IS NOT TOO WELL DEFINED.

MUCH OF THE FRENCH HOPE IS CENTERED ON THE LONG ESTABLISHED DISLIKE OF THE INDOCHINESE ANNAMITES FOR THE CHINESE. BUT THEY ARE NOT BANKING ON HO DECLINING AID FROM THE CHINESE COMMUNISTS. THE OTHER BIG HOPE IS THAT THE NEW GOVERNMENT OF PARIS-SUPPORTED BAO DAI IN SAIGON CAN WEAN AWAY THE MORE MODERATE NATIONALISTS. THE PLACE TO WATCH IS THE LANGSON-HANOI-HAIPHONG ENCLAVE. THE FRENCH MAY TRY TO OPEN THE ROAD FROM HANOI TO LANGSON ON THE CHINESE BORDER.

THAILAND (SIAM)--THIS INDEPENDENT NATION HAS NO NATIONALIST FEVER BECAUSE IT HAS FREEDOM. IT IS WELL OFF FINANCIALLY AND RICH IN FOOD.

IN THE LAST WAR THAILAND WAS SWEPT INTO THE JAPANESE CAMP. ITS MAJOR INTERESTS SEEM TO CENTER ON REMAINING INDEPENDENT AND MOST OBSERVERS FEEL IT WOULD LEAN TOWARD THE WINNER IN ANY STRUGGLE. THERE ARE NO OPEN COMMUNIST UPRISINGS OR DISORDERS IN THAILAND, BUT THERE ARE ABOUT 3,000,000 CHINESE WHO ARE ORGANIZED INTO SOCIETIES AND WHO PUT ON SMART LOOKING PARADES ON HOLIDAYS.

BURMA--SIX OR MORE SEPARATE ARMIES ARE FIGHTING ALL OVER REVOLT-TORN BURMA. THE GOVERNMENT SEEMS TO BE GETTING THE UPPER HAND MILITARILY, BUT ITS POLITICAL SITUATION IS NOT TOO SECURE.

THE GOVERNMENT HAS 10,000 TRAINED TROOPS. JUST WHAT THIS FORCE COULD DO AGAINST A REAL COMMUNIST THREAT IS DOUBTFUL UNLESS IT GETS THE UNITED SUPPORT OF TWO REBELLIOUS GROUPS--THE KARENS AND A ORTION OF THE PEOPLE'S VOLUNTEER ORGANIZATION.

MALAYA--THE BRITISH ARE IN FULL CONTROL HERE, DESPITE SPORADIC DEPRADATIONS BY COMMUNIST GUERRILLA UNITS. THE BRITISH HAVE 14,000 COMBAT TROOPS IN THE AREA AND 8,000 MORE AUXILIARY TROOPS. THE POLICE FORCE, FORMED ON A MILITARY BASIS, NUMBERS 14,500. THERE ARE AIR UNITS AND NAVAL FORCES HANDY. IN ADDITION, THERE ARE ABOUT 65,000 LOCAL PLANTATION AND OTHER STATIC GUARDS. THESE FORCES HAVE TO COPE WITH ABOUT 3,000 CHINESE COMMUNIST TERRORISTS IN THE JUNGLES OF MALAYA.

THERE IS NO IMMEDIATE THREAT TO MALAYA. IT IS PROTECTED BY THE BUFFER OF INDOCHINA AND THAILAND. SINGAPORE ITSELF IS PEACEFUL.

AUG 27 1949

A143

INDONESIA--PEACE SEEMS ON THE HORIZON IN THESE FABULOUSLY PRODUCTIVE ISLANDS. INDONESIAN AND DUTCH NEGOTIATORS NOW ARE CONFERRING AT THE HAGUE ON PLANS FOR ESTABLISHING A UNITED STATES OF INDONESIA. THE U.S.I. WOULD BE LINKED TO THE NETHERLANDS UNDER THE DUTCH CROWN AND WOULD HAVE A STATUS SIMILAR TO THAT OF THE DOMINIONS IN THE BRITISH COMMONWEALTH.

BY VIRTUE OF ITS GEOGRAPHIC POSITION, INDONESIA WOULD BE LATE ON THE COMMUNIST SCHEDULE. THERE IS TIME TO ATTAIN STABILITY AND EASE THE STRAINS CAUSED BY FOUR YEARS OF WARFARE BETWEEN THE INDONESIAN REPUBLIC AND THE DUTCH.

COMMUNIST STRENGTH IN INDONESIA ONCE WAS ESTIMATED AT 10,000, BUT THE RED LEADERS ARE SUPPOSED TO HAVE BEEN SLAIN BY THE REPUBLICANS. THERE IS SOME QUESTION, HOWEVER, WHETHER THE REPUBLICAN GOVERNMENT OF PRESIDENT SOEKARNO AND PREMIER MOHAMED HATTA CAN CONTROL THE GUERRILLA ELEMENTS IN INDONESIA.

(END ADVANCE FOR USE IN AMS OF SUNDAY, AUG.28)

AUG 27 1949

M136AED

TOKYO, AUG. 27-(AP)-THE JAPAN PRESS ASSOCIATION TODAY DECIDED TO OBSERVE THE ANNUAL NEWSPAPER WEEK IN OCTOBER WITH THE SLOGAN "FREEDOM GOES WHERE THE NEWSPAPER GOES."

XZ6ACS

BY O.H.P.KING

TOKYO, AUG. 27-(AP)-THE PRINCESSES OF JAPAN ARE JUST CRAZY ABOUT THIS NEW "DEMOKRASSIE" THAT ARRIVED WITH THE OCCUPATION.

FREES 'EM TO GO WINDOW SHOPPING, EVEN RIDE A BICYCLE IF THEY FEEL LIKE IT. A PRINCESS RIDING A BICYCLE IN THE OLD DAYS WOULD HAVE ROCKED IMPERIAL COURT CIRCLES LIKE A FIRST-CLASS EARTHQUAKE.

NOT NOW, THOUGH, UNDER JAPAN'S DEMOCRATIC CONSTITUTION WHICH HOLDS THAT A PRINCE IS NO BETTER THAN THE NEXT MAN.

FOUR PRINCESSES TOLD HOW THEY LIKE THEIR NEW FREEDOM IN A ROUND-TABLE REPORTED TODAY IN THE SEPTEMBER ISSUE OF THE HOME JOURNAL OF JAPAN.

THEY ARE PRINCESSES ASAKO FUSHIMI, NAOKO KAN-IN, TOSHIKO KAYA AND YOSHIKORI. (ALL ARE MEMBERS OF JAPAN'S PRINCELY FAMILIES ALTHOUGH NONE IS OF THE FAMILY OF EMPEROR HIROHITO.)

HERE ARE SOME REASONS THEY GAVE FOR DOTING ON DEMOCRACY:

THEY GOT RID OF A LOT OF BORING CEREMONY.

THEY CAN WINDOW SHOP, ENTER RESTAURANTS, RIDE STREETCARS AND EVEN

TALK WITH THE PASSENGERS.
THEY CAN DO THEIR OWN MARKETING IF THEY WANT TO -- AND RIDE TO MARKET ON A BICYCLE.
THEY CAN HAVE A HOT MEAL. AS THEY PUT IT: "NEVER WERE OUR MEALS HOT BECAUSE THE KITCHEN WAS SO FAR AWAY THE DISHES COOLED WHILE THE SERVANTS CARRIED THEM DOWN THE LONG HALLS. NOW WE EVEN BRING PANS RIGHT TO THE TABLE."
THEIR HOUSES NO LONGER ARE CLUTTERED WITH SERVANTS WHO ALWAYS WERE SUPERVISING WHAT THEY DID. "WE USED TO HAVE 50 OR MORE. NOW WE HAVE SIX."
AND ON TOP OF ALL THESE BOONS, THEY POINT OUT THAT A PRINCESS NOW CAN MARRY FOR LOVE!
(ALL FOUR ALREADY ARE MARRIED.)
X1250APS NM

AUG 27 1949

OTTAWA, AUG.27-(AP) BULGING COLLECTION OF GERMAN MANUSCRIPTS, DOCUMENTS AND BOOKS, CAPTURED BY THE CANADIAN ARMY, MAY YIELD HITHERTO UNKNOWN INFORMATION ABOUT ADOLF HITLER'S NAZI FORCES.
MADE UP OF MORE THAN 15,000 BOUND AND UNBOUND DECREES, STATUTES, ARMY ORDERS, BOOKS ON RACE THEORY AND MILITARY HISTORY, THE COLLECTION LIES IN A SUBTERRANEAN HALL OF A MID-OTTAWA ARMY BUILDING.
A PRINCETON UNIVERSITY PROFESSOR OF HISTORY, GORDON CRAIG, MADE A MONTH'S STUDY OF THE TONS OF VOLUMES AND TOLD COL. C.P. STACEY, CANADA'S ARMY HISTORIAN, THE COLLECTION IS THE MOST COMPLETE OF ITS KIND IN THE WESTERN HEMISPHERE.
THE COLLECTION WAS CAPTURED BY CANADIAN ARMY INTELLIGENCE OFFICERS.
THE VOLUMES WERE DRAWN FROM A NUMBER OF GERMAN CENTERS, CRATED AND SHIPPED TO CANADA, ENDING UP FINALLY UNDER THE CARE OF THE ARMY HISTORIAN.
BUSY WRITING THE HISTORY OF THE ARMY DURING THE LAST WAR, COL. STACEY HAS HAD LITTLE CHANCE TO MAKE A THOROUGH STUDY OF THE COLLECTION, BUT WHAT STUDY HE HAS MADE HAS LED HIM TO BELIEVE THE GERMANS MAY HAVE BEEN THE GREATEST MILITARY RESEARCH WORKERS OF OUR AGE.
"THEY MADE MILITARY BUSINESS A NATIONAL SPORT," HE SAID IN AN INTERVIEW. THE VOLUMES, HE IS SURE, HOLD SOME OF THE SECRETS OF WHAT MADE THE GERMAN ARMY STAND UP AND FIGHT EVEN WHEN IT KNEW IT WAS DEFEATED.
COL. STACEY, SAID IT APPEARED THAT ONCE THE ADMINISTRATIVE MACHINE WAS STARTED IN GERMANY, IT WENT ON AND ON AND ON, UNTIL CHANGED BY DECREE OR CRUSHED BY FORCE.
THE COLLECTION FILLS MORE THAN A DOZEN EIGHT-FOOT SHELVES. SO FAR, NOT EVEN A SUMMARY OF ITS CONTENTS IS AVAILABLE.
SF827AED

AUG 27 1949

FIVE PERCENTERS
BY MARVIN L. ARROWSMITH
(ADVANCE).. WASHINGTON, AUG 27-(AP)-JAMES V. HUNT, A KEY FIGURE IN THE FIVE PERCENTER INQUIRY, SAID TONIGHT HE NEVER HAS ASKED MAJ. GEN. HARRY H. VAUGHAN FOR ANYTHING MORE IMPORTANT THAN TICKETS TO AN ARMY-NOTRE DAME FOOTBALL GAME.
AND HUNT FLATLY DENIED THAT HE EVER MADE THE STATEMENT: "ALL I HAVE TO SELL IS INFLUENCE." A WITNESS AT THE INVESTIGATION TESTIFIED UNDER OATH THAT HUNT DID SAY THAT.
HUNT, SELF-DESCRIBED WASHINGTON MANAGEMENT COUNSELOR, SAID IT SEEMS TO HIM THE SENATE INQUIRY HAS PRODUCED "CONCLUSIVE EVIDENCE OF THE ABSENCE OF ANY IMPROPER INFLUENCE" ON HIS PART.
HUNT MADE HIS STATEMENTS IN AN AFFIDAVIT TO A SPECIAL SENATE SUBCOMMITTEE CHECKING ON WHETHER ANY SUCH INFLUENCE HAS FIGURED IN THE HANDLING OF GOVERNMENT BUSINESS.
THE COMMITTEE HAS RECEIVED TESTIMONY THAT HUNT COLLECTED FAT FEES FOR HELP IN GETTING GOVERNMENT CONTRACTS FOR OTHERS, AND THAT HE BOASTED OF AN INSIDE TRACK TO THE WHITE HOUSE THROUGH VAUGHAN.
VAUGHAN, WHO IS PRESIDENT TRUMAN'S MILITARY AIDE, IS SCHEDULED TO TESTIFY AT THE INQUIRY TUESDAY. HIS NAME, LIKE HUNT'S, HAS BOBBED UP AT THE HEARINGS NEARLY EVERY DAY.
IN HIS AFFIDAVIT HUNT SAID HE MET VAUGHAN FOR THE FIRST TIME IN 1945 SHORTLY AFTER VAUGHAN BECAME A PRESIDENTIAL AIDE.
HUNT, A FORMER LIEUTENANT COLONEL IN THE ARMY, SAID HE SAW A GOOD DEAL OF VAUGHAN WHEN HE (HUNT) WAS LIAISON OFFICER FOR THE QUARTERMASTER GENERAL AND LATER AS LIAISON OFFICER FOR THE WAR ASSETS ADMINISTRATION.
"ALTHOUGH WE HAVE BECOME GOOD FRIENDS SOCIALLY," HUNT SAID, "I HAVE NEVER TO THE BEST OF MY RECOLLECTION, ASKED GENERAL VAUGHAN TO DO ANYTHING FOR ME OR FOR A CLIENT OR FRIEND OF MINE MORE IMPORTANT THAN GETTING FOOTBALL TICKETS TO THE ARMY-NOTRE DAME FOOTBALL GAME."
AS FOR WHETHER VAUGHAN EVER SOUGHT FAVORS FROM HIM, HUNT SAID:
"I HAVE NO RECOLLECTION OF HIS EVER ASKING ME TO DO ANYTHING MORE IMPORTANT THAN TO GET A SUPPLY OF MATCHES FOR AMBASSADOR PAULEY OR FOR A FREUSH SUPPLY FOR THE WHITE HOUSE."
(THE TESTIMONY AT THE HEARINGS WAS THAT MATCHES WERE SOUGHT FOR WILLIAM D.PAWLEY, FORMER AMBASSADOR TO BRAZIL. THE NAME OF EDWIN W.PAULEY, ALSO A FORMER AMBASSADOR, HAS NOT FIGURED IN TESTIMONY REGARDING MATCHES.)

AUG 27 1949

A32WX
THE COMMITTEE HAS WANTED TO CALL HUNT TO THE WITNESS STAND, BUT DOCTORS HAVE TOLD THE INVESTIGATORS HE IS TOO ILL TO TESTIFY. THEY REPORTED HE WON'T BE ABLE TO GO BEFORE THE COMMITTEE FOR AT LEAST A MONTH.
IN THE AFFIDAVIT HUNT TOLD THE COMMITTEE THERE IS NO TRUTH ABOUT MUCH OF THE TESTIMONY CONCERNING HIM. IN SOME CASES, ON THE OTHER HAND, HE ACKNOWLEDGED IT HAD BEEN ACCURATE.
BUT HE STOUTLY MAINTAINED HE IS INNOCENT OF ANY WRONG-DOING. AND HE ASSERTED THE BUSINESS HE IS IN IS ENTIRELY PROPER.
REFERRING TO HIS COMPANY, HUNT SAID:
"WE EXPECT TO CONTINUE IN BUSINESS FOR A LONG TIME TO COME." HE ADDED:
"BECAUSE OF MY THOROUGH KNOWLEDGE OF THE WORKINGS OF MANY GOVERNMENT AGENCIES AND DEPARTMENTS AND BECAUSE OF MY WIDE CIRCLE OF FRIENDS AND ACQUAINTANCES IN THOSE DEPARTMENTS, I WAS ABLE TO PERFORM A SERVICE WHICH I KNOW WAS OF REAL VALUE TO MY CLIENTS AND I BELIEVE

OF REAL VALUE TO THE GOVERNMENT."
SENATOR HOEY (D-NC), THE COMMITTEE CHAIRMAN, TOLD REPORTERS HE HAD NOT SEEN THE HUNT AFFIDAVIT YET. HOEY ADDED THAT THE COMMITTEE WILL STUDY THE DOCUMENT BEFORE DECIDING WHETHER TO ADMIT IT TO THE RECORD.
THE COMMITTEE, MEANWHILE, GOT A HELPING HAND FROM THE JUSTICE DEPARTMENT IN ANOTHER PHASE OF ITS INVESTIGATION.
THE DEPARTMENT, A COMMITTEE OFFICIAL SAID, HAS LET THE SENATE INVESTIGATORS TAKE A LOOK AT RECORDS DEALING WITH A CUSTOMS DUTY INCIDENT IN WHICH JOHN MARAGON WAS INVOLVED IN 1945.
MARAGON, WHO ONCE HAD ENTREE TO THE WHITE HOUSE, IS ANOTHER CENTRAL FIGURE IN THE INQUIRY. THE COMMITTEE HAS RECEIVED DOCUMENTARY EVIDENCE THAT FOUR YEARS AGO MARAGON TRIED TO BRING THROUGH CUSTOMS A SUPPLY OF VALUABLE PERFUME OILS DISGUISED AS CHAMPAGNE FOR THE WHITE HOUSE.
THE COMMITTEE HAS BEEN TRYING TO FIND OUT WHY MARAGON NEVER WAS PROSECUTED IN THE CASE. HE DID PAY AN $1,155 PENALTY.

HUNT DECLARED THAT WASHINGTON MANAGEMENT COUNSELORS HAVE BEEN HELPFUL IN SLICING THROUGH GOVERNMENT RED TAPE FOR SMALL BUSINESSMEN. BUT HE ADDED:
"THERE HAVE BEEN ABUSES AND UNDOUBTEDLY WILL CONTINUE TO BE ABUSES IN THIS FIELD, AS WELL AS IN EVERY OTHER."
HE SUGGESTED A LAW TO CURB ABUSES WHICH DO EXIST.
AUG 27 1949
"I SHOULD BE HAPPY TO BE THE FIRST MAN TO REGISTER UNDER SUCH AN ACT," HUNT SAID.
THE LAW HE PROPOSED WOULD REQUIRE EVERY WASHINGTON REPRESENTATIVE SUCH AS HUNT TO REGISTER WITH THE JUSTICE DEPARTMENT, AND FURNISH THE DEPARTMENT WITH THE NAMES OF ALL PERSONS AND FIRMS THEY REPRESENTED, THE INFORMATION TO BE MADE PUBLIC.
HUNT SAID THE COMMITTEE "HAS SEEN FIT TO CALL ONLY THREE PERSONS WHO, BY ANY STRETCH OF THE IMAGINATION, COULD BE CALLED CLIENTS OF MINE." HE SAID ONE OF THOSE WAS A "DISGRUNTLED FORMER CLIENT" AND THAT ANOTHER WAS PAUL D. GRINDLE "WHO PRETENDED TO BE A SMALL BUSINESSMAN SEEKING GOVERNMENT CONTRACTS IN ORDER TO OBTAIN MATERIAL FOR A NEWSPAPER STORY FOR THE NEW YORK HERALD TRIBUNE, HIS FORMER EMPLOYER."
GRINDLE TOUCHED OFF THE SENATE INVESTIGATION WHEN HE HERALD TRIBUNE PUBLISHED HIS STORY OF HOW HE PAID HUNT $1,000 FOR HELP IN SEEKING A GOVERNMENT CONTRACT.
HUNT SAID THAT ON THE OTHER HAND, "THE COMMITTEE OR ITS INVESTIGATORS HAVE, TO MY KNOWLEDGE, INTERVIEWED OR SEEN THE AFFIDAVITS OF AT LEAST 20 CLIENTS OF MINE, REPUTABLE BUSINESSMEN WHO ARE WELL SATISFIED WITH THEIR DEALINGS WITH ME."
HUNT DEVOTED A GOOD PART OF HIS 17-PAGE AFFIDAVIT TO A REBUTTAL OF GRINDLE'S TESTIMONY.
GRINDLE, NOW A MASSACHUSETTS FURNITURE MANUFACTURER, SAID ON THE STAND THAT HUNT TOLD HIM: "I HAVE ONLY ONE THING TO SELL AND THAT IS INFLUENCE. MY INFLUENCE IS BASED ON MY REPUTATION AND IT IS IMPECCABLE."
HUNT CONTENDED IN HIS AFFIDAVIT THAT THE REMARK "WAS OBVIOUSLY DREAMED UP BY SOMEONE X X X."
HUNT SAID GRINDLE'S TESTIMONY "DISCLOSES THAT HE HAD NO INTENTION EVEN AT THE START OF ENTERING INTO A BONA FIDE ARRANGEMENT WITH US, BUT WAS MERELY SEEKING MATERIAL FOR SOME KIND OF AN EXPOSE."

A47WX

AFTER RECITING HIS EFFORTS TO OBTAIN A CONTRACT FOR GRINDLE, HUNT SAID:
"ALL THIS WAS DONE WITHOUT 'INFLUENCE' OR 'PULL.' IT DID NOT REQUIRE A COCKTAIL PARTY FOR SEVEN SENATORS."
THAT WAS AN ALLUSION TO GRINDLE'S TESTIMONY THAT HUNT OFFERED TO GIVE A COCKTAIL PARTY FOR HIM, AND ASSURED HIM THAT SEVEN SENATORS WOULD ATTEND.
HUNT DENIED HE EVER TOLD GRINDLE THAT TWO WHITE HOUSE PARTIES WERE GIVEN IN HIS HONOR. BUT HE CONFIRMED THAT HE INFORMED GRINDLE THAT:
"ON TWO OCCASIONS I HAD BEEN GREATLY HONORED BY HAVING SONGS, THE LYRICS OF WHICH HAD BEEN WRITTEN BY ME, PLAYED AT WHITE HOUSE CONCERTS WHICH I HAD BEEN INVITED TO ATTEND."
AS FOR GRINDLE'S STATEMENT THAT HUNT TOLD HIM OF A SCHEME FOR HAVING $200,000,000 WORTH OF NEW AIRPLANE PARTS DECLARED SURPLUS AND BOUGHT BACK AT $18 A TON BY A SYNDICATE WHICH WOULD THEN RESELL THE PARTS AS NEW ONES, HUNT SAID:
"WHAT ACTUALLY HAPPENED, AND WHAT I TOLD MR. GRINDLE, WAS THIS:
"WAR ASSETS ADMINISTRATION WAS REPORTED TO HAVE SURPLUS AIRPLANE PARTS IN THE HANDS OF DISPOSAL AGENTS, THE ORIGINAL ACQUISITION COST OF WHICH WAS APPROXIMATELY $400,000,000. A PROPOSAL HAD BEEN MADE THAT APPROXIMATELY ONE-FOURTH OF THIS AMOUNT BE SOLD TO THE DISPOSAL AGENTS AND THAT THE REST X X X BE SCRAPPED AND SMELTED. IT WAS THIS PROPOSITION WHICH I SUGGESTED TO MR. GRINDLE WOULD MAKE THE TAXPAYERS' BLOOD BOIL."
HUNT DENIED HE TOLD GRINDLE HE HAD SAVED A CLIENT A $60,000 PENALTY. HE SAID HE DID TELL THE MASSACHUSETTS MANUFACTURER THAT HE REPRESENTED DOROTHY DRAPER, AN INTERIOR DECORATOR, BUT HUNT SAID HE DID NOT SAY GENERAL VAUGHAN HAD INTERVENED "ON OUR BEHALF" IN CONNECTION WITH A CONTRACT FOR DECORATION OF THE WHITE HOUSE.
"THE FACT IS THAT I NEVER MENTIONED THE THING TO GENERAL VAUGHAN X X X," HUNT SAID.
BUT HE ADDED THAT HIS OFFICE DID CALL VAUGHAN'S OFFICE "AND HIS SECRETARY INFORMED US THAT THE PROPER PERSON TO DISCUSS A WHITE HOUSE REDECORATING CONTRACT WITH WAS THE WHITE HOUSE ARCHITECT X X X."
HUNT ACCUSED GRINDLE OF GIVING "A DISTORTED VERSION OF THE FACTS" CONCERNING "MY PART IN THE BUILDING OF THE FOXBORO RACETRACK," NEAR BOSTON.

AUG 27 1949

A48WX

HUNT SAID VAUGHAN HAD NOTHING TO DO WITH THAT CASE, AND THAT HIS OWN ROLE WAS TO ADVISE HIS CLIENT HOW TO CONFINE CONSTRUCTION AT THE TRACK TO WORK PERMITTED UNDER A GOVERNMENT REGULATION DESIGNED TO CHANNEL SCARCE BUILDING MATERIALS TO ESSENTIAL USES.
HUNT ALSO DENIED HE TOLD GRINDLE THAT HE:
SAID HE WAS A CLOSE FRIEND OF SECRETARY OF DEFENSE LOUIS JOHNSON.
HAD ANYTHING TO DO WITH THE APPOINTMENT OF BRIG. L.O. GRICE AS CHIEF OF THE ARMY QUARTERMASTER OFFICE IN NEW YORK.
HUNT NAMED ALBERT J. GROSS, MILWAUKEE MANUFACTURER, AS THE "DISGRUNTLED" CLIENT THE COMMITTEE CALLED TO THE WITNESS STAND.
GROSS TESTIFIED HE PAID HUNT $2,000 IN AN UNSUCCESSFUL EFFORT TO OBTAIN SOME SCARCE STEEL IN 1946.
(IT WAS GROSS WHO FIRST DISCLOSED AT THE INQUIRY THAT A CHICAGO

PERFUME COMPANY PRESENTED HOME FREEZERS TO WASHINGTON NOTABLES IN 1945)

HUNT SAID GROSS CALLED HIS OFFICE THE DAY AFTER THE HERALD-TRIBUNE STORY APPEARED, "AND TOLD MY SECRETARY IN SUBSTANCE THAT I HAD BETTER REPAY HIM HIS $2,000 OR HE WOULD GO TO THE SENATE COMMITTEE."

SHORTLY AFTER THE SENATE COMMITTEE STARTED ITS INVESTIGATION THE ARMY SUSPENDED MAJ.GEN. ALDEN H.WAITT, CHIEF OF THE CHEMICAL CORPS, AND MAJ.GEN.HERMAN FELDMAN, THE QUARTERMASTER GENERAL.

SECRETARY OF THE ARMY GRAY SAID BOTH MEN HAD FAILED TO EXHIBIT JUDGMENT EXPECTED OF PERSONS IN THEIR POSITIONS.

WITNESSES HAVE TESTIFIED THAT HUNT CLAIMED INFLUENCE WITH BOTH WAITT AND FELDMAN.

HUNT SAID:

"ALTHOUGH AN ATTEMPT HAS BEEN MADE TO SHOW UNDULY CLOSE CONNECTION BETWEEN GENERAL WAITT AND MYSELF AND BETWEEN GENERAL FELDMAN AND MYSELF, NO ATTEMPT HAS BEEN MADE TO CHALLENGE OR DISPROVE GENERAL WAITT'S TESTIMONY TO THE EFFECT THAT I NEVER WAS ABLE TO GET A CONTRACT FOR ANY CLIENT OF MINE OUT OF THE CHEMICAL CORPS.

"THE SAME IS TRUE OF GENERAL FELDMAN'S TESTIMONY TO THE EFFECT THAT I NEVER WAS ABLE TO GET A CONTRACT FOR ANY CLIENT OF MINE FROM THE QUARTERMASTER CORPS.

"THIS WOULD SEEM TO ME TO BE CONCLUSIVE EVIDENCE OF THE ABSENCE OF ANY IMPROPER INFLUENCE."

WITNESSES TESTIFIED THAT HUNT BOASTED HE KNEW IN ADVANCE ABOUT WHITE HOUSE PLANS TO NAME JESS LARSON WAR ASSETS ADMINISTRATOR. HUNT GAVE THIS VERSION:

"BOUT A WEEK BEFORE MR.LARSON'S APPOINTMENT, I WAS IN DR. STEELMAN'S OFFICE IN THE WHITE HOUSE, DISCUSSING AN ENTIRELY DIFFERENT MATTER.

(DR.JOHN R.STEELMAN IS A PRESIDENTIAL ASSISTANT.)

"AT THE CONCLUSION OF THIS DISCUSSION DR.STEELMAN MENTIONED TO ME THAT MR.LARSON WAS ONE OF THE SEVERAL PEOPLE BEING CONSIDERED AS A SUCCESSOR TO GENERAL LITTLEJOHN FOR THE POST OF WAR ASSETS ADMINISTRATOR AND HE ASKED ME WHAT I THOUGHT OF HIM.

"I TOLD DR.STEELMAN THAT I HAD THE VERY HIGHEST RESPECT FOR MR. LARSON'S ABILITY, BUT STATED THAT, IN VIEW OF THE TERRIFIC STRAIN OF THE JOB, AND HIS IMPAIRED PHYSICAL CONDITION X X X, I DOUBTED WHETHER COL.LARSON SHOULD UNDERTAKE SUCH A GRAVE RESPONSIBILITY."

THE COMMITTEE HAS RECEIVED TESTIMONY THAT HUNT WAS PAID MORE THAN $80,000 FOR SERVICES IN CONNECTION WITH RETURN OF THE SWANK LIDO BEACH HOTEL ON LONG ISLAND (N.Y.) TO ITS FORMER OWNERS. THE NAVY BOUGHT THE HOTEL IN 1942 AND SOLD IT BACK TO HUHNT'S CLIENT IN 1947.

"THE IMPRESSION WAS WIDELY PUBLICIZED," HUNT SAID, "THAT THE FORMER OWNERS' PRIORITY WAS AS SIMPLE AS PRESENTING A PARCEL CHECK AT THE WINDOW AND PICKING UP YOUR PACKAGE. THAT THIS IS NOT SO IS CLEARLY ILLUSTRATED BY THE FACT THAT AFTER THREE YEARS OF UNREMITTING EFFORT, THE SEIDENS (THE OWNERS) STILL HAVE BEEN ABLE TO RECOVER ONLY A PORTION OF THE PROPERTY ORIGINALLY TAKEN FROM THEM."

HUNT ACKNOWLEDGED THAT HE MET WITH GOVERNMENT HOUSING OFFICIALS AFTER GENERAL VAUGHAN TOLD HIM THAT HIS (VAUGHAN'S) FRIENDS WERE BEING GIVEN THE RUN-AROUND IN CONNECTION WITH A CONSTRUCTION PERMIT FOR TANFORAN RACETRACK IN CALIFORNIA. TESTIMONY AT THE INQUIRY WAS THAT HUNT FOUND OUT FOR VAUGHAN'S FRIENDS WHAT THEY WOULD HAVE TO DO TO BECOME ELIGIBLE FOR A CONSTRUCTION PERMIT.

V937PED

AUG 27 1949

UNAMERICAN (330)

BY DOUGLAS B.CORNELL

ADVANCE FOR WASHINGTON,AUG 27 (AP)-HOUSE SPY HUNTERS SAY THREE FORMER FEDERAL AGENTS MAY SNAP SHUT A PERJURY CASE AGAINST THE "SCIENTIST X" ACCUSED OF SLIPPING ATOMIC SECRETS TO A RED.

THE TRIO, AN AUTHORITY OF THE HOUSE UNAMERICAN ACTIVITIES COMMITTEE SAID, WILL SWEAR THEY SAW SCIENTIST X AND COMMUNIST LEADER STEVE NELSON IN A WARTIME CONFERENCE IN NELSON'S HOME.

"THAT MEANS," THIS AUTHORITY TOLD REPORTERS, "THAT SO FAR AS THE NELSON-SCIENTIST X CASE IS CONCERNED IT IS ALL LOCKED UP ON THE PERJURY ISSUES."

THE COMMITTEE HAS SAID THAT THE SCIENTIST DENIED KNOWING NELSON.

THE SCIENTIST WORKED AT THE RADIATION LABORATORY AT THE UNIVERSITY OF CALIFORNIA AT BERKELEY, WHICH HANDLED PART OF THE ATOM BOMB PROJECT.

THE COMMITTEE HAS SAID IN AN OFFICIAL REPORT THAT IN MARCH, 1943, THE SCIENTIST GAVE NELSON A COMPLICATED ATOMIC FORMULA. IT CALLED NELSON A COMMUNIST ESPIONAGE AGENT AND DESCRIBED MEETINGS HE HELD WITH RUSSIAN DIPLOMATIC OFFICIALS AT WHICH IT SAID DOCUMENTS AND MONEY CHANGED HANDS. THE SCIENTIST HAS NEVER BEEN NAMED BY THE COMMITTEE.

THE COMMITTEE INFORMANT SAID THAT THE THREE EX-U.S. AGENTS PERCHED IN A TREE FOR AN HOUR ONE NIGHT AND WATCHED THE SCIENTIST AND NELSON THROUGH A WINDOW OF NELSON'S HOME.

HE SAID HE DIDN'T KNOW WHETHER THEY LISTENED IN ON THE CONVERSATION.

THE THREE ALREADY HAVE BEEN QUESTIONED SECRETLY IN A PRELIMINARY TO POSSIBLE PUBLIC HEARINGS.

REP.VELDE (R-ILL), A COMMITTEE MEMBER WHO IS SPEAR-HEADING A CAMPAIGN TO WIND UP THE SCIENTIST X CASE, QUIZZED ONE OF THE PROSPECTIVE WITNESSES LAST SUNDAY. THIS WITNESS IS UNDERSTOOD TO HAVE TIPPED VELDE AS TO THE OTHER TWO.

VELDE HIMSELF IS A FORMER F.B.I. AGENT WHO WORKED FOR A TIME ON THE SCIENTIST X CASE.

NELSON, A NATURALIZED YUGOSLAV, IS NOW COMMUNIST PARTY ORGANIZER FOR WESTERN PENNSYLVANIA, WITH HEADQUARTERS IN PITTSBURGH. EARLY IN THE WAR HE HAD A SIMILAR JOB IN ALEMEDA COUNTY, CALIF., WHICH INCLUDES BERKELEY.

THE COMMITTEE HAS SAID A COMMUNIST CELL OPERATED AT THE RADIATION LABORATORY AT BERKELEY.

(END ADVANCE FOR USE IN AMS OF SUNDAY,AUG. 28)

GG227PED

AUG 27 1949

(120) PACT

WASHINGTON,AUG.27-(AP)-OTHER REGIONAL TREATIES MAY BE NEEDED TO MAKE THE ATLANTIC SECURITY PACT EFFECTIVE, A GOVERNMENT EXPERT SAID TODAY.

DR.HALFORD HOSKINS, WHO PREPARED INFORMATION ON THE ATLANTIC TREATY FOR CONGRESS, NOTED THAT "THE SOVIET BLOC HAS ACCESS TO THE ADRIATIC, COULD READILY PENEETRATE TO THE AEGEAN SEA, OR TO THE INDIAN OCEAN, AND CONTROLS LONG REACHES OF THE SHORES OF THE WESTERN PACIFIC."

"THIS SITUATION," HE SAID, "HAS GIVEN RISE TO SEVERAL FAIRLY SERIOUS PROPOSALS FOR OTHER REGIONAL DEFENSE ARRANGEMENTS."

HOSKINS WROTE THAT IF CONTAINMENT IS A SOUND WAY TO COUNTERACT MORE COMMUNIST AGGRESSION, THEN THE FENCE IS INCOMPLETE WHILE THE LOOPHOLES EXIST.

HOSKINS IS A SPECIALIST IN INTERNATIONAL RELATIONS AT THE LIBRARY OF CONGRESS. HE GAVE HIS VIEWS IN A NEWLY PUBLISHED STUDY, "THE ATLANTIC PACT."

VX852PED

WASHINGTON,AUG.27-(AP)-THE ARMY HAS REAPED ONE UNEXPECTED BENEFIT FROM UNIFICATION OF THE ARMED FORCES.

IT'S HAVING ITS COFFEE ROASTED BY THE NAVY, WHICH LONG HAS BEEN PROUD OF THE QUALITY OF ITS SEAGOING JAVA.

MARX LEVA, ADMINISTRATIVE ASSISTANT TO SECRETARY OF DEFENSE JOHNSON, DISCLOSED THE NEW BREAKFAST DRINK UNITY ON A RADIO BROADCAST LAST NIGHT.

PARCHMENT COMMISSIONS HAVE BEEN UNIFIED UNDER THE NEW SETUP TOO, LEVA SAID. INSTEAD OF COMING IN 45 DIFFERENT SIZES (THE HIGHER THE RANK, THE BIGGER THE COMMISSION), THEY HAVE ALL BEEN CUT DOWN TO THE MINIMUM--OR NAVY ENSIGN--SIZE.

V257AED

APPROPRIATIONS

BY EDWIN B.HAAKINSON

WASHINGTON,AUG.27-(AP)-ECONOMY-MINDED SENATORS CONGRATULATED THEMSELVES TODAY ON A $1,400,000,000(B) SLASH IN DEFENSE FUNDS--"THE BIGGEST REDUCTION IN ANY ONE BILL IN THE HISTORY OF OUR GOVERNMENT."

THE WORDS WERE THOSE OF SENATOR ELMER THOMAS (D-OKLA), WHO IS GUIDING A MULTI-BILLION DOLLAR MILITARY MONEY BILL THROUGH THE SENATE.

THE HUGE CUTBACK ORDERED BY THE SENATE YESTERDAY INCLUDED TWO ITEMS:

A CUT OF $1,118,000,000(B) IN HOUSE-APPROVED FUNDS FOR ARMY, NAVY AND AIR FORCE SPENDING DURING THE 12 MONTHS WHICH BEGAN JULY 1; AND A $275,000,000(M) REDUCTION IN MONEY THAT BOTH CHAMBERS HAD EARLIER APPROVED FOR STOCKPILING CRITICAL MATERIALS.

THE REDUCTIONS MUST BE OKAYED BY THE HOUSE, WHERE SOME LEADERS ALREADY WERE PROTESTING SHARP SLASHES IN FUNDS FOR THE AIR FORCE.

ALTHOUGH SENATORS WORKED FAR PAST THEIR USUAL QUITTING TIME LAST NIGHT THEY STILL FAILED TO COMPLETE ACTION ON THE HUGE MILITARY MONEY BILL.

AS IT CAME FROM THE HOUSE IT CONTAINED $15,900,000,000(B). AS IT STOOD TODAY IT CARRIED ABOUT $14,800,000,000(B).

THESE ARE THE REMAINING ISSUES, TO BE FOUGHT OUT IN THE SENATE MONDAY:

1. AN ATTEMPT BY SENATOR MCCLELLAN (D-ARK) AND A LONG LIST OF DEMOCRATS AND REPUBLICANS TO DIRECT PRESIDENT TRUMAN TO CHOP FROM 5 TO 10 PER CENT OFF ALL THE FUNDS THAT CONGRESS VOTES THIS YEAR.

2. AN EFFORT BY SENATOR WILEY (R-WIS) AND OTHER DAIRY STATE SENATORS TO RESTORE A FORMER MILITARY BAN AGAINST USE OF OLEOMARGARINE FOR BUTTER.

3. A MOVE BY SENATOR DOUGLAS (D-ILL) TO CHOP ADDITIONAL MILLIONS FROM THE BIG MILITARY BILL BY SENDING IT BACK TO THE APPROPRIATIONS COMMITTEE WITH INSTRUCTIONS TO SLICE IT FURTHER.

AUG 27 1949

A10WX

DURING YESTERDAY'S DEBATE ONLY ONE SERIOUS CHALLENGE WAS RAISED AGAINST THE ECONOMY DRIVE. THAT WAS ON THE CUTBACK IN AIR FORCE FUNDS.

THE HOUSE HAD ALLOWED ENOUGH CASH AND CONTRACT AUTHORITY TO EXPAND THE AIR ARM FROM 48 COMBAT GROUPS TO 58. THE SENATE CUT IT RIGHT BACK TO 48, BUT ONLY AFTER SENATOR KNOWLAND (R-CALIF) HAD FORCED A ROLLCALL VOTE.

WORD OF THE SENATE ACTION BROUGHT AN IMMEDIATE PROTEST FROM REP. MAHON (D-TEX), WHO STEERED THE BULKY MILITARY BILL THROUGH THE HOUSE. HE WILL HEAD HOUSE CONFEREES WHEN THEY MEET WITH SENATE SPOKESMEN TO ADJUST DIFFERENCES LATER.

"WE PROPOSE TO STAND PAT ON THE 58 GROUP AIR FORCE," MAHON SAID. A POWERFUL AIR FORCE, HE DECLARED, IS THE GREATEST STABILIZING FACTOR FOR WORLD PEACE.

NUMEROUS OTHER PROVISIONS WENT INTO THE SENATE BILL WITHOUT QUESTIONS, INCLUDING:

1. A PROFIT LIMIT ON RENEGOTIATION OF DEFENSE CONTRACTS TO GIVE SMALL BUSINESSMEN A CHANCE TO QUALIFY.

2. AN AMENDMENT GIVING SMALL BUSINESS A FURTHER SHARE IN THE HUGE MILITARY CONTRACTS.

3. A PROVISION TO REQUIRE PURCHASES IN THE UNITED STATES OR ITS TERRITORIES WHEN POSSIBLE.

4. AUTHORITY FOR EMPLOYMENT OF CIVILIAN PHYSICIANS, DENTISTS AND NURSES BY THE ARMED FORCES.

V255AED

THEY FACE THIS PROBLEM: AS PRESENTLY ORGANIZED, BRITAIN CANNOT EXIST WITHOUT BUYING GOODS FOR DOLLARS, AND SHE HAS BEEN RAPIDLY RUNNING OUT OF DOLLARS. ADD WASHN (NL BRITISH ECONOMIC) X X X PEARSON (HI-SHOVED)

LAST YEAR, THE BRITISH HAD FIXED $2,000,000,000 AS THE MINIMUM POINT OF SAFETY FOR THEIR TOTAL SUPPLY OF GOLD AND DOLLARS HELD IN RESERVE.

EARLY THIS YEAR IT BECAME APPARENT THAT THIS "RAINY DAY FUND" WAS RAPIDLY RUNNING OUT. BY MARCH 31 IT HAD DWINDLED TO $1,898,000,000; ON JUNE 30 IT STOOD AT $1,636,000,000. THE NEXT DAY OF RECKONING WILL BE SEPT. 30 AND THE DROP BY THAT TIME, ACCORDING TO AUTHORITATIVE INFORMATION HERE, WILL LOWER THE BRITISH RESERVES TO ABOUT $1,400,000,000.

IF THE OUTGO CONTINUED AT THAT RATE, THE RESERVE FUND WOULS INK CLOSE TO THE BILLION-DOLLAR MARK BY THE END OF THE YEAR, AND BELOW IT EARLY IN 1950.

AUG 27 1949

HOWEVER, BOTH AMERICAN AND BRITISH OFFICIALS SAID TODAY THE Y ARE EXTREMELY HOPEFUL THIS CAN BE PREVENTED.

MEASURES UNDER DISCUSSION INCLUDE NOT ONLY BRITAIN'S ALREADY DRASTIC REDUCTION IN DOLLAR EXPENDITURES BUT ALSO AN AGREEMENT BY THE UNITED STATES AND CANADA TO SPEED THEIR SPENDING OF DOLLARS IN THE BRITISH AREA.

THERE IS INCREASING SPECULATION HERE ATHAT AT SOME POINT THE BRITISH MAY DEVALUE THE POUND AS A MEANS OF IMMEDIATELY CUTTING THE COST OF ARTICLES THEY SELL ABROAD. AMERICAN OFFICIALS, HOWEVER, SAY THAT IS A DECISION THE BRITISH GOVERNMENT ITSELF WILL HAVE TO MAKE.

GG246PED

HE ALSO SERVED AS A SPECIAL ASSISTANT TO FORRESTAL IN THE NAVY DEPARTMENT.

GRIFFITH SERVED IN THE FIRST WAR AS A NON-COMMISSIONED OFFICER IN THE 110TH INFANTRY AND 55TH INFANTRY BRIGADE HEADQUARTERS.

ON THE EVEN OF WORLD WAR II HE RETURNED TO ACTIVE DUTY IN JUNE, 1940. AS A MAJOR, HE WAS AN EXECUTIVE ASSISTANT IN THE OFFICE OF THE UNDERSECRETARY OF WAR. PROMOTED TO A LT.COL.HE WAS ASSIGNED TO A TECHNICAL MISSION TO INDIA. ADD WASHN (DEFENSE POSTS) X X X WAR

HE ALSO SERVED AS MILITARY AIDE AND ADVISOR TO JOHNSON, WHO AT THAT TIME WAS THE LATE PRESIDENT FRANKLIN D.ROOSEVELT'S PERSONAL REPRESENTATIVE IN THE MIDDLE AND NEAR EAST.

GRIFFITH HELPED IN THE ORGANIZATION OF THE WAR MANPOWER COMMISSION

AND THE SELECTIVE SERVICE SYSTEM IN WASHINGTON. SUCCESSIVELY HE WAS CHIEF OF THE VETERANS PERSONNEL DIVISION OF SELECTIVE SERVICE AND AN ASSISTANT ADMINISTRATOR IN THE WAR MOBILIZATION OFFICE.

GRIFFITH WAS ONE OF THE EARLY MEMBERS OF THE AMERICAN LEGION, WHICH WAS FORMED BY WORLD WAR I VETERANS. HE WAS PENNSYLVANIA STATE COMMANDER IN 1942 AND NATIONAL COMMANDER IN 1946.

IN PRIVATE BUSINESS, GRIFFITH WAS FOR A NUMBER OF YEARS A PARTNER WITH HIS FATHER IN UNIONTOWN IN THE WHOLESALE DAIRYPRODUCTS BUSINESS. MORE RECENTLY HE HAS BEEN WITH A BUSINESS CONSULTANT FIRM THAT HAS OFFICES IN WASHINGTON, COLUMBUS, AND CINCINNATI. HE IS A REPUBLICAN.

MCNEIL HAS SERVED AS SPECIAL ASSISTANT ON BUDGET PROBLEMS FOR BOTH FORRESTAL AND JOHNSON.

AFTER SERVICE IN WORLD WAR II, MCNEIL WAS APPOINTED FISCAL DIRECTOR OF THE NAVY DEPARTMENT IN 1945. THEN AS A CIVILIAN, HE WAS NAMED TO A NEW POST SET UP IN 1947 IN THE OFFICE OF THE SECRETARY OF THE NAVY TO REORGANIZE AND ADMINISTER NAVAL FISCAL AFFAIRS.

BEFORE ENTERING THE NAVY, MCNEIL HAD EXPERIENCE IN BANKING, AUTOMOBILE MERCHANDISING AND NEWSPAPER CIRCULATION.

LEVA IS A GRADUATE OF THE UNIVERSITY OF ALABAMA AND THE HARVARD LAW SCHOOL. HE WAS ONE OF THE EDITORS OF THE HARVARD LAW REVIEW IN 1939 AND 1940.

HE SERVED AS LAW CLERK TO ASSOCIATE JUSTICE HUGO BLACK OF THE SUPREME COURT IN 1940. THE NEXT YEAR HE WAS NAMED SENIOR ATTORNEY TO THE GENERAL COUNSEL OF THE WAR PRODUCTION BOARD. THE FOLLOWING YEAR HE BECAME ACTING REGIONAL ATTORNEY FOR THE WAR PRODUCTION BOARD FOR MICHIGAN AND NORTHERN OHIO.

IN THE LAST WAR AS A NAVY ENSIGN, LEVA SERVED AS EXECUTIVE OFFICER AND NAVIGATOR OF A LANDING CRAFT IN THE SICILY, SALERNO, ANZIO AND NORMANDY INVASIONS. HE RETURNED TO WASHINGTON FOR DUTY IN THE NAVY'S BUREAU OF SHIPS. HE LEFT THE SERVICE IN 1946 AND WAS APPOINTED COUNSEL TO THE FISCAL DIRECTOR OF THE NAVY. IN 1947 HE BECAME A SPECIAL ASSISTANT TO FORRESTAL.

ES1150AED

BY MAX HARRELSON

LAKE SUCCESS, AUG.27-(AP)-BRIG.GEN. CARLOS P.ROMULO OF THE PHILIPPINES IS ALMOST SURE TO BE THE NEXT PRESIDENT OF THE UNITED NATIONS ASSEMBLY, A CHECK OF DELEGATES INDICATED TODAY.

FRIENDS OF THE ENERGETIC, BLUNT-SPOKEN FORMER NEWSPAPERMAN REPORT THAT SO FAR THEY HAVE FOUND NO "SERIOUS COMPETITOR" FOR THE KEY UN POST WHICH WILL BE FILLED AT THE OPENING OF THE ASSEMBLY SEPT. 20.

TWO OTHER DIPLOMATS--SIR MOHAMMED ZAFRULLAN KHAN OF PAKISTAN AND NASROLLAH ENTEZAM--HAVE BEEN MENTIONED FREQUENTLY IN THE BEHIND THE SCENES TALK AS CANDIDATES BUT INFORMED QUARTERS SAID BOTH WERE RELUCTANT TO OPPOSE ROMULO.

IF ELECTED, ROMULO WILL BECOME THE FIFTH PRESIDENT OF THE 59-NATION ASSEMBLY. THE OTHERS WERE PAUL-HENRI SPAAK, FORMER BELGIAN PREMIER; DR. OSWALDO ARANHA OF BRAZIL; DR. JOSE ARCE OF ARGENTINA AND DR. HERBERT V.EVATT OF AUSTRALIA.

ROMULO, ACTIVE IN THE UN SINCE ITS START IN 1946, SERVED LAST YEAR AS CHAIRMAN OF THE ASSEMBLY'S SPECIAL POLITICAL COMMITTEE. MUCH OF HIS PRESENT BACKING CAME AS A RESULT OF THE WAY HE CONDUCTED THE WORK OF THAT COMMITTEE.

IF THERE IS ANY IMPORTANT OPPOSITION TO ROMULO, HIS SUPPORTERS SAID, IT PROBABLY WILL COME FROM THE SOVIET BLOC. THE GENERAL HAS BEEN AN OUTSPOKEN FOE OF COMMUNISM AND AT PRESENT IS ORGANIZING A PACIFIC UNION TO FIGHT COMMUNISM.

AS PRESIDENT OF THE ASSEMBLY, ROMULO ALSO WOULD HEAD THE POWERFUL 14-NATION STEERING COMMITTEE WHICH IS PRIMARILY RESPONSIBLE FOR SCREENING ITEMS PROPOSED FOR THE AGENDA AND DECIDING WHETHER TO RECOMMEND THEIR INCLUSION.

UN SECRETARY-GENERAL TRYGVE LIE ESTIMATES THE COMING ASSEMBLY SESSION WILL LAST ABOUT 10 WEEKS. THERE ARE 71 ITEMS ON THE PROPOSED AGENDA.

HA 433AED

LAKE SUCCESS, AUG. 26-(AP)-THE UNITED NATIONS INTERNATIONAL CHILDREN'S EMERGENCY FUND ANNOUNCED TODAY IT WILL SPEND $1,000,000 (M) TO AID NEEDY CHILDREN IN INDIA AND PAKISTAN.

THE FIVE-POINT PROGRAM IN INDIA WILL COST $750,000, UNICEF SAID. IT WILL COVER AN ANTI-TUBERCULOSIS CAMPAIGN, MALARIA COUNTROL PROJECTS, SCHOLARSHIPS FOR DOCTORS WORKING IN THE CHILD WELFARE FIELD, A HEALTH EDUCATION DRIVE AND DEMONSTRATION CHILD-FEEDING PROJECTS.

IN PAKISTAN, UNICEF'S PROGRAM IS BEING ESTABLISHED ALONG SIMILAR LINES. A PRELIMINARY SURVEY OF THE CHILD POPULATION IN KARACHI IS BEING UNDERTAKEN. LATER A SURVEY TEAM WILL TRANSFER TO EAST PAKISTAN. AN ANTI-MALARIA TEAM ALSO IS OPERATING IN PAKISTAN.

SF821AED

LAKE SUCCESS, AUG 27-(AP)-SCIENCE MAY BE ABLE TO HARNESS THE SUN'S ENERGY FOR INDUSTRIAL PRODUCTION, SAYS INTERIOR SECRETARY JULIUS A. KRUG.

KRUG SAID HE WAS CONVINCED THE PROBLEM OF USING SOLAR ENERGY MIGHT BE SOLVED BY EXPENDITURE OF SUMS LIKE THE $3,000,000,000 (B) SPENT BY THE U.S. ON THE PROBLEM OF ATOMIC ENERGY.

THE INTERIOR SECRETARY BROUGHT THE SUBJECT UP AT A NEWS CONFERENCE DURING A VISIT YESTERDAY TO THE UNITED NATIONS SCIENTIFIC CONFERENCE ON CONSERVATION AND UTILIZATION OF RESOURCES.

KRUG SAID HIS DEPARTMENT HAS BEEN ENCOURAGING SMALL SCALE EXPERIMENTS AT VARIOUS UNIVERSITIES AND LABORATORIES, ON SUCH USES OF SUN POWER AS HEATING HOUSES, AND OBTAINING FRESH WATER FROM SALT. HE SAID IT EXPECTS TO FINISH A SURVEY OF RESULTS SO FAR "IN THE NEXT SEVERAL MONTHS."

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30.24- 5305

NEW YORK, AUG.27-(AP)-MORIKATSU INAGAKI, HEAD OF THE UNION OF THE WORLD FEDERAL GOVERNMENT FOR JAPAN, SAID FRIDAY HE BELIEVES NO LEAGUE OF SOVEREIGN STATES CAN MAINTAIN PEACE.

BECASUE OF THIS, HE TOLD REPORTERS, HE HAS BEEN WORKING IN THE INTEREST OF WORLD FEDERAL GOVERNMENT SINCE WORLD WAR II ENDED.

INAGAKI ARRIVED HERE TODAY ENROUTE TO STOCKHOLM, SWEDEN, WHERE HE WILL TAKE PART IN THE THIRD ANNUAL CONGRESS OF THE WORLD MOVEMENT FOR WORLD FEDERAL GOVERNMENT, TO BE HELD AUG. 28 TO SEPT. 4.

EXPERIENCE IN GENEVA AS A THREE-TIME MEMBER OF THE SECRETARIAT OF THE LEAGUE OF NATIONS, FROM 1924 TO 1939, SAID INAGAKI, CONVINCED HIM "THAT THE SYSTEM OF A LEAGUE OF SOVEREIGN STATES COULD NOT MAINTAIN PEACE."

FOLLOWING THE WAR, INAGAKI SAID, HE WROTE DR. ALBERT A. EINSTEIN, THE FAMED SCIENTIST WHOM E HAD MET IN GENEVA, AND RECEIVED FROM HIM A LETTER OF INTRODUCTION TO UNITED WORLD FEDERALISTS IN THE UNITED STATES. INAGAKI SAID HIS TRIP TO SWEDEN WAS BEING FINANCED BY FRIENDS IN SAN FRANCISCO WHO ARE INTERESTED IN THE MOVEMENT.

IN AGAKI SAID HIS TRIP WAS APPROVED BY THE INFORMATION AND EDUCATION SECTION OF THE ALLIED OCCUPATION FORCES IN JAPAN AND THAT HE HAS A PERMIT TO STAY IN STOCKHOLM UNTIL SEPTEMBER. LATER HE WANTS TO VISIT FRANCE, ENGLAND AND SWITZERLAND. IF HE CANNOT GET NCESSARY VISAS, HE PLANS TO RETURN HERE.

ASKED ABOUT CONDITIONS IN JAPAN, INAGAKI SAID:

"I THINK WE MUST LET THE YOUNG PEOPLE UNDERSTAND THE WORLD GOVERNMENT IDEA CAN HELP JAPAN. THE JAPANESE PEOPLE NOW ARE IN CONFUSION AND THE COMMUNIST IDEA IS VERY STRONG AMONG THE YOUNG PEOPLE--NOT BECAUSE THEY ARE CONVINCED OF IT BUT BECAUSE THEY HAVE NOTHING TO PUT IN ITS PLACE."

"THE HOPE OF WORLD FEDERAL GOVERNMENT WOULD FILL GHAT GAP," HE SAID.

CIVIL CONFUSION HAS BEEN CAUSED IN JAPAN DURING RECENT MONTHS BOTH BY COMMUNIST VIOLENCE AND THE ATTITUDE OF SOLDIERS RETURNING FROM SIBERIA, INAGAKI SAID, ADDING:

"SOVIETS HAD TOLD THE JAPANESE SOLDIERS RETURNING FROM SIBERIA THEY WERE NOT WANTED AT HOME AND THEY FELT THEIR HOMELAND HAD LET THEM DOWN." HE SAID IT SHOULD BE UNDERSTOOD THE RUSSIANS LISTED ONLY 95,000 JAPANESE SOLDIERS IN SIBERIA, WHEREAS THE JAPANESE REPORT 400,000 THERE.

"WHEN A PORTION OF THESE SOLDIERS RETURNED TO JAPAN RECENTLY," INAGAKI DECLARED, "THEY WERE MET BY COMMUNIST AGENTS AT THE TRAINS WHO TOLD THEM THEIR FAMILIES HAD COME TO THE TRAINS TO MEET THEM BUT OFFICIALS HAD NOT PERMITTED THEM TO MEET.

"THE RETURNING SOLDIERS SAID THEY WOULD WORK FOR THE FATHERLAND OF SOVIET RUSSIA."

THIS, SAID INAGAKI, SHOCKED THE JAPANESE PEOPLE WHO, NONETHELESS, BELIEVE ONLY ABOUT TEN PER CENT OF THESE SOLDIERS WOULD SUPPORT RUSSIA.

MET HERE BY UNITED WORLD FEDERALISTS REPRESENTATIVES, INAGAKI LEFT FOR NORWALK, CONN., TO VISIT NORMAN COUSINS, EDITOR OF THE SATURDAY REVIEW OF LITERATURE, WHO JUST RETURNED FROM JAPAN. HE DEPARTS TOMORROW FOR STOCKHOLM ON AN AMERICAN OVERSEAS AIRLINES PLANE.

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NEW YORK,AUG.27-(AP)-A SPECIAL CONGREGATIONAL DELEGATION SAILED ABOARD THE LINER QUEEN MARY TODAY TO STUDY THE PROBLEMS OF DISPLACED PERSONS IN EUROPE.

THE CONGRESSMEN REPRESENT THE HOUSE COMMITTEE ON IMMIGRATION AFFAIRS. THEIR STUDY WILL BE CONCENTRATED CHIEFLY IN GERMANY, SAID REP.FRANCIS E.WALTER (D-PA), HEAD OF THE DELEGATION.

"THE DISPLACED PERSONS LEGISLATION HAS NOT BEEN ADEQUATE," WALTER TOLD NEWSMEN. "WE ARE TRYING TO IMPROVE THIS LEGISLATION IN CONGRESS. WE ALSO WANT TO LOOK INTO THE SLOWNESS OF REPATRIATION AND RESETTLEMENT."

WALTER SAID THE GROUP ALSO WANTED TO LEARN "WHY IT TAKES SO LONG TO PROCESS PEOPLE OUT OF CAMPS."

THE DELEGATION INCLUDED THESE REPRESENTATIVES:

WILLIAM T.BYRNE (D-NY), JOSEPH R.BRYSON (D-SC), MICHAEL A.FEIGHAN (D-OHIO), J.FRANK WILSON (D-TEX), CHAUNCEY W.REED (R-ILL), FRANK FELLOWS (R-MAINE) AND CLIFFORD P.CASE (R-NJ).

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AUG 27 1949

NEW YORK, AUG. 27-(AP)-A BIGGER-THAN-USUAL BUNDLE FOR BRITAIN IS FLYING ACROSS THE ATLANTIC TONIGHT FOR AN AIRBORNE HOMECOMING.

IT'S A FOUR-MOTORED TRANSPORT LOADED WITH 44 WAR BRIDES, 16 CHILDREN, 12 BABIES, 5 MERE MEN AND A CREW OF SIX.

IT WAS THE LARGEST SINGLE PLANELOAD OF PERSONS EVER TO TAKE OFF AT NEW YORK CITY'S INTERNATIONAL AIRPORT AT IDLEWILD.

TUCKED AWAY AMONG THE ANGLO-AMERICANS ARE THREE FORMER FRENCH GIRLS WHO WILL GO ON TO FRANCE FOR THEIR OWN REUNIONS WITH FAMILY AND FRIENDS.

ALTHOUGH ONE OR TWO OF THE BRIDES ARE LEAVING THE UNITED STATES FOR GOOD, MOST OF THEM ARE JUST GOING HOME FOR A SHORT VISIT TO SHOW OFF THE KIDS, VISIT FATHER AND MOTHER, AND THEN COME BACK TO THE STATES ON A SIMILAR FLIGHT OCT. 7.

THE LONG TRIP BEGAN YESTERDAY AT OAKLAND, CALIF., AS THE IDEA OF MRS. BETTY ARRIETA, PRESIDENT OF THE BRITANNIA CLUB THERE.

MRS. ARRIETA, WHO LIVES AT (239 S. 27TH) RICHMOND, CALIF., SAID IT WAS HER IDEA TO CHARTER THE TRANSOCEAN CO. DC-4.

THE COMPANY INSTALLED SPECIAL SEATS SO THE WOMEN COULD SIT FIVE ABREAST AND HANG BASINETTES FROM THE PLANE'S "CEILING."

THE NORMAL COMMERCIAL LOAD OF A DC-4 IS ABOUT 44 ADULT PASSENGERS.

THE PLANE WILL REACH LONDON AT 2:30 P.M., SUNDAY, ENGLISH TIME.

ALTHOUGH MOST OF THE WOMEN ARE BRIDES OF THIS WAR, A FEW ARE ENGLISHWOMEN WHO MARRIED AMERICANS DURING WORLD WAR 1.

THE OLDEST PASSENGER IS MRS.ISOBELL C.LUDWICK, (2629 NINTH) OAKLAND, WHO IS 68.

MRS.ARRIETA, WIFE OF VETERAN MARK ARRIETA, WAS TAKING TWO OF HER THREE CHILDREN ON THE TRIP. SHE WILL VISIT MR. AND MRS.WILLIAM DAMPLING, (3 CHEVERELL HOUSE) LONDON.

HER PARENTS WERE KILLED IN THE WAR. ARRIETA WAS A TAIL GUNNER ON

AUG 27 1949

AN EIGHTH AIR FORCE B-17.

AMONG THE PERMANENT EMIGRANTS WAS THOMAS C.BELL, WHOSE ENGLISH WIFE, RUTH IVY, DISLIKED CALIFORNIA SO MUCH THEY WILL STAY IN ENGLAND.

BELL, WHOSE HOME WAS IN BERKELEY, WAS IN THE 82ND AIRBORNE DIVISION. HE SAID HIS BRITISH BROTHER-IN-LAW GOT HIM A JOB AS A FIRE PROTECTION ENGINEER IN AN INDUSTRIAL PLANT. THE BELLS WILL LIVE AT (122 STEPHENSON DRIVE), LEICESTER.

THE FRENCHWOMEN ABOARD ARE MRS.NINA DELAY, ALAMEDA, CALIF., TO VISIT PARENTS AT DIJON; MRS.MONIQUE ESCHEN, OAKLAND, TO PARIS, AND MRS.JEANNINE CARSON, ALAMEDA, TO NANCY.

ROMANCE ALSO IS ABOARD.

NINETEEN-YEAR-OLD MARTIN HEIGHT, AN ENGLISH YOUTH WHO HAS BEEN LIVING WITH HIS SISTER IN (4719 MILROSE), OAKLAND IS FLYING HOME TO SEE IF HIS CHILDHOOD SWEETHEART STILL WANTS TO MARRY HIM AND COME TO AMERICA.

SHE IS HAZEL BURRELL, 19, WELLINGSBOROUGH, NORTH HAMPTONSHIRE.

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AUG 27 1949

NEW YORK, AUG 27-(AP)-THE AMERICAN ASSOCIATION FOR THE UNITED NATIONS TODAY ANNOUNCED TRYGVE LIE, U.N. SECRETARY-GENERAL, WOULD RECEIVE ITS THIRD ANNUAL AWARD FOR DISTINGUISHED SERVICE TO THE WORLD ORGANIZATION.

THE AWARD WILL BE PRESENTED AT A DINNER IN THE WALDORF-ASTORIA HOTEL, SEPT. 29.

LIE, A NORWEGIAN, HAS BEEN THE U.N.'S SECRETARY-GENERAL SINCE ITS BEGINNING. PREVIOUS AWARDS WERE WON BY WARREN R. AUSTIN, U.S. AMBASSADO TO THE U.N., AND DR. RALPH J. BUNCHE, U.N.'S PALESTINE MEDIATOR.

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ROCHESTER,N.Y.,AUG.27-(AP)-JAMES A.HARD, THE OLDEST MEMBER OF THE GRAND ARMY OF THE REPUBLIC, WILL RECEIVE A HERO'S OVATION WHEN HE DEPARTS TOMORROW FOR THE FINAL GAR ENCAMPMENT AT INDIANAPOLIS.

THE 108-YEAR-OLD CIVIL WAR VETERAN WILL HAVE AN ESCORT OF NATIONAL GUARDSMEN, LEGIONNAIRES, POLICE AND SHERIFF'S DEPUTIES FOR THE FOUR-MILE TRIP FROM DOWNTOWN TO THE AIRPORT.

DELEGATIONS FROM PATRIOTIC, VETERANS AND CIVIC GROUPS WILL GREET HIM AT THE FIELD, WHERE A BAND WILL PLAY CIVIL WAR TUNES.

HE IS SCHEDULED TO LEAVE ABOUT 11 A.M. (EST) IN A GANNETT NEWSPAPERS PLANE.

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AUG 27 1949

~~THIRD LEAD ROBESON~~

~~PEESKILL, N.Y., AUG 27-(AP)-MARCHING~~ VETERANS BATTLED A PAUL ROBESON CONCERT CROWD IN A FIERCE THREE-HOUR RIOT TONIGHT AND AT LEAST 13 PERSONS WERE REPORTED BEATEN, STABBED OR BRUISED.

THE HEATED BATTLE BROKE OUT WHEN A PARADE SPONSORED BY VETERANS GROUPS CLASHED HEAD-ON WITH THOUSANDS OF CONCERT-GOERS ON A DIRT ROAD OUTSIDE A WOODED PICNIC GROVE WHERE THE NEGRO SINGER WAS TO APPEAR.

NEWSMEN ON THE SCENE REPORTED THAT AT LEAST 5,000 PERSONS MILLED AROUND, FIGHTING WITH ROCKS, STICKS AND OTHER WEAPONS.

THE CROWD, WHILE MOSTLY WHITE, CONTAINED MANY NEGROES.

AUTOMOBILES WERE OVETURNED, AND A HUGE STACK OF CAMP CHAIRS WAS SET ABLAZE WHILE BRASS BANDS AND SPIRITUAL-SINGING RANG OUT IN THE PICNIC GROVE.

THE VETERANS HAD GATHERED TO STAGE A PARADE IN PROTEST TO THE CONCERT.

ONE MAN WAS STABBED, ANOTHER WAS BEATEN SEVERELY ON THE HEAD, AND 11 OTHER WHITE AND NEGRO PERSONS WERE TREATED FOR BRUISES AND CUTS AT A HOSPITAL.

THE 11 WERE REPORTED RELEASED LATER.

STATE POLICE SENT SQUADS OF OFFICERS TO THE SCENE AND REPORTED THEY HAD QUELLED THE MILLING RIOT BY 9:30P.M. (EST), SOME THREE HOURS AFTER IT STARTED.

THEY SID THEY HAD MADE NO ARRESTS.

THE INJURED, PEESKILL HOSPITAL REPORTED, WERE BEATEN WITH "ROCKS, CLUBS, ANYTHING THEY COULD GET THEIR HANDS ON."

ROBESON DID NOT APPEAR ON THE SCENE.

AUG 27 1949

WILLIAM L. PATTERSON, EXECUTIVE SECRETARY OF THE CIVIL RIGHT CONGRESS, WHICH WAS TO BENEFIT FROM THE CONCERT, SAID HE MET ROBESON EN ROUTE TO THE GROVE AND WHISKED HIM AWAY "TO A SAFE PLACE."

HE SAID ROBESON WAS "SAVED FROM BODILY INJURY, POSSIBLY LYNCHING, ONLY BY PRECAUTIONS TAKEN BY THE CIVIL RIGHTS CONGRESS AND MYSELF."

PATTERSON DECLINED TO TELL WHERE ROBESON WAS TAKEN.

ROBESON RECENTLY RETURNED FROM A VISIT TO RUSSIA. HE WAS QUOTED AS SAYING AT PARIS THAT NEGROES WOULD NOT FIGHT IN A WAR AGAINST RUSSIA.

PATTERSON SAID THE PARADE WAS "STORM TROOPER VIOLENCE" AND WAS "ORGANIZED ON A COUNTY-WIDE SCALE."

HE CHARGED THE DEMONSTRATION HAD THE BACKING OF "OFFICIAL FORCES OF WESTCHESTER COUNTY" AND THAT LEONARD RUBENFELD, ASSISTANT DISTRICT ATTORNEY THERE, WAS THE "MAIN MOBILIZER OF THE AMERICAN LEGION."

RUBENFELD IS CHAIRMAN OF THE JOINT VETERANS COUNCIL OF THE COUNTY. THE COUNCIL WAS A SPONSOR OF THE PARADE.

ROBESON'S APPEARANCE HAD BEEN SCHEDULED BY THE PEOPLE'S ARTISTS COMMITTEE FOR THE BENEFIT OF THE CIVIL RIGHTS CONGRESS' HARLEM BRANCH.

THE CONGRESS HAS BEEN CALLED SUBVERSIVE BY THE JUSTICE DEPARTMENT.

IRWIN SILBER, SECRETARY-TREASURER OF PEOPLE'S ARTISTS, SAID HE WAS IN THE RIOTING AREA FROM 8 P.M. UNTIL 11 P.M.

"I GOT MY FIRST SIGHT OF FASCISM IN AMERICA," HE SAID.

HE SAID IT WAS "NO ACCIDENT" THAT THE "VIOLENCE WAS AIMED AT A MUSICAL CONCERT, ESPECIALLY ONE BY PAUL ROBESON" BECAUSE "FASCISM ALWAYS STRIKES AGAINST ARTISTS WHO SPEAK FOR THE PEOPLE."

NEWSMEN ON THE SCENE REPORTED THE BITTER RIOTING BROKE OUT WHEN THOUSANDS OF PARADERS MARCHING UNDER VETERANS' GROUPS COLORS MET HEAD-ON WITH THOUSANDS OF PERSONS GATHERING FOR THE CONCERT.

IN THE FIGHTING THAT FOLLOWED, AT LEAST SEVEN AUTOMOBILES WERE TURNED UPSIDE DOWN, AND ONE WAS TOSSED OFF AN EMBANKMENT INTO A STREAM.

A CROSS WAS SEEN TO BE BURNING ATOP A HILL ABOVE THE PICNIC GROVE.SE

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SEVERAL LOCAL VETERAN ORGANIZATIONS ANNOUNCED EARLIER TODAY THAT THEY WERE STAGING A "PATRIOTIC" PARADE AROUND THE PICNIC GROVE.

THEY SAID FOUR BRASS BANDS WOULD BLARE FORTH DURING ROBESON'S CONCERT.

AT 6:30P.M. (EST) THE PARADE STARTED PAST THE GROVE, LOCATED

IN THE NEARBY TOWN OF CORTLAND.
THE PARADERS SHOUTED SLOGANS WHILE THEIR HANDS BLARED OUT PATRIOTIC MARCH TUNES.
THE PARADE TURNED INTO A DIRT ROAD LEADING TO THE CONCERT BOWL, WHERE 2,000 CAMP CHAIRS HAD BEEN SET UP.
CONCERT GOERS FORMED A LINE ACROSS THE ROAD AND THEN MOVED A HUGE TRUCK ACROSS IT AS A ROADBLOCK.

MEN AND WOMEN ON BOTH SIDES ARE PUSHED BACK AS THE TWO BODIES OF PERSONS MET, AND THE CONCERT FORCES STARTED TO SING A NEGRO SPIRITUAL, "WE SHALL NOT BE MOVED."
TWO COUNTY SHERIFF'S ME HELD THE SURGING MARCHERS BACK FOR A TIME, THEN FELL BACK AS PIECES OF WOODEN RAILING FROM A FENCE ALONG THE ROAD BEGAN TO FLY THROUGH THE AIR.
ONE MAN, IDENTIFIED AS WILLIAM SECOR OF MOHEGAN, N.Y., WAS REPORTED STABBED IN THE MELEE THAT FOLLOWED.
MEMBERS OF THE VETERANS' PARADE BROKE THROUGH THE WOODS, OVERRAN THE CONCERT BOWL, AND STARTED TO RIP APART THE STAGE WHERE ROBESON WAS TO SING.
THEY TOSSED CAMP CHAIRS THROUGH THE AIR AND SET FIRE TO A PILE OF THEM.
MEANWHILE, ROAD BLOCKS OF STONE, WOOD AND WIRE WERE THROWN UP ON ROADS LEADING OUT OF THE PICNIC AREA.
CARS TRYING TO FLEE THE RIOTING WERE STOPPED AND AT LEAST SEVEN VEHICLE WERE PITCHED UPSIDE DOWN.
ONE UNIDENTIFIED NEGRO WAS REPORTED BEATEN AND THROWN OVER A FENCE INTO A NEARBY CEMETERY.
A NAVY VETERAN, JAMES RENZA, 30, OF PEESKILL, WAS SLUGGED ON THE BACK OF THE HEAD AND TAKEN TO THE HOSPITAL BLEEDING HEAVILY FROM A DEEP GASH.
A GROUP OF MEN ON THE STAGE REPORTEDLY ORDERED A NEGRO WOMEN WHO WAS ON THE CONCERT PLATFORM TO PLAY "YANKEE DOODLE" AND OTHER AMERICAN SONGS AS THE RIOTING SWELLED AROUND.
COMMANDERS OF THE VETERANS PARADE SHOUTED ORDERS FOR THE MEN TO DISBAND--BUT THE BATTLING WENT ON.
SOME 50 STATE POLICEMEN ARRIVED ON THE SCENE LATER AND BEGAN TO ROUND UP THE CROWD IN GROUPS.
AT 10P.M. (EST) THEY REPORTED THEY WERE BEGINNING TO GET THE THOUSANDS OF MILLING PERSONS INTO HAND.
SPORADIC FIST-FIGHTING AND SHOUTING, HOWEVER, STILL CONTINUED.

STATE POLICEMEN REPORTED THEY FOUND MANY WOMEN COWERING IN THE DAR WOODS AROUND THE RIOT SCENE
SOME OF THE WOMEN, THEY SAID, PLANNED TO REMAIN THERE ALL NIGHT.
A MAN IDENTIFYING HIMSELF AS HOWARD FAST, THE NOVELIST, TOLD REPORTERS ON THE SCENE THAT HE WAS TO HAVE ACTED AS CHAIRMAN OF THE MEETING.
HE SAID AT LEAST NINE OF THE CONCERT-GOERS WERE INJURED.
FAST ASSAILED THE PARADE THAT PRECEDED THE RIOT AS A "FASCIST DEMONSTRATION."
PERSONS IN THE PARADE, MEANWHILE, STILL CARRIED POSTERS AND PLACARDS, SOME OF WHICH SAID "NOT WANTED! COMMIES!," AND "ROBESON IS A TRAITOR."

THE PARADE PLANS WERE ANNOUNCED BY THE JOINT VETERANS COUNCIL OF WESTCHESTER COUNTY.
THE AMERICA LEGION, VETERANS OF FOREIGN WARS, AND DISABLED AMERICAN VETERANS BELONG TO THE COUNCIL.
SEVERAL HOURS BEFORE THE CONCERT WAS T START, THE COMPROUND (CQ) BRANCH OF THE AMERICAN LABOR PARTY SENT A TELEGRAM TO NEW YORK STATE ATTORNEY GENERAL NATHANIEL GOLDSTEIN ASKING POLICE PROTECTION.
LEONARD RUBENFELD, CHAIRMAN OF THE VETERANS COUNCIL, SAID THE PARADE WOULD BE "PEACEABLE."

THE SCHEDULED APPEARANCE WAS TO HAVE BEEN ROBESON'S THIRD IN THE PEESKILL AREA.
POSTERS THROUGHOUT THE REGION HAD ADVERTISED TONIGHT'S CONCERT, AT THE LAKELAND ACRES PICNIC GROUNDS.
CYRIL MC DERMOTT, COMMANDER OF THE CATHOLIC WAR VETERANS, GUARDIAN POST 527, SAID THE ORGANIZED VETERANS "AS FAR AS I CAN TELL, LEFT THEPICNIC GROUNDS FOR PEESKILL ABOUT 9P.M." (8P.M. EST)
HE ADDED THAT HE "SAW NO DISORDER AS WE LEFT." HE SAID HE SAW NO INDICATIONS OF VIOLENCE OR FIGHTING.

STEPHEN YAREMA, PAST COMMANDER OF THE AMERICAN LEGION POST AT VERPLANCK, N.Y., AND HIS UNIT MARCHED IN THE VETERANS PARADE AND "WAS UNDER CONTROL AT ALL TIME."
HE ADDED:
"THE PARADE WAS A SUCCESS. OUR OBJECT WAS TO TIE UP THE STREET AND MAKE IT SO NO TRAFFIC COULD GET THROUGH."
HE SAID HE SAW NO DISTURBANCES UP TO THE TIME HIS GROUP LEFT THE SCENE AT ABOUT 8 P.M. (EST).

PATTERSON CHARGED THE PARADERS WERE "A MOB ORGANIZED ON A COUNTY-WIDE SCALE." AND THAT IT "WAS OUT TO LYNCH PAUL ROBESON."
REACHED AT HIS HOME IN CROTON-ON-HUDSON, A FEW MILES AWAY FROM HERE, PATTERSON SAID:
"THE MOBILIZATION HAD ALL THE CHARACTERISTICS OF A MEETING OF THE KU KLUX KLAN IN THE SOUTH BENT ON LYNCHING A NEGRO VICTIM.
"A CROSS WAS BURNED ON A HILL OVERLOOKING THE MEETING. A NEGRO WAS BEATEN, AND THROWN INTO A CEMETERY.
"IT WAS OBVIOUS THAT NOT ONLY THE AMERICAN LEGION BUT HUNDREDS OF VIGILANTE SYMPATHIZERS TOOK PART IN THE MOB ATTACK."
HE SAID "IT IS OBVIOUS THAT THIS STORM-TROOPER MOB VIOLENCE WAS ORGANIZED ON A COUNTY-WIDE SCALE. CHARTERED BUSES WERE EVERYWHERE IN EVIDENCE. THESE BUSES TOOK HUNDREDS OF HOODLUMS TO THE MEETING POINT."
H.U.57AED

NIGHT LEAD WOMEN'S AUXILIARY (250)
PHILADELPHIA, AUG 27-(AP)-MRS.JAMES G.BUISH OF EAST CHICAGO, IND., TODAY WAS ELECTED CHAPEAU NATIONALE (PRESIDENT) OF THE EIGHT AND FORTY (CAPS E, F), HONOR GROUP OF THE AMERICAN LEGION WOMEN'S AUXILIARY.
THE ORGANIZATION, KNOWN AS LA BOUTIQUE DES HUIT CHAPEAUX ET QUARANTE FEMMES, IS THE WOMEN'S COUNTERPART OF THE LEGION'S FAMED SOCIETE DES QUARANTE HOMMES ET HUIT CHEVAUX. THE FEMALE VERSION STANDS FOR EIGHT HATS AND 40 WOMEN, WHILE THE MEN'S REFERS TO 40 MEN AND EIGHT HORSES.
THE 40 AND 8 SOCIETY WAS FORMED AFTER WORLD WAR I, WITH THE NAME COPIED FROM THE SIDES OF TROOP-CARRYING FRENCH BOXCARS. THE CARS HELD 40 MEN AND EIGHT HORSES.
OTHER OFFICERS ELECTED AT THE EIGHT AND FORTY'S ANNUAL MEETING INCLUDED FIVE DEMI-CHAPEAUX (VICE-PRESIDENTS): MRS.C.RUSSELL DAY OF EAST NORWALK, CONN., MRS.DAVID SULLIVAN OF NEW ORLEANS, MRS.CHARLES FAIRBANKS OF ST.JOSEPH, MO., MRS.GEORGE SWITZER OF GRAND ISLAND, NEB., AND MRS.LILE EDWARDS OF PORTLAND, ORE.
MRS.MARGARET ADAMS OF EASTON, PA., WAS ELECTED L'AUMONIER (CHAPLAIN) WHILE MRS.LEONA MAINES OF FLINT, MICH., WAS NAMED LA CONCIERGE

(SERGEANT AT ARMS), AND MRS.ANASTASIA MCBAIN (CAP B) OF HINCKLEY, O., WAS ELECTED L'ARCHIVISTE (ARCHIVIST.).

VOTING IN THE ELECTIONS WERE 240 DELEGATES, REPRESENTING 15,000 MEMBERS. THE MEETING WAS CONDUCTED BY THE OUTGOING CHAPEAU NATIONALE, MRS.LEO C.COLTON OF MAPLEWOOD, N.J.

THE 40 AND 8 BEGINS ITS FOUR-DAY SESSION TOMORROW, WITH HAROLD J. RILEY OF DETROIT, CHEF DE CHEMIN DE FER (PRESIDENT) EXTENDING GREETINGS TO 4,000 DELEGATES AND ALTERNATES.

L929PED

AUG 27 1949

RESOLUTIONS (WITH LEGION)

PHILADELPHIA, AUG.27-(AP)-AMERICAN LEGION COMMITTEES STUDIED NEARLY 1,000 PROPOSALS TODAY IN A WEEDING OUT PROCESS BEFORE PRESENTING RESOLUTIONS TO THE 31ST NATIONAL CONVENTION OPENING MONDAY.

HIGH ON THE AGENDA OF THE SECURITY COMMITTEE WAS A RECOMMENDATION CALLING FOR "AN END TO POLITICS INTERFERING WITH OUR NATIONAL SECURITY."

THE RECOMMENDATION CAME FROM NATIONAL COMMANDER PERRY BROWN OF BEAUMONT, TEX., AS HE CALLED FOR A RESOLUTION BACKING "AN ARMED FORCE THAT WILL GUARANTEE SECURITY, THAT WE CAN BELIEVE IN AND THAT WE CAN AFFORD."

BROWN SAID A SPECIFIED PERCENTAGE OF THE FEDERAL GOVERNMENT'S INCOME SHOULD BE EARMARKED FOR THE ARMED FORCES. WITH THE JOINT CHIEFS OF STAFF HAVING THE SAY SO ON DISTRIBUTION OF THE MONEY.

THE LEGION COMMANDER SUGGESTED THE FIGURE SHOULD BE 25 PERCENT.

"WITH $10,000,000,000 (B) USED IN THE RIGHT PLACES WE WOULD ACHIEVE A MUCH STRONGER AND MORE ADEQUATE MILITARY MACHINE," BROWN SAID.

"CONGRESS AND OTHER CIVILIANS WOULDN'T HAVE ANY SAY ON HOW THE MONEY IS SPENT," HE ADDED.

"THE ONLY PEOPLE WHO REALLY KNOW HOW TO FIGHT WARS OR GUARANTEE SECURITY ARE THE PEOPLE WHOSE BUSINESS IT IS TO KNOW--THE MILITARY LEADERS."

WILFRED J.MCNEIL, ASSISTANT TO SECRETARY OF DEFENSE JOHNSON, TOLD THE SECURITY COMMITTEE YESTERDAY THAT FIRINGS OF CIVILIAN EMPLOYES AT MILITARY BASES WAS THE FIRST STEP OF AN ELABORATE ECONOMY PLAN.

BROWN SAID THE LEGION IS SOLIDLY BEHIND JOHNSON'S DISMISSAL NOTICES.

OTHER PROPOSALS TO BE CONSIDERED BY THE 154-MAN SECURITY COMMITTEE INCLUDE:

1. FINANCIAL AID FOR CHINA AND OTHER NATIONS OF THE ORIENT THREATENED BY COMMUNISTS.

2. ESTABLISHMENT OF A 70-GROUP AIR FORCE EVEN IF IT MEANS THE ABOLITION OF THE CIVIL AIR PATROL TO SECURE THE NECESSARY MONEY.

3. THAT A SUGGESTION BE MADE TO CONGRESS THAT IT HALF "NEEDLESS INVESTIGATIONS.

THE REHABILITATION COMMITTEE WAS PRESENTED A "SELF-HELP" PLAN FOR AMERICA'S "DYING CITIES" BY JAY HORMEL OF MINNESOTA.

HORMEL URGED THAT TOWNS AND CITIES POOL THEIR RESOURCES IN A DRIVE FOR NEW INDUSTRY, JOBS AND HOUSING "WITHOUT RUNNING TO WASHINGTON" FOR FUNDS AND HELP.

GEORGE N.CRAIG, NATIONAL COMMITTEE FROM BRAZIL, IND., DECLARED "IT'S TIME THE TOWNS OF THIS COUNTRY GET RID OF THEIR POLITICAL DEPENDENCE.

OTHER MAJOR RECOMMENDATIONS CALL FOR THE GOVERNMENT TO BUILD MORE PLANES AND TRAIN MORE PILOTS AND THAT SOME CONTROL OF ATOMIC ENERGY BE TRANSFERRED FROM CIVILIAN TO MILITARY AGENCIES.

SEN.HICKENLOOPER (R-IOWA) ADVANCED THE ATOMIC PROPOSAL.

"AT THE PRESENT TIME, THE MILITARY DOES NOT HAVE RESPONSIBILITY FOR THE SAFEKEEPING OF ATOMIC WEAPONS, WHICH MAKE UP 90 PERCENT OF THE ATOMIC ENERGY PROGRAM," SAID THE IOWA SENATOR.

WJ350AED

AUG 27 1949

BY LEE LINDER

PHILADELPHIA, AUG.27-(AP)-AMERICAN LEGION CONVENTION ACTIVITY GETS ROLLING TODAY WITH WOMEN OF THE EIGHT AND FORTY (CAPS E, F) INAUGURATING THE SIX DAYS OF REUNION, FUNMAKING, PARADES AND SERIOUS DISCUSSION.

THE EIGHT AND FORTY IS THE HONOR ORGANIZATION OF THE LEGION'S LADIES AUXILIARY. IT'S FULL NAME--LA BOUTIQUE DES HUIT CHAPEAUX ET QUARANTE FEMMES--STANDS FOR EIGHT HATS AND 40 WOMEN.

IT'S THE WOMEN'S COUNTERPART OF THE LEGION'S FAMED LA SOCIETE DES 40 HOMMES ET 8 CHEVAUX (40 AND 8), A MEN'S GROUP DEDICATED TO FUN AND HONOR (CAPS F, H). THIS NAME ORIGINATED AFTER WORLD WAR I. IT REFERS TO FRENCH BOXCARS WHICH BORE THE LEGEND: 40 HOMMES ET 8 CHEVAUX, MEANING THAT IT COULD HOLD 40 MEN AND EIGHT HORSES.

MRS.LEO C.COLTON, MAPLEWOOD, N.J., LE CHAPEAU NATIONALE (PRESIDENT) OF THE EIGHT AND FORTY, OPENS THE TWO DAY MEETING OF HER GROUP TODAY. THAT STARTS THE SPEECHMAKING IN EARNEST.

THE 40 AND 8 BEGINS ITS FOUR-DAY CONCLAVE TOMORROW WITH HAROLD J. RILEY, OF DETROIT, CHEF DE CHEMIN DE FER (PRESIDENT) EXTENDING GREETINGS TO SOME 4,000 DELEGATES AND ALTERNATES.

APPROXIMATELY 600 DELEGATES AND ALTERNATES WILL ATTEND THE EIGHT AND FORTY MEETINGS.

THE AMERICAN LEGION AND ITS WOMENS AUXILIARY, WHICH HAVE A TOTAL OF 4,000,000 (M) MEMBERS, BEGIN SESSIONS MONDAY MORNING. PRESIDENT TRUMAN IS MAIN SPEAKER THAT AFTERNOON AT THE LEGION CONVENTION WHERE 6,000 DELEGATES AND ALTERNATES WILL BEGIN DRAFTING THE 1950 PROGRAM. THE AUXILIARY HAS 1,200 DELEGATES.

PRE-CONVENTION ACTIVITY AMONG LEGIONNAIRES HAS SPOTLIGHTED ELECTIONEERING FOR THE OFFICE OF NATIONAL COMMANDER. SIX CANDIDATES ARE REPORTED SEEKING THE POST NOW HELD BY PERRY BROWN OF BEAUMONT, TEX. FOUR OF THEM ARE WORLD WAR II VETERANS.

BROWN, MEANTIME, CONTINUED HIS PUBLIC APPEAL FOR A STRONG NATIONAL SECURITY FREE OF POLITICAL INTERFERENCE.

WJ435AED

AUG 27 1949

30.24- 5309

(ADVANCE) (WX) TITUSVILLE,PA., AUG 27-(AP)-SECRETARY OF THE NAVY MATTHEWS SAID TODAY THAT AMERICANS CAN "FAVORABLY RESOLVE" THE IDEOLOGICAL CONFLICT BETWEEN EAST AND WEST IF THEY "ARE READY TO PAY THE PRICE."

"WE HAVE LEARNED THROUGH THE OPERATIONS OF THE TRUMAN DOCTRINE, THE MARSHALL PLAN AND THE ATLANTIC PACT THAT WE CAN HOLD OFF AGGRESSION IF WE DEMONSTRATE FIRMNESS OF PURPOSE AND ADEQUATE MILITARY STRENGTH TO BACK UP OUR FOREIGN POLICY," MATTHEWS SAID.

HE DESCRIBED THE MILITARY AID PROGRAM NOW BEFORE CONGRESS AS "THE LATEST PHASE OF OUR PLAN FOR THE PROGRESSIVE DEVELOPMENT OF INTERNATIONAL STABILITY AND WORLD PEACE."

IN AN ADDRESS PREPARED FOR DELIVERY AT THE 90TH ANNIVERSARY CELEBRATION OF THE DRILLING OF AMERICA'S FIRST COMMERCIAL OIL WELL, THE NAVY SECRETARY BLAMED "ATHEISTIC COMMUNISM" FOR "MENACING THE PEACE OF THE WORLD."

HE SAID THAT SOVIET RUSSIA'S "DREAM OF WORLD CONQUEST" HAD COMPELLED THE U. S. TO ADOPT A NATIONAL AND INTERNATIONAL PROGRAM WHICH PLACES A "TERRIFIC STRAIN ON OUR ECONOMIC RESOURCES."

"THE OUTCOME OF THE NEW CONFLICT OF IDEOLOGIES," HE SAID, "DEPENDS UPON US. WE CAN FAVORABLE RESOLVE EVEN THAT ISSUE IF WE SO DESIRE, AND ARE READY TO PAY THE PRICE FOR SO PRECIOUS A VICTORY."

MATTHEWS SAID THAT "GODLESS, CYNICAL, GRASPING, MATERIALISTIC, TOTALITARIAN MARXIST COMMUNIST," IS THE "GREATEST CHALLENGE EVER HURLED AT WESTERN CIVILIZATION."

(END ADVANCE HOLD FOR RELEASE EXPECTED AT 10:30 A.M.,E.S.T., TODAY, SATURDAY,AUG. 27)

HY334AED

BY WILLIAM L. MADIGAN

FRENCH LICK,IND.,AUG.27-(AP)-DEMOCRATIC GOVERNOR HENRY F. SCHRICKER, CALLING MAJ.GEN. HARRY VAUGHN A "PLAYBOY," TONIGHT SAID THAT HE SHOULD RESIGN AS PRESIDENT TRUMAN'S MILITARY AIDE.

THE GOVERNOR MADE THE STATEMENT IN AN EXTEMPORANEOUS ADDRESS TO THE INDIANA DEMOCRATIC EDITORIAL ASSOCIATION.

"IF I WERE HARRY VAUGHN I WOULD OFFER TO RESIGN FROM OFFICE," SCHRICKER SAID. "THAT IS THE MANLY THING TO DO."

"THE PRESIDENT HAS A GREAT RESPONSIBILITY," HE WENT ON. "THERE IS NO REASON WHY THE PRESIDENT SHOULD BE EMBARRASSED BY A PLAYBOY WHO WANTS TO DEAL IN DEEP FREEZES. THERE IS TOO MUCH AT STAKE--THE DEMOCRACY YOU AND I LOVE."

"WE MUST KEEP THAT OR EXCHANGE IT FOR A DICTATORSHIP," THE INDIANA DEMOCRAT DECLARED.

THE GOVERNOR PREFACED HIS BLAST AT VAUGHN, WHO HAS FIGURED PROMINENTLY IN THE WASHINGTON FIVE-PERCENTER INVESTIGATION, WITH THIS OBSERVATION:

"THINGS ARE NOT SMELLING TOO GOOD FOR THE DEMOCRAT PARTY IN WASHINGTON THESE DAYS."

SCHRICKER, WHO WAS ELECTED FOR A SECOND TERM LAST YEAR, CAMPAIGNED VIGOROUSLY FOR PRESIDENT TRUMAN. HE WON BY ABOUT 140,000 VOTES BUT MR. TRUMAN LOST INDIANA BY APPROXIMATELY 14,000 VOTES.

WHILE HE WAS AN ACTIVE SUPPORTER OF THE PRESIDENT, THE GOVERNOR HAS NOT BEEN TO WASHINGTON SINCE PRESIDENT TRUMAN'S INAUGURATION.

EB1105PCD NM

NOT UNTIL PETROLEUM'S POSSIBILITIES AS AN ILLUMINATING MATERIAL WERE SUSPECTED BY CAPITALISTS WAS DRAKE HIRED BY A NEW YORK AND NEW HAVEN, CONN., GROUP TO DRILL FOR OIL.

ADOPTING THE TECHNIQUE OF SALT WELL DRILLERS, DRAKE USED HAND-MADE TOOLS AND INVENTED THE METHOD OF CASING A WELL HOLE THAT IS IN USE TODAY. OTHER PRACTICES HE DEVELOPED ALSO REMAIN STANDARD DRILLING PROCEDURE.

ADD TITUSVILLE (MATTHEWS) X X X LINIMENT

DRAKE'S DISCOVERY BROUGHT A RUSH TO WESTERN PENNSYLVANIA THAT EXCEEDED THE CALIFORNIA GOLD RUSH OF 1849. MILLIONS WERE MADE IN OIL AND SCORES OF SLEEPING FARM VILLAGES AWOKE TO A BOOMTOWN EXISTENCE.

THE MAN WHO STARTED IT ALL DRILLED ANOTHER WELL BUT DID NOT BECOME A BIG PRODUCER AND NEVER MADE IMPORTANT MONEY. HE LEFT TITUSVILLE FOR NEW YORK IN 1863, LOST HIS HEALTH AND DIED AS A PENSIONER OF THE STATE OF PENNSYLVANIA.

FOLKS IN TITUSVILLE STILL LIKE TO TELL HOW DRAKE GAINED HIS TITAL AS COLONEL. WHEN HE WAS HIRED BY THE SENECA OIL CO. TO DRILL THE FIRST WELL, THE PROMOTERS OF THE SCHEME ADDRESSED HIS MAIL TO "COLONEL E.L.DRAKE," HOPING THE FICTITIOUS TITLE WOULD GIVE THEIR REPRESENTATIVE MORE STANDING AMONG TOWNSPEOPLE.

D434PED NM

(140)

CLEVELAND,AUG.27-(AP)-FOUR NAVY F2H-1 BANSHEE JET FIGHTERS WILL RACE INTO CLEVELAND AIRPORT NEXT SATURDAY FROM THE CARRIER U.S.S. MIDWAY IN THE ATLANTIC OFF NEW YORK CITY.

THEIR 500-MILE FLIGHT WILL MARK THE START OF THE NATIONAL AIR RACES HERE. IF THE WEATHER IS TOO BAD FOR THE FLIGHT SATURDAY, IT WILL NOT BE FLOWN LATER IN THE THREE-DAY PROGRAM.

THE JETS WILL LEAVE THE CARRIER IN A RACE-HORSE START SHORTLY AFTER NOON AND SHOULD REACH CLEVELAND WITHIN AN HOUR.

THE AMERICAN STEEL & WIRE CO. WILL PROVIDE A TROPHY FOR THE WINNER AMONG THE FOUR PILOTS FROM THE MIDWAY'S FIGHTER SQUADRON 171--LT. COMMANDER W.D.BIGGERS AND LIEUTENANTS T.S.SEDAKER, D.S.LAIRD, AND E.A.BUXTON.

IT IS PLANNED TO MAKE THE CARRIER FLIGHT AN ANNUAL EVENT IN THE AIR RACES, INCREASING THE DISTANCE EACH YEAR AS THE CRUISING RANGE OF JET FIGHTERS IS LENGTHENED.

F836PES NM

WILSON,N.C.,AUG.26-(AP)-THE SOUTH EXTENDED THE HAND OF FRIENDSHIP TODAY TO THE BOYS WHO MARCHED THROUGH GEORGIA WITH SHERMAN.

THE WILSON CHAMBER OF COMMERCE INVITED THE GRAND ARMY OF THE REPUBLIC TO HOLD ITS FINAL ENCAMPMENT AT WILSON IN 1950. THE INVITATION WAS ADDRESSED TO CHARLIE CHAPPEL, 102-YEAR-OLD VICE COMMANDER OF THE GAR.

WHAT IS TERMED THE "FINAL ANNUAL ENCAMPMENT OF THE GROUP" IS UNDERWAY AT INDIANAPOLIS, IND.

BUT WILSON WANTS THE UNION VETERANS OF THE CIVIL WAR TO MEET JUST ONE MORE TIME--AND TO MEET IN WILSON AS A GESTURE THAT NOBODY IS MAD.

TS117AES NM

MIAMI, FLA., AUG. 27-(AP)-CLYDE A.LEWIS, NEW COMMANDER IN CHIEF OF THE VETERANS OF FOREIGN WARS, TODAY ANNOUNCED APPOINTMENT OF OTHO (CQ) F.BEAUDOIN, OF DETROIT, AS HIS CHIEF OF STAFF.

THE APPOINTMENT CAME AS AN ESTIMATED 800 VETERANS MADE READY TO GO HOME AFTER THE WEEK-LONG GOLDEN JUBILEE CONVENTION.

MOST OF THE SOME 15,000 VETERANS, AUXILIARY MEMBERS AND FAMILIES LEFT BEFORE THE HURRICANE APPROACHED YESTERDAY, JAMMING TRAINS AND PLANES.

KANSAS CITY AND WASHINGTON, D.C., REPRESENTATIVES PLANNED A VISIT TO CUBA BEFORE STARTING FOR HOME.

WD1239PED

AUG 27 1949

SAN FRANCISCO, AUG. 27-(AP)-ASSAILING THE ARMY'S WARTIME WESTERN DEFENSE COMMAND FOR A "NAZI-LIKE DOCTRINE," THE NINTH U.S. CIRCUIT COURT OF APPEALS HAS AFFIRMED RESTORATION OF CITIZENSHIP TO THREE JAPANESE-AMERICANS.

THE OPINION YESTERDAY SHARPLY CONDEMNED THE WARTIME EXCLUSION FROM THE WEST COAST OF PERSONS OF JAPANESE BLOOD. IT SAID LT. GEN. JOHN L. DE WITT, WARTIME CHIEF OF THE WESTERN DEFENSE COMMAND, HELD TO A "NAZI-LIKE DOCTRINE OF INHERITED RACIAL ENMITY."

THE APPELLATE COURT AGREED WITH THE LOS ANGELES DISTRICT COURT THAT THE THREE JAPANESE HAD RENOUNCED CITIZENSHIP "NOT AS A RESULT OF THEIR FREE AND INTELLIGENT CHOICE, BUT RATHER BECAUSE OF MENTAL FEAR, INTIMIDATION AND COERCIONS, DEPRIVING THEM OF THE FREE EXERCISE OF THEIR WILL."

THE THREE WHO REGAINED THEIR CITIZENSHIP WERE MRS. MIYE MAE MURAKAMI, NOW OF TORRANCE; MRS. TSUTAKE SUMI, WEST LOS ANGELES; AND MRS. MUTSU SHIMIZU, NOW OF ROSCOE. THEY, AND THOUSANDS OF OTHERS, RENOUNCED THEIR CITIZENSHIP AFTER BEING OUSTED FROM COASTAL AREAS AND PLACED IN CAMPS WHICH, THE CIRCUIT COURT SAID, WERE "IN IMPORTANT RESPECTS WORSE THAN ANY FEDERAL PENITENTIARY."

THE COURT TOOK NOTE THAT THE GOVERNMENT IS CONTESTING SOME 4,000 SIMILAR CASES OF DEPORTEES WHO ARE SEEKING IDENTICAL RELIEF.

IT QUOTED DE WITT AS SAYING "A JAP IS A JAP," AND HOLDING TO THIS DOCTRINE:

"IT MAKES NO DIFFERENCE WHETHER HE IS AN AMERICAN CITIZEN OR NOT, HE IS STILL A JAPANESE. THE JAPANESE RACE IS AN ENEMY RACE AND WHILE MANY SECOND AND THIRD GENERATION JAPANESE BORN ON UNITED STATES SOIL, POSSESSED OF UNITED STATES CITIZENSHIP, HAVE BECOME AMERICANIZED, THE RACIAL STRAIN IS UNDILUTED. WE MUST WORRY ABOUT THE JAPANESE ALL THE TIME UNTIL HE IS WIPED OFF THE MAP."

THE COURT COMPARED THIS PHILOSOPHY WITH NAZI GENERALS' VIEWS OF THOSE HAVING JEWISH BLOOD STRAINS.

THERE WAS NO IMMEDIATE COMMENT FROM GENERAL DE WITT. RETIRED, HE NOW LIVES IN THE EAST.

X1240APS

AUG 27 1949

TOKYO ROSE (2nd)

SAN FRANCISCO, AUG. 27-(AP)-TWO AMERICANS WHO WERE PRISONERS OF WAR SAY THE JAPANESE FORCED THEM TO READ SCRIPTS OVER WARTIME RADIO TOKYO. THEY TESTIFIED YESTERDAY IN THE TREASON TRIAL OF MRS. IVA TOGURI D'AQUINO, KNOWN AS TOKYO ROSE.

CAPTAIN EDWIN KALBFLEISH, JR., U.S. ARMY, OF RICHMOND HEIGHTS, MO., A SURVIVOR OF THE BATAAN DEATH MARCH, SAID PRISONERS ALSO WERE FORCED TO PERFORM AS ACTORS, ANNOUNCERS AND TURNTABLE OPERATORS.

MANY OF KALBFLEISH'S ANSWERS WERE BLOCKED BY GOVERNMENT OBJECTIONS ON THE GROUNDS THAT HE NEVER WAS ON THE DEFENDANT'S ZERO HOUR PROGRAM AND HIS KNOWLEDGE OF HER WAS ONLY HEARSAY.

A FORMER U.S. AIR FORCE MAJOR FROM KNOXVILLE, TENN., TOLD OF BEING FORCED TO SING IN CHORUSES ON RADIO TOKYO.

THE DEFENSE MET A RAIN OF PROSECUTION OBJECTIONS WHEN IT ATTEMPTED TO QUESTION THE WITNESS, WILLESDEN COX, ABOUT CONDITIONS AT THE BUNKA PRISON CAMP.

COX SAID HE WAS TAKEN TO THE CAMP AFTER HIS PLANE CRASHED OFF NEW GUINEA AUG. 5, 1943. DEFENSE ATTORNEY WAYNE COLLINS ARGUED THAT CONDITIONS AT THE CAMP -- MISTREATMENT OF PRISONERS AND THE INADEQUACY OF FOOD -- DID AFFECT THE LOS ANGELES-BORN DEFENDANT.

THESE CONDITIONS, HE SAID, CONVINCED MRS. D'AQUINO IT WOULD BE UNWISE TO DO OTHER THAN WHAT THE JAPANESE TOLD HER TO DO. BECAUSE OF THESE CONDITIONS, COLLINS SAID, SHE MADE THE BROADCASTS WHICH THE GOVERNMENT CHARGES WERE TREASON.

X446APS NM

AUG 27 1949

End August 27, 1949

30.24- 5311

TITO MASSING TROOPS IN MACEDONIA TO BLOCK COMINFORM, TURKS HEAR

Diplomats Say Move Aims At Counteracting Revolt

Istanbul, Turkey, Aug. 28 (AP)—Top-ranking diplomatic and intelligence sources here said today Yugoslav Premier Marshal Tito is continuously massing forces in Yugoslav Macedonia to counteract Cominform designs for stirring up rebellion in his country.

Ten infantry divisions are now concentrated all along the frontier with Bulgaria and Albania, plus one armored, one paratroop and one air force division at Skoplje, the same source added.

Troops in Macedonia are under command of Gen. Vasa Yovanovitch whose headquarters are at Skoplje. They total 150,000 well-equipped men of war footing ready for any emergency, the informants said.

Can Turn East Or West

The forces at Skoplje are mobile and can be directed instantaneously either eastward to the Bulgarian frontier or westward to the Albanian—wherever trouble might break out, they said.

The reasons for Tito's decision to increase his forces in Macedonia are said to be:

Heated activity of Cominform agents in that area to incite anti-Tito rebellion. Concentrations of anti-Tito Yugoslavs (called free Yugoslavs by the Cominform) at the Bulgarian and Albanian frontiers; the arrival in Albania of Soviet military equipment as well as Russian officers and technicians; the active construction and repair of roads in Albania leading to the Yugoslav frontier.

Slavs Outwardly Calm Amid Flood Of Rumors

Belgrade, Yugoslavia, Aug. 28 (AP). The Yugoslav Government and people maintained an outward calm today amid a flood of rumors that the Russian-dominated Cominform may use force or subversion to wipe out the Tito régime.

The press and radio, however, kept up their propaganda battle with the Kremlin.

Rumors of sabotage, espionage and troop movements were a dime a dozen in coffee shops and diplomatic corridors. There was nothing solid to back up any of them.

Denies Sending Troops

The Government tonight denied that Yugoslavia had sent army divisions into the Istrian peninsula to prevent sabotage.

Other published stories were dismissed by a high Government source as untrue or "only rumors."

A printed declaration that Yugoslavia had challenged the right of Russian gunboats to cruise the Danube River in Yugoslav territorial waters was denied. The informant said Russia has the right to sail those vessels through under the Danube navigation charter. He denied flatly that Yugoslavia had asked a Russian boat to halt and it refused to comply.

In "Only Rumor" Class

In the "only-a-rumor" category he placed:

A report that Yugoslavia might seek to arraign Russia before the United Nations Security Council on grounds that Soviet notes to Yugoslavia contained a threat to peace.

A report that three Soviet mechanized divisions have entered Hungary from Romania and are now believed near the Yugoslav frontier.

A New Cominform Keynote

[A new Cominform keynote in the word war with Premier Marshal Tito was sounded in Czechoslovakia. "Sooner or later the Yugoslav people themselves will expel the traitor (Tito)," Communist Leader Rudolf Slansky said in a speech at Prague Saturday night. Czechoslovak Communists were more sanguine a week ago, when they drummed up the Soviet Government threat to take "more effective measures" with Tito.

[In Moscow, *Pravda* published a lead article saying a paper published in Russia by Yugoslav Communist emigrés printed a story entitled "Liquidate the bloody Fascist regime of Tito-Rankovic." Lieut. Gen. Alexander Rankovic is a Yugoslav vice premier.

[*Pravda* also published an article by Albania's Premier Enver Hoxha entitled "the collapse of the colonizing plans of Tito in Albania," and others purporting to expose operations of alien underground agents in Yugoslavia.]

Two Officials At Track Meet

Edvard Kardelj, Foreign Minister, and Mitvan Djilas, member of the Politburo, found time in the prevailing calm to attend a track meet of Yugoslavia, Belgian and French athletes. Yugoslavia has no athletic relations with her Cominform neighbors.

Tito apparently was still at his summer capital on the Adriatic resort island of Brioni. He has been conducting business and seeing delegations there.

The newspaper *Borda*, voice of the Government, published photo reproductions of headlines in Moscow's *Pravda* contending the Yugoslav press didn't publish the last two strong notes to this country and asking why.

Borba Challenges Pravda

Noting that the contents of both had been printed here, *Borda* challenged *Pravda* to print Yugoslavia's replies to them. It offered to carry similar reproductions when *Pravda* does.

The Sunday press was much the same as usual. It carried reports on progress of the five-year-plan, output of coal, greetings from Tito to workers' organizations.

From the Yugoslav zone of Trieste (free territory under Allied occupation) came an item on the trial of "terrorists" in a military court on charges of killing two "anti-Fascists."

BRITISH PLAN TO SEEK MORE AID FROM U.S.

Cabinet Acts Today On Brief To Guide Cripps, Bevin In Talks

NATE PODOWITZKY

London, Aug. 28 (AP)—The British Cabinet will meet tomorrow against a backdrop of worsening economic conditions to pass on a plan for easing the nation's money headache.

The plan is a fifteen-page brief compiled by Treasury, Foreign Office and trade experts. It lists proposals they think will help Britain recover her strength.

But it also asks the United States to give a little more help, too.

It is this plan that Sir Stafford Cripps, Chancellor of the Exchequer, and Ernest Bevin, Foreign Secretary, will carry to Washington for the financial talks with American and Canadian representatives beginning September 7. Bevin and Cripps will sail for Washington Wednesday aboard the liner Mauretania.

Hard Work Vs. Currency

Besides taking the cabinet mandate, they will be lugging along their own ideas on what should be done there. And associates say the ideas are different.

Here's what Sir Stafford has in mind: Britain can get out of her economic doldrums only through hard work—by producing more goods at less cost and using high-pressure salesmanship to win the dollars she needs for raw materials and food.

What Bevin considers the solution is a little harder to pin down. Associates say he has been working for what he calls "integration" of the American and British currency systems—the dollar and the pound sterling.

They say he never has made clear just what this means, whether it calls for a customs union, a common currency or what.

Called No Economist

But he argues that "integration" is not only essential but also a logical outcome of Anglo-American diplomatic unity—an idea that Sir Stafford's boys in the Treasury pooh-pooh. They say he is no economist.

On the same theme, the Conservative *Sunday Times* said today "the possibility of an economic merger between the dollar and sterling areas "may be discussed at the Washington talks."

Its diplomatic correspondent said:

"As at present envisaged, the merger would entail the adoption of one currency, backed by central reserves, as legal tender for the United States, Canada, Britain and probably other British dominions and countries whose currencies are now allied to the pound."

What Brief Proposes

In short, here's what the brief proposes:

It would bind both the British Government and industry to cut down the working costs and raise productivity.

It suggests ways in which Britain can earn more dollars by selling more and cheaper goods.

It asks the United States to liberalize both tariff policy and tariff administration.

It calls for the American promise to buy fixed amounts of basic commodities from the British-led sterling area at fixed prices for fixed periods.

It proposes swift, joint working out of President Truman's "fourth point" for developing backward areas of the world where the British pound is used.

War Bride Plane Lands In London

London, Aug. 28—(AP)—"Operation grandchild showoff"—the biggest flight ever to cross the Atlantic in a plane—tonight was declared a success.

A chartered DC-4 with 81 persons aboard landed at Northolt Airport on a flight from New York. It carried 42 war brides, 16 children, 12 babies, five definitely outnumbered male passengers and a crew of six.

The plane was chartered by the Britannia Club of Oakland, Calif., to move the war wives back home so the grand parents could see the children.

All that remained was for the airborne mothers—wives of American soldiers of two world wars—to infiltrate with their offspring and take charge of the parental home bases.

The plane left New York last night with 83 persons, but two Irish girls got off at Shannon, Ireland. Also, tucked away among the Anglo-Americans, were three former French war brides who will go to France for their own reunions with their families.

Engine trouble held the plane, a Skymaster, at Shannon for three and a half hours.

The normal load of a DC-4 is about 44 adult passengers.

'Grandchild Showoff' Succeeds; 83 Span Ocean In Record Hop

London, Aug. 28 (AP)—Homesick war wives, with numerous offspring, flew in tonight on "Operation Grandchild Showoff"—with 80 persons aboard.

The plane had left New York with 83—a record number for a trans-Atlantic run. Two Irish girls and one child disembarked at Shannon.

The homecoming was a mixture of tears and smiles, as the mothers and laughing children trooped off the transocean airliner Calcutta at Northholt Airport.

Four Single Women Aboard

Thus ended a journey from Oakland, Cal., via New York, of the 37 British and three French wives of American veterans of both world wars and their 27 children, a dozen of them babies. In addition to the 67 wives and children were four single women, three men and six crew members.

The plane was chartered by the Britannia Club, of Oakland, Cal., to move the war wives back home so the grandparents could see the children. Mrs. Betty Arrieta, of Richmond, Cal., who organized the trip, said it cost $25,000 to charter the plane.

Mrs. Audrey Pacheso, 26, a brunette, of Concord, Cal., said "the only thing I miss in America is fish and chips."

"Except for them, I think America is fine, and I would like to pack all my family up and take them back with me," she told her mother.

One Flies To Sweetheart

Martin Height, 19, a chemist, of Oakland, Cal., one of the male passengers, came over to see his sweetheart, 19-year-old Hazel Burrell, of Wellingborough, Northamptonshire. He hopes to take her back as his wife next year. Height lent his service as a baby sitter.

"The children were very good," he said. "They traveled in bunks, slung from the ceiling. I really enjoyed looking after them."

Albania's Church Leader Is Deposed

Orthodox Cleric Accused of Favoring Vatican

LONDON, Aug. 28. (AP)—The Tirana radio announced today that the Archbishop of the Albanian Orthodox Church has been deposed by the Church's ruling body.

The broadcast, heard in London, said a holy synod convicted Archbishop Christopher Kissi of activity "detrimental to the Albanian Orthodox Church and the interests of the Albanian people."

Bishop Passi Voditsa of Korca has been named to succeed Kissi as Archbishop of all Albania and Metropolitan of Tirana and Durres, the radio added.

The broadcast said the holy synod, which met from Aug. 22 to 25, established that Archbishop Kissi carried on "activity in favor of Fascism during the Italian occupation, with a view to throwing our Church into the bosom of the Vatican and detaching it from the bosom of the Oriental (Eastern), Orthodox Church."

Moscow Battle Against Tito Called Threat

Greenock, Scotland, Aug. 28—(AP)—Hector McNeil, British Minister of State, accused Soviet Russia tonight of warmongering and threatening world peace in her campaign against Yugoslavia's Marshal Tito.

"I say sorrowfully that this propaganda offensive has not been equaled for viciousness and bitterness since the German propaganda campaigns of 1939," McNeil commented.

He said he did not believe anyone is actually planning war against Yugoslavia, "but everyone taking part in this campaign is playing with international dynamite."

McNeil, who has represented Britain in the United Nations, referred to the present Russian radio and press attacks against Tito, and said:

"This warmongering and bullying in the Balkans displays, I regret to say, the Soviet government as a disturber of the peace and as a menace to the independence of a small nation."

He made his assertions in a speech in his constituency here.

McNeil said he doubts reports of Russian troop concentrations against Yugoslavia, but added these reports "are being permitted dissemination by the Soviet authorities."

"This sinister, and as yet unexplained threat," he said, "is backed up by the most violent press and radio campaigns which Moscow has conducted since the war . . .

"Even more violent are the attacks made by the Soviet satelites which predict for Tito the fate of Hitler and of Mussolini at the hands of Russia."

McNeil said he had been lectured time and again by the highest Russian diplomats "about the sovereignty of small nations and the necessity to respect such sovereignty."

"They have said, and said truly, that interference by a big power in the affairs of a small power is a threat to peace, and I cannot believe that the Soviet government has overlooked the validity of such a conclusion at this moment," McNeil said.

McNeil noted the campaign comes "at a time when Soviet Russia poses as the champion of peace."

Italian Police Occupy Strike-Bound Coal Mine

Rome, Aug. 28 (AP)—The strike-bound coal mine of Pacuablis, Sardinia, was occupied yesterday by police, newspapers reported today. The miners struck to protest the owners' refusal to recognize the workers' committee. The strike was ordered by the Communist Chamber of Labor of Carbonia, center of Sardinia's mining district.

Germans Lay Claim To Garrett Estate

Bonnard, Germany, Aug. 28 (AP). An international squabble arose today over the fabulous $30,000,000 tobacco estate of the American, Walter Garrett.

German claimants to the fortune accused would-be heirs in the United States of holding out information on them.

Representatives of sixteen German "Schaefer clans" were so angry at the American claimants that they got together here to form an association to "protect their interests." The German "Schaefers" claim to be relatives of Garrett's widow, who died in 1930 leaving the vast estate in doubt. Her maiden name was Henriette Schaefer.

Fail To Get Documents

The German claimants said they had been trying without success to get their hands on copies of the immigration and marriage certificates of Mrs. Garrett's father, Christopher Schaefer.

The father emigrated to the United States in 1830.

The German claimants asserted that "certain American circles" are attempting to make it "impossible to prove Henriette Garrett's German extraction." They did not elaborate.

They said, however, that if they get their hands on the documents, they hope to prove their right to inherit the Garrett millions.

Reimann Promises Cooperation

WUPPERTAL, Germany, Aug. 28 (AP)—Max Reimann, veteran Communist leader, who is expected to lead his party in the new West German Parliament, said tonight the Communists now were willing to cooperate with all other parties in the interest of Germany.

He told a gathering of 300 Communist officials: "The Communist party is willing to unite with all Germans, no matter what ideology or economic conception they follow, so we may obtain the fulfillment of our three requests: The unity of Germany, the withdrawal of all occupation troops, and a just peace treaty."

Former Nazi's Citizenship Restored In East Berlin

Berlin, Aug. 28 (AP)—The Russians have restored full citizenship to all former Nazis in Eastern Berlin except a few known war criminals.

This was disclosed today by the Soviet-licensed *National Zeitung*, a newspaper that appeals frankly to one-time followers of the Nazi party philosophy.

The action was taken by the Communist-dominated government set up by the Russians during the blockade as a rival to the west Berlin city government.

Blanks Omit Question

The *National Zeitung* said the question blanks used for various functions dealing with the public have been reprinted without the customary question:

"Were you a member of the Nazi party or any of its affiliates?"

A decree was issued, supplementing this decision, saying:

"All members of the Nazi party and its organizations who did not commit any war crimes are given their political rights and their citizenship."

Voted Last May

The *National Zeitung* hailed this as a step forward and an "example for the solidarity of the national front in the Russian zone."

Former Nazis were allowed by the Russians to vote in last May's zonal people's congress elections, although the full citizenship rights had not been officially restored.

Western Berlin observers saw in the new move a possibility that the Soviets are girding for an all out political fight for control of Berlin's government.

The British-licensed *Sozialdemokrat*, organ of the Socialist party which won control of the west Berlin government last December, expressed concern. It said it had learned that east Berlin Communists are planning "a sabotage offensive" against the west government in the autumn.

Employes Dismissed

"East Berlin authorities and administrations have started to dismiss all their employés who live in west Berlin," the newspaper said. "Thus unemployment in west Berlin would assume catastrophic proportions."

The three western sectors, hit hard by the long blockade, now have more than 200,000 unemployed. The city's finances are in bad shape.

If the Russians squeeze out of jobs the 100,000 westerners who work in the Soviet sector, unemployment would surpass ten per cent of the population.

Candy Used in Safety Drive

WIESBADEN, Germany, Aug. 28 (AP).—Four hundred toy parachutes fell on Wiesbaden today. Each carried three candy bars. German youngsters who picked up the bars found they were the United States Air Force's way of opening a traffic accident prevention week. Leaflets told the youngsters how to behave on the streets.

Spy Plot Charged To Beran

Prague, Czechoslovakia, Aug. 28 (AP)—Justice Minister Alexei Cepicka accused Archbishop Josef Beran and his Roman Catholic bishops today of attempting to "organize a subversive network for espionage and sabotage."

The official of the Communist-led government threatened punishment for any Czechoslovak bishop or priest who tries "to carry out on Czech soil the orders of that inimical foreign power, the Vatican."

Cepicka spoke before a gathering of workers in Perdubice, about 65 miles east of Prague. The official Czech press agency estimated 60,000 attended. Cepicka's speech gave no details or evidence for his charges.

Another attack on the church was made by President Klement Gottwald, who addressed trade unionists at Podbrezova, in Slovakia.

Charges Plot For Reaction

"The enemies of the people are again creeping out of their holes," he said. "They speak about religion, but in reality they are trying to bring back the old reactionary times. They hold conferences beyond our borders to plot how they can again sell our country. But, in the interests of our children, we must not permit the return of misery and unemployment."

Also speaking at Podbrezova, Communist Premier Antonin Zapotocky declared "reaction has been defeated in Slovakia and the hopes of the capitalist states to stir revolt here are losing out."

Cepicka's speech was his first on the state-church controversy since July 15, when he threatened to prosecute for treason any Catholic clergyman who tried to execute the decree of Pope Pius XII for excommunication of militant Communists.

Broad Action Unneeded

One treason prosecution has been announced. The Rev. Alois Fajstl was sent to prison for eight years on a charge of refusing the last sacrament to a sick Communist woman.

But today Cepicka said broad-scale legal action against the Czech Catholic clergy would not be necessary because "only a handful is following the Vatican. He did not indicate how or when the Government intended to move against Beran, whom he previously had accused informally of treasonable and anti-state activities.

The new assaults indicated the Government might be opening its big push to win control of the church.

Greeks Rout Reds in Last Stronghold

Close Rebel Escape Route Into Albania

Entire Northern Ridge of Grammos Captured, 1,500 Guerrillas Taken

By The Associated Press

ATHENS, Aug. 28.—The Greek General Staff announced tonight that the Army has captured the entire northern ridge of the Grammos Mountains from retreating Communist guerrillas. A spokesman said the last possible way for the guerrillas to escape into Albania was being closed rapidly.

A special staff communique said the Army had advanced from 8,500-foot Mount Grammos down to Bouketsi. In the southern Grammos region, the Army crossed the Sarantaporos River and was on the heels of the retreating guerrillas.

Complete optimism prevailed among the Greek high command on prospects for a speedy completion of the offensive in the Grammos Mountains, the last stronghold of the guerrillas.

The Air Force is supporting the land forces—bombing, machine-gunning and strafing enemy positions and retreating columns. The planes flew 139 sorties yesterday.

1,500 Rebels Captured

An estimated 5,000 guerrillas were in the Grammos stronghold when the operation was launched. Approximately 1,500 rebels who survived the Vitsi defeat two weeks ago took part. They were captured today by a government division which closed the Baroukas River Valley escape route.

Lieutenant General Thrasivoulos Tsakaolotos notified Athens at 2:30 p. m. yesterday that the Battle of the Northern Grammos was won and that his men had sealed off the valley through which the rebels had hoped to retreat.

High-ranking officers expressed pleasure that rebel resistance was continuing. They said this would give them an opportunity to trap and destroy the remnants of the rebel army still at large.

The Ministry of Public Order said today police have rounded up fifty-three persons identified as members of a Communist organization in the Athens-Piraeus area for trial in a military court.

Minister Constantine Rentis said three of them made the raid June 18 on an Athens cafe in which four persons were wounded by a hand grenade.

Mr. Rentis said the group, long under police surveillance, had planned to assassinate the Athens radio director, blow up the Gendarmerie printing house and commit other crimes.

Greeks Take Mt. Grammos In New Drive

Athens, Aug. 28—(AP)—Greek forces captured Mount Grammos on the Albanian frontier today and were reported moving to link up with other government troops advancing

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from the south.

The southern force was reported storming Mount Kamenik in the final phase of the offensive aimed at trapping and wiping out Communist-led guerrilla bands.

The 8,500-foot Mount Grammos is a peak in the Grammos range. Units which captured it had advanced four miles farther at noon, a general staff spokesman said. He predicted the last possible way for guerrillas to escape into Albania might be closed by nightfall.

Dispatches from the front last night indicated the army considered the guerrilla line of communication to Albania was cut. There remained one loophole, however, seven miles wide.

London, Aug. 28—(AP)—The Tirana radio complained today of new violations of Albania's borders by Greek government troops.

Albania recently announced she had protested to United Nations Secretary-General Trygve Lie that Greek forces had repeatedly invaded her borders. The Greeks have denied the charge.

The Albanian broadcast heard here reported a ministry of national defense communique issued last night said "Greek monarcho-Fascists pursued their acts of provocation against our country on Aug. 25, 26 and 27."

Detachments of Greek troops crossed the border both Thursday and Friday, but were thrown back by Albanian forces, the radio said.

Greek artillery shells fell on Albanian territory five different times in the three days, it reported, and Greek planes twice dropped bombs on the Albanian side of the border.

Noah as described in the Bible.

Party Under Turkish Escort

The climbers started from their base in this peasant village, located 20 miles from the Turkish-Russian-Iranian frontier. They were loaded with supplies and accompanied by a Turkish escort.

A hot summer that washed much of the snow and ice off Ararat was in their favor. The mountain normally is well shrouded.

The same conditions prevailed last year, when some peasants reported they had seen an object resembling a boat. The object had been uncovered by an unusually heavy thaw.

The Americans are Dr. Aaron J. Smith, 61, retired missionary from Greensboro, N.C.; Walter Wood, 36, development engineer, of Seacliff, Long Island N.Y.; Wendell Ogg, 24, of Knoxville, Tenn., physicist at the Oak Ridge Atomic Energy Plant; E. J. Newton, 46, interior decorater, of Colfax, N.C., and this correspondent.

Also in the party were Dr. Necati Dolunay, head of the archaeological branch of Turkey's Education Ministry, two army captains and two interpreters.

Incorporated In North Carolina

Smith, Wood, Ogg and Newton are members of the Oriental Archaeological Research Expedition, which Dr. Smith incorporated in North Carolina last February. They have been in Turkey nearly two months awaiting permission to approach Ararat, which is located in a highly militarized zone.

Dr. Smith, who spent years as a missionary in China, said he is certain the expedition would uncover the Ark. He insists that he has sufficient scientific data to prove the vessel that rode out the flood is on Ararat.

"Now Is Time To Prove It"

"It is this year or never," Dr. Smith said. "I know the Ark is there. Now is time to prove it."

Several other persons had intended to accompany the expedition, but for various reasons were not on hand when the climb began, Dr. Smith said.

These included Dr. Egerton Sykes, of London; Fred Avery, model ship builder for the United States Navy at Annapolis; Dr. J. O. Kinnaman, an archaeologist, of Long Beach, Cal., and Dr. Clifford Burdick, Tucson, (Ariz.) geologist.

AUG 28 1949

Five Americans Begin Ararat Climb In Quest Of Noah's Ark

By EDWIN GREENWALD

Dogu Bayazit, Turkey, Aug. 28 (AP)—Five Americans started up Mount Ararat at dawn today to determine finally whether Noah's Ark is there.

It will be several days at best before any results are known. Mount Ararat is 16,000 feet high and broad in expanse. But the Ark, if there is one, should be somewhere about the 10,000 feet line.

Turkey granted permission for the climb in the face of strenuous Russian protests that the Americans were not bent on finding the Ark, but acting as spies. The mountain looks down on Russian territory from where, in 1916, came a Russian aviator who swore he saw on Ararat a ship identical to that of

SHOSTAKOVICH WORK PRAISES STALIN PLAN

MOSCOW, Aug. 28 (AP)—Dmitri Shostakovich has put music to a poem singing praises of Joseph Stalin's forestry program. His song of forests, an oratorio, was hailed in the newspaper Soviet Art today as a major composition by Russia's best known composer.

[Shostakovich has found himself out of tune with Kremlin art rulers twice, and censured for what was regarded as straying off the Marxist pitch in a musical way. He repented. He was a Russian delegate to the Communist-sponsored peace conference in New York last spring.]

The Soviet Art's Committee on Art Affairs said Shostakovich had scored the oratorio for words written by a well-known Soviet poet, Evgenia Dolmatovsky.

"It sings of the peaceful work of the Soviet people in realizing the great Stalinist plan for transformation of nature," the committee said.

That plan is a scheme for creation of forest belts, field by field, across the Soviet Union's richest farming areas to abolish droughts.

Soviet Art said Shostakovich took more than half a year writing his latest work for choir, soloists and orchestra. Most of his works are symphonies.

Miners Reassure Stalin

Moscow, Aug. 28—(AP)—Soviet coal miners promised Prime Minister Stalin today to fulfill the five-year plan by next December. They said they would be producing in that month at the rate provided in the plan for 1950—250,000,000 metric tons of coal annually.

(The output of United States mines is more than twice that.)

Chinese Reds Take Lanchow In Northwest

Spencer Moosa

Drive on Amoy on Coast; Nationalists Tell of Gains to the North of Canton

CANTON, Aug. 28 (AP).—The Chinese Nationalists reported continuing successes on the front northeast of Canton today, but they admitted Communist capture of Lanchow in the northwest.

Loss of Lanchow, capital of Kansu Province, was acknowledged officially, and private foreign reports said the Reds were pushing on rapidly westward in a full-scale drive toward Sining, capital of Tsinghai Province. Sining is 110 miles from Lanchow.

This defeat came as a blow to the Nationalists, for the Moslem armies in the northwest had been counted upon to continue Nationalist resistance to the Reds. Glowing accounts of Moslem successes against the Communists had been spread, and only forty-eight hours ago General Ma Pu-fang, northwest commander, had told reporters to come and see for themselves hwo well his troops were doing.

The National Defense Ministry announced it was pouring reinforcements into the port of Amoy, 330 miles northeast of Canton. The Red General Chen Yi, was said to be using six armies in a drive toward Amoy. They last were reported forty-five miles away. Capture of Amoy would pave the way for a drive along the coast of Kwantung Province, of which Canton is the capital.

Despite repeated army insistence on its ability to hold Canton, junior civil servants continued to be transferred to Chungking and to the island of Formosa. The radio administration warned that it would move much of its equipment to Formosa Sept. 1.

On the front 140 miles northeast of Canton, the closest Red approach—the Defense Ministry reported routing one division of General Liu Po-cheng's 14th Army. It said the Reds were retreating north under pressure.

In Hunan Province, the Nationalists reported recapture of Siangtan, 348 miles north of Canton and seventeen miles south of Changsha.

The official Central News Agency reported that General Fu Tso-yi, the man who surrendered Peiping to the Communists, had escaped and was seeking to get back in to Nationalist good graces. The agency said, without confirmation, that Fu had fled to Paotow, 350 miles west of Peiping, and that a radio message via Chungking had asked that the news be given to Generalissimo Chiang Kai-shek.

Asked whether Fu would be invited "home," a member of Chiang's entourage in Chungking said that since Fu had not himself informed Chiang, the answer would be deferred.

Chinese Refugees Get Homes

Manila, Aug. 28 (AP)—The Dominican Republic today issued entry permits for 250 international refugees from Communist China. The group will leave the Samar Island camp in about three weeks. About 1,000 others from the camp are to go to Australia, Paraguay, Ecuador and French Guinea.

Israel Is Willing to Join In a Jordan Development

AUG 28 1949

By The United Press.

TEL AVIV, Israel, Aug. 28—Israeli Foreign Minister Moshe Sharett said in an interview today his Government was willing to sponsor joint development schemes in cooperation with neighboring Arab states.

Asked whether he would be prepared to consider joint action with the Kingdom of Jordan on the Jordan Valley Authority scheme, Mr. Sharett said it was the "definite policy of Israel to be ready to sponsor joint development schemes in cooperation with neighboring governments."

Prerequisites for such cooperation, he added, were a "stable, mutually accepted peace" and the "willingness of the other party to engage in such projects."

100,000 Faithful Due

Tel Aviv, Israel, Aug. 28—(AP)—Tel Aviv newspapers said today up to 100,000 Roman Catholic Pilgrims are expected to visit the Holy Land in the 1950 holy year.

A number of holy places, including Bethlehem and the Church of the Holy Sepulchre, are in the Arab-held part of Palestine. Others, such as Nazareth, are in Israeli territory.

Flights to Lashio Banned

Burma Gives No Reason for Halt of Traffic to Shan State City

RANGOON, Burma, Aug. 28, (AP)—The Burmese government has banned all military and civilian plane flights to Lashio, in the northern Shan state. No reason was given. Lashio was the wartime terminus of the Burma Road to China.

A broadcast from "Radio Taunggyi," presumedly in the rebel-held capital of the Shan state, said American Consuls Robert L. Clifford and Ballard R. Donnell have arrived there to remove American citizens. It said all were safe.

FOLO ATHENS (A103)
LONDON, MONDAY, AUG. 29--(AP)-THE MOSCOW RADIO QUOTED A GREEK
GUERRILLA BROADCAST TODAY CLAIMING 826 GOVERNMENT TROOPS HAD BEEN
KILLED AND 2,708 WOUNDED IN THE GRAMMOS MOUNTAIN BATTLE THROUGH LAST
FRIDAY.
THE BROADCAST CLAIMED THE GUERRILLAS HAD EITHER STOPPED OR THROWN
BACK THE GOVERNMENT FORCES AT SEVERAL POINTS.
MQ1019PED

AUG 28 1949

LONDON, AUG. 28--(AP)-THE ECONOMIC COUNCIL OF MUTUAL AID (ECMA)--
RUSSIA'S ANSWER TO THE MARSHALL PLAN--MET IN SOFIA, BULGARIA, FROM AUG.
25 TO AUG. 28, TASS SAID TONIGHT.
THE ANNOUNCEMENT BY THE OFFICIAL SOVIET NEWS AGENCY, BROADCAST BY
THE MOSCOW RADIO, SAID REPRESENTATIVES OF ALBANIA, BULGARIA, HUNGARY,
POLAND, ROMANIA, CZECHOSLOVAKIA AND THE U.S.S.R. ATTENDED.
"THE COUNCIL CONSIDERED CURRENT QUESTIONS OF ITS WORK AND TOOK
NECESSARY DECISION," THE STATEMENT SAID.
NO OTHER DETAILS WERE RELEASED.
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London add re church.

ARCHBISHOP KISSI WAS ALSO FOUND GUILTY OF MANAGING OF CHURCH AFFAIRS IN AN ARBITRARY MANNER AND "GROSS VIOLATIONS OF THE CANONS OF THE ORTHODOX CHURCH," THE BROADCAST SAID.

MOST OF COMMUNIST-RULED ALBANIA'S PEOPLE ARE MOSLEMS.

ORTHODOX CHRISTIANS ARE LISTED BY THE STATESMAN'S YEARBOOK AT 210,-313, WHICH IS PERHAPS A FIFTH OF THE TOTAL POPULATION, AND ROMAN CATHOLICS AT 104,184.

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AUG 28 1949

"THEY HAVE BLOCKED INTERNATIONAL AGREEMENT ON ATOMIC ENERGY AND DISARMAMENT AND ON THE CREATION OF AN INTERNATIONAL FORCE. NEVERTHELESS, THEY SEEK ALWAYS TO EXPLOIT THAT LOVE OF PEACE WHICH DECENT PEOPLE INSTINCTIVELY REVERE.

Greenock Add re peace

"THEY STAGE SO-CALLED 'PEACE RALLIES' TO EHLP THIS POLITICAL MASQUERADE. THERE WAS ONE RECENTLY IN PARIS. THERE WS ONE IN MOSCOW LAST WEEK. THERE IS TO BE ONE IN MEXICO NEXT WEEK. I CAN SCARCELY BELIEVE THAT ANYONE LOOKING AT THIS CAMPAIGN AGAINST YUGOSLAVIA WILL BE MISLED ABOUT THE PURPOSE OF SUCH PEACE RALLIES."

(END ADVANCE FOR USE AT 2 P.M. EST TODAY, SUNDAY, AUG. 28).

GH1120AED

BY JOSEPH DYNAN

STRASBOURG, FRANCE, AUG. 28-(AP)-A UNIQUE INTERNATIONAL PARLIAMENT, STILL LESS THAN THREE WEEKS OLD, IS ALREADY HARD AT WORK ON PROPOSALS FOR POLITICAL AND ECONOMIC UNITY OF THE OLD WORLD.

THIS IS THE COUNCIL OF EUROPE'S CONSULTATIVE ASSEMBLY, MADE UP OF 101 REPRESENTATIVES FROM 12 NATIONS, WHICH HAS BEEN MEETING HERE SINCE AUG. 10 TO STUDY MEANS OF PROMOTING EUROPE'S UNIFICATION.

NOW AT THE HALFWAY MARK IN ITS INITIAL SESSION--SCHEDULED TO CLOSE SEPT. 10--THE ASSEMBLY HAS EMERGED AS A DEFINITE ENTITY. IT HAS ALREADY DEVELOPED A CONSCIOUSNESS OF ITSELF AS A GROUP, AWARE OF ITS POTENTIALITIES AND EAGER TO EXPAND ITS AUTHORITY.

ASSEMBLYMEN HAVE RECEIVED AND ARE NOW EXAMINING IN COMMITTEE PROJECTS FOR A FEDERAL POLITICAL AUTHORITY, THE CREATION OF A SINGLE ECONOMIC DEPARTMENT FOR EUROPE, JOINT PUBLIC WORKS PROGRAMS, COMMON CITIZENSHIP, A EUROPEAN SUPREME COURT TO DEFEND HUMAN RIGHTS, A SINGLE POSTAL SYSTEM AND OTHERS.

SOME OF THE IMPETUOUSNESS NOTICEABLE IN THE OPENING DAYS HAS SLACKED OFF, BUT THE ASSEMBLY HAS INDICATED NO LETUP IN ITS DETERMINATION TO MAKE SOMETHING OF ITSELF.

FOLLOWING THE UNANIMOUS ELECTION OF BELGIUM'S PAUL-HENRI SPAAK AS PRESIDENT ON THE SECOND DAY, THE ASSEMBLY ASSERTED ITS INDEPENDENCE IN TWO WAYS.

IT PICKED BRITAIN'S LORD LAYTON AS VICE-PRESIDENT OVER WILLIAM WHITLEY OF BRITAIN, LARGELY BECAUSE WHITELEY IS A MEMBER OF THE BRITISH CABINET AND HENCE, IT WAS THOUGHT, SUBJECT TO GOVERNMENTAL CONTROL.

SPURRED BY ORATORY FROM BRITAIN'S WINSTON CHURCHI)), THE ASSEMBLY WRUNG AN IMPORTANT CONCESSION FROM THE FOREIGN MINISTERS' COMMITTEE (A SORT OF UPPER HOUSE) IN OBTAINING THE RIGHT TO ENLARGE ITS OWN WORK PROGRAM.

THE OPENING DAYS WITNESSED AN UPSURGE OF FEDERALISM AS SOME 40 REPRESENTATIVES SIGNED A RESOLUTION TO CREATE A EUROPEAN CENTRAL AUTHORITY WITH LIMITED FUNCTIONS BUT REAL POWERS.

CHURCHILL, A CONSERVATIVE, AND DEPUTY PRIME MINISTER HERBERT MORRISON OF THE BRITISH LABOR PARTY TOOK THE FLOOR IN THE SECOND WEEK TO URGE CAUTION AND CAREFUL STUDY. THE FEDERALIST RESOLUTION IS NOW IN COMMITTEE.

"I'M NOT AFRAID OF NEW IDEAS," SAID MORRISON. "I JUST WANT TO KNOW PRECISELY WHAT THEY ARE."

CHURCHILL SAID:

"WE MUST FEEL OUR WAY FORWARD, BUT WE MUST NOT ATTEMPT ON OUR PRESENT ELECTORAL BASIS TO CHANGE THE POWERS WHICH BELONG TO THE DULY CONSTITUTED NATIONAL PARLIAMENTS FOUNDED DIRECTLY UPON UNIVERSAL SUFFRAGE."

B4

CHURCHILL ALSO RAISED THE ASSEMBLY'S MOST PERPLEXING QUESTION--THE ADMITTANCE OF WESTERN GERMANY--AND URGED A SPECIAL SESSION IN JANUARY TO CONSIDER THIS. SEVERAL OTHER REPRESENTATIVES LATER JOINED IN DEMANDING A SPECIAL SESSION FOR OTHER REASONS, CHIEFLY TO TAKE UP ITEMS ON POLITICAL AND ECONOMIC UNITY.

MEANWHILE, THE ASSEMBLY APPOINTED ITS SIX STANDING COMMITTEES WHICH IN TURN ORGANIZED AND BEGAN TO WORK.

FRANCE'S PAUL REYNAUD ANSWERED CHURCHILL ON FEDERALISM WHEN HE ADVOCATED THE DIRECT ELECTION OF ASSEMBLY DELEGATES BY UNIVERSAL SUFFRAGE. THERE IS NOW A GROWING SENTIMENT AMONG FRENCH ASSEMBLYMEN FOR THIS IDEA.

FEDERALISTS NOW REALIZE THEY CANNOT ESTABLISH A UNITED EUROPE OVERNIGHT, BUT THE ASSEMBLY'S POLITICAL COMMITTEE IS EXPLORING THIS QUESTION AND INTENDS TO MAKE RECOMMENDATIONS NEXT MAY.

THE ASSEMBLY'S DEBATE ON ECONOMIC AFFAIRS EARLY THIS PAST WEEK REVEALED ALMOST UNANIMOUS DISSATISFACTION WITH THE MARSHALL PLAN'S EUROPEAN ECONOMIC COOPERATION ORGANIZATION (OEEC) FOR FAILING TO INTEGRATE EUROPE'S ECONOMY.

THE ECONOMIC COMMITTEE IS NOW STUDYING PROPOSALS AIMED AT PLACING THE OEEC UNDER THE EUROPEAN COUNCIL'S CONTROL.

HEADED BY SIR DAVID MAXWELL-FYFE, A BRITISH PROSECUTOR AT NUERNBERG, THE ASSEMBLY'S LEGAL COMMITTEE HAS DECIDED TO RECOMMEND AN INTERNATIONAL CONVENTION BINDING MEMBER STATES TO PRESERVE AND PROTECT BASIC HUMAN RIGHTS.

ANOTHER PROJECT LAUNCHED THIS PAST WEEK WAS A MOVE TO CREATE A PERMANENT ASSEMBLY STEERING COMMITTEE TO SIT IN STRASBOURG BETWEEN ASSEMBLY SESSIONS TO CARRY ON ITS WORK. SPONSORS REGARD SUCH A COMMITTEE AS POTENTIALLY THE NUCLEUS OF AN EVENTUAL EUROPEAN GOVERNMENT.

CHARTER MEMBERS OF THE COUNCIL OF EUROPE ARE BRITAIN, FRANCE, ITALY, THE NETHERLANDS, BELGIUM, LUXEMBOURG, SWEDEN, NORWAY, DENMARK AND IRELAND. GREECE AND TURKEY WERE VOTED INTO MEMBERSHIP BY THE MINISTERIAL COMMITTEE AUG. 8.

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30.24- 5315

BAD GODESBERG, GERMANY, AUG. 28-(AP)-RUDOLF NADOLNY, FORMER GERMAN AMBASSADOR TO MOSCOW, SAID TODAY A PERMANENT ORGANIZATION WILL BE SET UP TO WORK FOR UNITY BETWEEN SOVIET-OCCUPIED AND WESTERN GERMANY.

THE DECISION WAS TAKEN AT A MEETING OF A SMALL GROUP OF GERMAN INDUSTRIALISTS AND POLITICAL FIGURES, HE TOLD A NEWS CONFERENCE.

GERMAN AND ALLIED REPORTERS PUT TO NADOLNY A BARRAGE OF QUESTIONS ON THE MOTIVES OF THE ORGANIZATION.

IN THE THICK OF IT, DR. ANDREAS HERMES, FORMER GERMAN MINISTER OF AGRICULTURE, CUT THE CONFERENCE SHORT BY SAYING ENOUGH QUESTIONS HAD BEEN ASKED.

THE MEETING AND THE NEWS CONFERENCE WERE HELD IN HERMES' HOMES.

ABOUT 20 OF NADONLY'S FOLLOWERS ATTENDED THE MEETING. IT HAD BEEN ANNOUNCED THAT 50 WERE INVITED.

DR. KONRAD ADENAUER, POSSIBLE CHANCELLOR OF GERMANY'S FIRST POST-WAR GOVERNMENT, HAD ADVISED GERMANS AGAINST ATTENDING ON THE GROUND THAT SUCH MOVEMENTS ALIENATE THE WESTERN ALLIES.

NADOLNY TOLD THE NEWS CONFERENCE THE MEETING HAD APPOINTED A COMMITTEE OF SEVEN, INCLUDING HIMSELF, TO SET UP THE "PERMANENT SECRETARIATE" FOR GERMAN UNITY.

ASKED WHETHER HIS GROUP'S GOAL IS NOT THE SAME AS THAT OF SOVIET PROPAGANDISTS, HE SAID IT IS BUT THAT THE MOVEMENTS ARE ENTIRELY SEPARATE.

NADOLNY DECLARED HE HAS NO CONNECTION WITH THE SOVIET GOVERNMENT. HE INSISTED THAT ALL NATIONALISTIC AND TOTALITARIAN TENDENCIES WOULD BE TURNED DOWN BY HIS MOVEMENT.

REPORTERS ASKED WHAT FORM UNITY WOULD TAKE--WHETHER THE SOVIET ZONE WOULD BE INCORPORATED INTO THE NEW WESTERN GERMAN FEDERAL GOVERNMENT, OR WHETHER WESTERN GERMANY WOULD ENTER THE SOVIET ZONE ORBIT.

HERMES REPLIED "THAT IS NOT A QUESTION TO WORRY ABOUT NOW." HE ADDED THAT WESTERN GERMANS ARE LIVING UNDER AN ILLUSION.

A70

"THEY THINK THAT THINGS WILL GO ON FOREVER THE WAY THEY ARE," HERMES SAID. "BUT THEY ARE LIVING ON AN ARTIFICIAL BASIS. MORE THAN 50 PER CENT OF THE FOOD THEY EAT COMES FROM THE OUTSIDE. THEY CANNOT LIVE FOREVER ON CHARITY. THE AMERICAN TAXPAYER IS NOT GOING TO SUPPORT GERMANY FOREVER."

NADOLNY SAID HIS UNITY MOVEMENT IS, IN EFFECT, CARRYING OUT A MANDATE OF THE LAST FOREIGN MINISTERS' MEETING AT PARIS.

HE SAID THE FOREIGN MINISTERS NOT ONLY DIRECTED THEIR OWN EFFORT TOWARD GERMAN UNITY BUT "ALSO WISHED TO INCORPORATE THE ASSISTANCE OF GERMAN CIRCLES IN REALIZING THIS GOAL."

NADOLNY DENIED SAYING IN A RECENT INTERVIEW THAT THE WEST GERMAN REPUBLIC WAS "A WHOLLY UNIMPORTANT PASSING APPARITION WHICH WE HOPE WILL SOON DISAPPEAR."

HE SAID A GOVERNMENT FOR WHICH THREE FOREIGN POWERS WORKED AND IN WHICH THE GERMAN PEOPLE TOOK PART COULD NOT BE CALLED "WHOLLY UNIMPORTANT." BUT HE REITERATED:

"NATURALLY, WE HOPE A WEST GERMAN GOVERNMENT IS ONLY A TEMPORARY AFFAIR."

HJ511PED

AUG 28 1949

TROMSOE, NORWAY, AUG. 28-(AP)-NORWEGIANS CROWDED INTO TROMSOE HARBOR TODAY TO SEE THE U.S. SUBMARINE TUSK AND THE AMERICAN SAILORS WHO FIGURED LAST WEEK IN AN EPIC ARCTIC RESCUE.

IT WAS A WARM, SUNNY DAY AND THE CREWMEN OF BOTH THE TUSK AND THE ILL-FATED SUBMARINE COCHINO RELAXED. A NUMBER, INCLUDING CMDR. RAPHAEL G. BENITEZ OF THE COCHINO, ATTENDED CHURCH SERVICES.

OTHERS JUST WENT ASHORE FOR A LOOK AT TROMSOE, CALLED "THE PARIS OF THE NORTH." THEY SAID THEY WERE PLEASED TO STEP ON FIRM GROUND AND GET WARM AGAIN. THE TRUSK ARRIVED HERE LAST NIGHT FROM HAMMERFEST, ABOUT 250 MILES TO THE NORTH, WHERE SHE PUT IN AFTER RESCUING THE CREW OF THE COCHINO IN ROUGH ARCTIC SEAS.

THE COCHINO SANK AFTER TWO EXPLOSIONS. A CIVILIAN TECHNICIAN ABOARD HER, ROBERT W. PHILO OF NEWARK, N.J., AND SIX OF THE TUSK'S CREW WERE LOST.

THE TUSK WAS ESCORTED HERE BY A NORWEGIAN PATROL VESSEL. THE U.S. DESTROYER SAMUEL M. ROBERTS WAS EXPECTED HERE TO TAKE ABOARD THE COCHINO'S MEN.

THE TUSK WAS ESCORTED HERE BY A NORWEGIAN PATROL VESSEL. THE U.S. DESTROYER SAMUEL M. ROBERTS ARRIVED THIS AFTERNOON TO TAKE BOARD THE COCHINO'S MEN.

ONE OF THE TUSK'S CREW MEMBERS, WHO WAS SERIOUSLY BURNED, WAS TRANSFERRED TONIGHT TO TROMSOE HOSPITAL. WHEN THE ROBERTS WILL LEAVE WITH THE OTHERS COULD NOT BE LEARNED IMMEDIATELY.

THE COCHINO OFFICERS WERE QUARTERED AT THE GRAND HOTEL; THE CREW IN BARRACKS AT THE NORWEGIAN NAVAL STATION NEAR TROMSOE.

TOP OFFICERS OF BOTH SUBMARINES, VETERANS OF THE PACIFIC WAR, WERE UNANIMOUS IN SAYING THEY HAD NEVER FACED A MORE DIFFICULT AND DANGEROUS SITUATION THAN THE ARCTIC INCIDENT.

TU357PED

AUG 28 1949

BY ENDRE MARTON (280)

BUDAPEST, HUNGARY, AUG. 28-(AP)-VICE PREMIER MATYAS RAKOSI, HUNGARY'S COMMUNIST CHIEFTAIN, URGED TODAY A FIGHT TO DEFEND PEACE AGAINST WHAT HE CALLED THE WAR AIMS OF "THE ANGLO-AMERICAN IMPERIALIST BRIGANDS."

RAKOSI SPOKE AT THE CLOSE OF A TWO-WEEK YOUTH FESTIVAL.

ABOUT 10,000 FOREIGN DELEGATES AND 100,000 YOUNG HUNGARIANS MASSED IN BUDAPEST'S SQUARE OF HEROES IN A CLIMACTIC DEMONSTRATION. THEY PLEDGED TO DEFEND PEACE AND "EVERYWHERE TO WORK FOR IMPROVING CONDITIONS RATHER THAN ENRICHING THE EXPLOITERS WHO PREPARE FOR A NEW SLAUGHTER."

RAKOSI SAID THE GOAL OF THE FESTIVAL HAD BEEN "TO SWEAR BY LASTING PEACE AND INCREASE THE FIGHT AGAINST WAR-MONGERING WESTERN IMPERIALISTS WHO PREPARE A HORRIBLE THIRD WORLD WAR."

HE GREETED THE DELEGATIONS FROM THE WESTERN COUNTRIES WITH "ARDENT LOVE." HE SAID MANY OF THESE HAD ASKED PERMISSION TO REMAIN IN HUNGARY.

"WE GLADLY OFFER THEM THIS POSSIBILITY," HE SAID, "BUT ADVISE THEM TO RETURN TO THEIR COUNTRIES AND CONTINUE THE FIGHT FOR OUR COMMON AIMS AT HOME."

HE CONCLUDED BY HAILING THE SOVIET UNION AND PRIME MINISTER STALIN AS "THE POWERFUL GUARDIANS OF PEACE."

DELEGATES FROM 84 NATIONS TOOK PART IN THE CONCLUDING PARADE. THIS WAS REVIEWED BY HUNGARIAN GOVERNMENT OFFICIALS SEATED ON THE BALCONY OF THE BUDAPEST OPERA HOUSE. THE FRONT OF THE OPERA HOUSE WAS DECORATED WITH THE FLAGS OF THE UNITED STATES, BRITAIN, RUSSIA, FRANCE,

CHINA AND HUNGARY.
THE AMERICAN DELEGATION IN THE PARADE WAS HEADED BY SHEPARD PHIERNEY AND GRACE TILLMAN, WHO MARCHED HAND-IN-HAND. THE AMERICANS CARRIED SLOGANS DEMANDING "PEACE PACT, NO WAR PACTS."
PHIERNEY IS VICE PRESIDENT OF THE ASSOCIATION OF INTERNS AND MEDICAL STUDENTS AND MISS TILLMAN IS A MEMBER OF THE SOUTHERN NEGROES' YOUTH CONGRESS.
(EDS: ADDRESSES NOT AVAILABLE).
TU453PED

FROM THE YUGOSLAV ZONE OF TRIESTE (FREE TERRITORY UNDER ALLIED OCCUPATION) CAME AN ITEM ON THE TRIAL OF "TERRORISTS" IN A MILITARY COURT ON CHARGES OF KILLING TWO "ANTI-FASCISTS." TWO DEFENDANTS DREW DEATH SENTENCE AND TWO OTHERS GOT PRISON TERMS.
THE GOVERNMENT HERE HAS DENIED OFFICIALLY WITHIN THE LAST 36 HOURS THE RUMORS THAT THERE ARE "UNUSUAL TROOP MOVEMENTS" AND THAT SABOTAGE CAUSED THE OIL REFINERY FIRE AT FIUME.
GH1145AED

EDS:
PRAGUE--IN CATHOLICS (A60), INSERT AFTER FIRST GRAPH, ENDING X X X AND SABOTAGE."
CEPICKA GAVE NO DETAILS OR EVIDENCE IN HIS SPEECH TO SUBSTANTIATE HIS CHARGES.
THE OFFICIAL OF X X X SECOND GRAPH.
HJ535PED

SHANGHAI, AUG.28-(AP)-NICHOLAS TARASOFF, A WHITE RUSSIAN, DIED YESTERDAY OF INJURIES SUFFERED IN THURSDAY'S NATIONALIST AIR RAID. IT WAS THE FIRST KNOWN FOREIGN FATALITY FROM THE RAIDS.
(THE NATIONALISTS REPORTED SATURDAY THAT THEY HAD DESTROYED 90 PER CENT OF THE MAIN SHANGHAI RADIO STATION AND HEAVILY DAMAGED A POWER PLANT AND WATERWORKS. THE ITEM ABOUT THE WHITE RUSSIAN'S DEATH WAS THE FIRST WORD OF THE RAID WHICH HAS COME THROUGH THE COMMUNIST CENSORSHIP).
THE COMMUNIST DRIVE AGAINST THE NATIONALIST UNDERGROUND IN SHANGHAI CONTINUED WITH ARREST OF SEVERAL MEMBERS OF AN ORGANIZATION CALLING ITSELF THE "POLICE COLUMN OF THE FIRST PACIFICATION AREA."
THE COMMUNISTS SAID ITS LEADER, COL. KING YUN-SEN HAD BEEN CAUGHT AND THAT HE HAD BEEN SENT INTO SHANGHAI BY THE NATIONALIST DEFENSE MINISTRY TO FORM AN ARMED UNDERGROUND OF DISPERSED NATIONALIST SOLDIERS.
SO-CALLED UNDERGROUND GROUPS HAVE BEEN ROUNDED UP FOR SEVERAL WEEKS THE NUMBER OF ARRESTS IS UNKNOWN BUT MUST RUN INTO HUNDREDS.
JS1144APS

FIRST LEAD CHINESE
BY SPENCER MOOSA
CANTON,MONDAY,AUG.29-(AP)-COMMUNIST FORCES THRUST TO JUCHENG TODAY IN A NEW THREAT TO CANTON 170 MILES AWAY TO THE NORTH.
THE NATIONALIST DEFENSE MINISTRY SAID THE REDS CAPTURED KWEITUNG IN SOUTHEASTERN HUNAN PROVINCE AND DROVE TO THE OUTSKIRTS OF JUCHENG, ONLY ABOUT SIX MILES FROM THE BORDER OF KWANGTUNG WHERE THIS REFUGEE CAPITAL IS SITUATED.
JUCHENG IS ONLY 45 MILES FROM KUKONG, GATEWAY TO CANTON ON THE CANTON-HANKOW RAILWAY 125 MILES TO THE NORTH.
THE NATIONALISTS WERE DISHEARTENED BY THE RED CAPTURE OF LANCHOW IN THE DISTANT NORTHWEST.
LOSS OF X X X SECOND GRAF.
UM/WR949PPS NM

SYDNEY, AUSTRALIA, AUG.28-(AP)-URANIUM ORE DEPOSITS HAVE BEEN FOUND IN THE HART RANGE MOUNTAINS OF AUSTRALIA'S NORTHERN TERRITORY, THE MINISTER FOR SUPPLY AND DEVELOPMENT SAID TODAY.
THE MINISTER, SEN. ARMSTRONG, RETURNED AFTER INSPECTING THE AREA. HE SAID DEPOSITS WERE IN THE FORM OF SAMARSKITE (A SOURCE OF SEVERAL ELEMENTS) BUT THAT URANIUM HAD NOT YET BEEN FOUND IN COMMERCIAL QUANTITIES.
A WIDE AREA OF SAMARSKITE IS UNDER EXPLORATION AND IF FOUND EXTENSIVE ENOUGH, THE GOVERNMENT WILL SET UP A BUYING POOL TO GUARANTEE A PRICE TO INDEPENDENT MINERS, ARMSTRONG SAID.
THE FIRST REWARD FOR URANIUM DISCOVERY IN AUSTRALIA WILL GO TO A CANADIAN-BORN ITALIAN, A. CRESPAN, AND HIS PARTY, WHO FOUND THE HART RANGE DEPOSITS.
WB416PED

MANILA, AUG.28-(AP)-COMMAND OF THE U.S. NAVY'S SEVENTH TASK FLEET PASSED TODAY FROM VICE ADM. OSCAR C.BADGER TO VICE ADM. RUSSELL S.BERKEY.
AMBASSADOR MYRON M.COWEN AND OTHER DIPLOMATIC OFFICIALS WITNESSED THE CEREMONY ON THE QUARTERDECK OF THE CRUISER ST.PAUL IN MANILA BAY.
IMMEDIATELY AFTERWARD, BADGER BOARDED A NAVAL PLANE FOR A FLIGHT TO WASHINGTON.
JS1148APS NM

TEHRAN, IRAN, AUG. 28-(AP)-IRAN HAS PROTESTED TO SOVIET RUSSIA AGAINST THE SEIZURE OF 11 IRANIAN SOLDIERS IN A BORDER CLASH LAST SUNDAY AND DEMANDED THEIR RELEASE, FOREIGN MINISTER ALI ASFGAR HEKMAT SAID TODAY.
HEKMAT TOLD NEWSMEN THE NOTE WAS SENT TO THE SOVIET EMBASSY YESTERDAY, IN RESPONSE TO A RUSSIAN STATEMENT THAT THE SOLDIERS WERE FOUND ON SOVIET SOIL.
THE INCIDENT TOOK PLACE IN THE GORGAN AREA.
A MILITARY INFORMANT SAID THURSDAY THAT RUSSIAN AND IRANIAN TROOPS EXCHANGED FIRE FOR ABOUT FIVE HOURS LAST SUNDAY AFTER SOVIET SOLDIERS MADE A FORAY INTO KHORASAN PROVINCE OF NORTHEAST IRAN. THE ARA HAS BEEN THE SCENE OF SEVERAL CLASHES IN RECENT M

MADE A FORAY INTO KHORASAN PROVINCE OF NORTHEAST IRAN. THE AREA HAS BEEN THE SCENE OF SEVERAL CLASHES IN RECENT MONTHS.
FH1123AED

(ADVANCE)..WASHINGTON,AUG.28-(AP)-THREE NORWEGIQN ENGINEERS ARE DUE TO ARRIVE IN THE UNITED STATES SEPT. 4 TO STUDY METAL PRODUCTION METHODS. THEY ARE COMING HERE IN CONNECTION WITH THE PROGRAM TO PROVID TECHNICAL HELP TO MARSHALL PLAN COUNTRIES.
THE ECONOMIC COOPERATION ADMINISTRATION SAID TODAY THE TECHNICAL STUDY PROJECTS WERE REQUESTED BY THE NORWEGIAN GOVERNMENT. THEY ARE AIMED AT HELPING THE ENGINEERS GAIN KNOWLEDGE THAT MAY LEAD TO INCREASED PRODUCTIVITY IN NORWAY.
TWO PROJECTS ARE INVOLVED. TWO OFFICIALS FROM CHRISTIANA SPIGERVERK, OSLO STEEL-PRODUCING FIRM, WILL VISIT STEEL AND OTHER INDUSTRIAL PLANTS IN THE U.S. AND CANADA. THEY ARE: WERNER C.F.POENSGEN AND ↘

7. FRIENDSHIP WITH JAMES V.HUNT.

A MASSACHUSETTS FURNITURE MANUFACTURER, PAUL GRINDLE, TESTIFIED THAT HUNT TOLD HIM "I HAVE ONLY ONE THING TO SELL AND THAT IS INFLUENCE." (HUNT FLATLY DENIED IT.) HUNT ALSO SAID, ACCORDING TO THE WITNESS, THAT VAUGHAN WAS "ONE OF HIS CLOSEST FRIENDS." GRINDLE SAID THAT HUNT, IN ONE CONVERSATION, MENTIONED VAUGHAN'S NAME "AT LEAST 50 TIMES."

HUNT SAID HE AND VAUGHAN ARE "GOOD FRIENDS SOCIALLY" BUT NEITHER HAS ASKED THE OTHER FOR ANYTHING IMPORTANT.

8. THE EPISODE OF GENERAL WAITT.

MAJ.GEN.ALDEN WAITT, CHIEF OF THE ARMY CHEMICAL CORPS (BUT NOW UNDER SUSPENSION), TESTIFIED THAT HE WENT TO HUNT'S OFFICE LAST SPRING AND THERE PREPARED A MEMO, AT THE REQUEST OF VAUGHAN, CONCERNING EIGHT OTHER OFFICERS WHO MIGHT BE CONSIDERED FOR WAITT'S JOB. THESE OFFICERS WERE CRITICIZED IN THE MEMO. WAITT SAID HE "ASSUMED" VAUGHAN WAS GOING TO USE IT IN DISCUSSION WITH PRESIDENT TRUMAN.

V340PED

TURKISH LOAN

(ADVANCE)..WASHINGTON,AUG.28-(AP)-THE WORLD BANK ANNOUNCED TODAY IT IS SENDING A FIVE-MAN MISSION TO TURKEY TO EXAMINE THREE PROJECTS FOR WHICH THE TURKISH GOVERNMENT IS SEEKING A LOAN.

THE PROJECTS ARE GRAIN STORAGE FACILITIES, IRRIGATION, FLOOD CONTROL AND ELECTRIC POWER, AND PORT CONSTRUCTION AND IMPROVEMENT.

NEITHER THE COST NOR THE AMOUNT OF THE LOAN REQUEST WERE STATED.

THE BANK MISSION EXPECTS TO ARRIVE IN ISTANBUL SEPT. 12.

APART FROM THE LOAN PROJECT MISSION, THE BANK HAS AGREED TO HELP IN MAKING A "BROAD SURVEY OF TURKEY'S RESOURCES," PREPARING A PLAN FOR THEIR DEVELOPMENT, AND DEVISING AND PUTTING INTO EFFECT MEASURES TO "STRENGTHEN TURKEY'S FISCAL AND ADMINISTRATIVE STRUCTURE AND FOSTER PRIVATE ENTERPRISE," THE ANNOUNCEMENT SAID.

(END ADVANCE FOR USE AT 6 P.M. EASTERN STANDARD TIME TODAY AU[illegible]3)

V554PED NM

SAN FRANCISCO, AUG.28-(AP)-THE CHINESE COMMUNISTS ANNOUNCED TODAY CREATION OF THE "NORTHEAST PEOPLES GOVERNMENT" FOR MANCHURIA.

THE PEIPING RADIO, HEARD IN SAN FRANCISCO BY THE ASSOCIATED PRESS, SAID THE NORTHEAST PEOPLES CONGRESS HAD ELECTED A 41-MEMBER GOVERNMENT COUNCIL HEADED BY LIN FENG.

THE PEIPING RADIO ALSO ANNOUNCED THAT MME. SUN YAT-SEN HAD ARRIVED IN PEIPING FROM SHANGHAI, TODAY AND WAS GREETED BY MAO TZE-TUNG, COMMUNIST CHAIRMAN, AND THE OTHER TOP CHINESE REDS.

THE COMMUNISTS HAVE BEEN GIVING A BIG "PLAY" RECENTLY TO THE WIDOW OF THE MAN WHO FOUNDED THE CHINESE REPUBLIC.

IN JULY THEY ANNOUNCED SHE HAD ISSUED A STATEMENT PRAISING THE RED MILITARY VICTORIES AND HAD BECOME CHAIRMAN OF THE SINO-SOVIET FRIENDSHIP ASSOCIATION. SHE IS A SISTER OF MME. CHIANG KAI-SHEK.

JS1146APS

EINAR GORNITZKA.

TORGEIR HOVERSTAD, THE THIRD ENGINEER, WILL STUDY AMERICAN ELECTROLYTIC METHODS OF PRODUCING MANGANESE METAL. HE IS WITH THE PORSGRUNN ELEKTROMETALLURGISKE.

EACH OF THE TOURS WILL TAKE ONE MONTH. THE ITINERARIES WILL BE ANNOUNCED LATER BY ECA. THE COSTS OF THE TWO PROJECTS WILL BE PAID JOINTLY BY ECA AND THE NORWEGIAN GOVERNMENT. THE PROJECTS ARE THE SIXTH AND SEVENTH FOR NORWAY UNDER THE TECHNICAL AID PROGRAM.

(END ADVANCE FOR USE AT 6 P.M., EST, TONIGHT, SUNDAY, AUG.28).

V545PED

THE DAY BEFORE THE CONCERT, SEVERAL WESTCHESTER RESIDENTS, INCLUDIN MICHELE CIMBALO, ALP CANDIDATE FOR DISTRICT ATTORNEY, PROTESTED WHAT THEY TERMED AN "INFLAMATORY" FRONT PAGE EDITORIAL IN THE PEEKSKILL EVENING STAR. THE PROTESTS WERE TELEGRAPHED TO COUNTY OFFICIALS.

J. DONALD ALBERTSON, CITY EDITOR OF THE PAPER, TODAY DENIED THE EDITORIAL WAS INFLAMATORY.

THE EDITORIAL, HE SAID, POINTED OUT THAT ON THREE PREVIOUS APPEARANCES ROBESON'S "SO-CALLED CONCERTS TURNED OUT TO BE POLITICAL RALLIES."

"WE MERELY ASKED THE PEOPLE TO STAY AWAY FROM THE CONCERT, POINTING OUT THAT BY PURCHASING TICKETS THEY WOULD BE CONTRIBUTING TO A LEFTIST ORGANIZATION," ALBERTSON SAID.

THE CIVIL RIGHTS CONGRESS WAS LISTED BY FORMER ATTORNEY GENERAL TOM CLARK AS A SUBVERSIVE ORGANIZATION.

TU238PED

KX FOR FRISCO (APWS) (320)

(ADVANCE FOR RELEASE AT 3:30 P.M., EST, SUNDAY, AUG. 28)

(ADVANCE) NEW YORK, AUG. 28-(AP)-THE AMERICAN OFFICER IN CHARGE OF PUBLIC HEALTH SERVICES IN JAPAN SAYS BIRTH CONTROL IS ONE OF THE BIG PROBLEMS FACED BY THE JAPANESE TODAY.

BRIG. GEN. CRAWFORD F. SAMS TOLD A RADIO AUDIENCE THE JAPANESE GOVERNMENT NOW IS ESTABLISHING BIRTH CONTROL CLINICS THROUGHOUT THE NATION TO GIVE PARENTS MODERN PROFESSIONAL KNOWLEDGE ON THE LIMITATION OF FAMILIES."

GENERAL SAMS WAS INTERVIEWED ON A DOCUMENTARY REPORT PROGRAM, "HIROSHIMA AND TOKYO--A TALE OF TWO CITIES," A BROADCAST COMMEMORATING THE END OF THE WAR IN JAPAN FOUR YEARS AGO. THE BROADCAST WAS CARRIED ON A NATIONAL NETWORK (ABC).

COMMENTING ON THE RECENT LAW ADOPTED BY THE JAPANESE DIET LEGALIZ-ING BIRTH CONTROL, THE GENERAL SAID: "SO LONG AS FAMILIES ARE WILLING TO LIMIT THEMSELVES TO A SMALL NUMBER OF CHILDREN, IT IS OBVIOUSLY MORE REASONABLE TO PREVENT CONCEPTION THAN TO PERMIT IT AND THEN CARRY OUT ABORTIONS."

BEFORE THE WAR, HE TOLD NORMAN COUSINS, EDITOR OF THE SATURDAY REVIEW OF LITERATURE, JAPANESE IN URBAN AREAS LIMITED THE SIZE OF THEIR FAMILIES "LARGELY THROUGH THE USE OF INFANTICIDE AND ABORTION."

ABORTION, HE SAID, WAS LEGAL IN JAPAN, AND THE USE OF CONTRACEPT-IVES WAS LIMITED.

HOWEVER, HE SAID, "NOW THAT THE INCENTIVE FOR LIMITING FAMILIES

HAS BEEN REESTABLISHED IN JAPAN, THE JAPANESE DIET HAS PASSED A LAW AUTHORIZING THE ESTABLISHMENT OF CLINICS FOR THE DISSEMINATION OF INFORMATION CONCERNING CONTRACEPTIVES.

"ABORTION IS A DISTINCT HEALTH HAZARD TO THE MOTHER, WHICH IS A FACTOR ENTIRELY SEARA F

OM

FACTOR ENTIRELY SEPARATE FROM ANY MORAL ISSUE INVOLVED.

"THESE BIRTH CONTROL CLINICS OR CONTRACEPTIVE CLINICS NOW ARE IN THE PROCESS OF BEING ESTABLISHED THROUGHOUT THE NATION AND WILL MAKE AVAILABLE TO THOSE WHO CARE TO USE THEM, MODERN PROFESSIONAL KNOWLEDGE ON THE LIMITATION OF FAMILIES."

(END ADVANCE FOR RELEASE AT 3:30 P.M., EST, SUNDAY, AUG. 28)

HJ9PED

AUG 28 1949

NEW YORK, AUG. 27-(AP)-THE AMERICAN CHINA POLICY ASSOCIATION TODAY DESCRIBED THE RECENT STATE DEPARTMENT CHINA WHITE PAPER AS A "PROPAGANDA DOCUMENT DESIGNED TO OBSCURE OUR TOTAL MILITARY AND POLITICAL DISASTER IN THE PACIFIC."

ALFRED KOHLBERG, CHAIRMAN OF THE ASSOCIATION'S BOARD, TERMED THE WHITE PAPER AN EFFORT TO "BOLSTER A WEAK CASE RATHER THAN THE PRESENTATION OF A COMPLETE STORY."

KOHLBERG, AN IMPORTER OF TEXTILES FROM CHINA, IS PUBLISHER OF THE MAGAZINE "PLAIN TALK."

THE ASSOCIATION, IN A STATEMENT VOTED BY ITS BOARD OF DIRECTORS AT A MEETING HERE AUG. 18 AND MADE PUBLIC TODAY, CALLED ON PRESIDENT TRUMAN TO APPOINT A COMMISSION OF "INFORMED AMERICANS" TO PLACE THE BLAME FOR PAST FAILURES IN CHINA POLICY AND "RECOMMEND A NEW AND CONSTRUCTIVE POLICY."

THE STATEMENT DECLARED:

"IN AN ATTEMPT TO WHITEWASH THE STATE DEPARTMENT FAILURE, THE WHITE PAPER STOOPS TO AN INCOMPLETE, MISLEADING AND PARTLY UNTRUTHFUL PRESENTATION.

AUG 28 1949

STATE DEPARTMENT OFFICIALS COULD NOT BE REACHED FOR COMMENT ON THE ASSOCIATION'S REPORT. BUT SECRETARY OF STATE ACHESON LAST WEEK HAD CALLED THE WHITE PAPER A "FAIR AND HONEST RECORD" OF THIS COUNTRY'S RELATIONS WITH CHINA.

COMMENTING ON SIMILAR CRITICISM BY REP.JUDD (R-MINN), ACHESON SAID IT IS NOT TRUE THAT SOME DOCUMENTS WERE OMITTED FROM THE WHITE PAPER TO FALSIFY THE RECORD.

HE SAID IT WAS NOT POSSIBLE TO PUBLISH ALL DOCUMENTS BEARING ON THE SSUBJECT AND THOSE WHICH WERE MADE PUBLIC COMPRISED A "FAIR AND OBJECTIVE SAMPLING."

IN ITS REPORT, THE ASSOCIATION SAID:

"IT IS MOST IMPORTANT FOR AMERICANS TO REALIZE THAT IT IS NOT TOO LATE IN CHINA. THE WHITE PAPER'S STAB IN THE BACK DOES NOT CLOSE BUT OPENS THE QUESTION: HOW BEST TO ACCOMPLISH AMERICAN SECURITY IN THE PACIFIC."

REFERRING TO WHAT IT CALLED 39 GLARING ERRORS AND OMISSIONS IN THE WHITE PAPER, THE BOARD NOTED IT DID NOT INCLUDE REPORTS ON CHINESI MISSIONS BY WENDELL WILLKIE, HENRY A.WALLACE, DONALD NELSON, OWEN LATTIMORE, LAUCHLIN CURRIE AND GENS.CLAIRE CHENNAULT AND DOUGLAS MAC ARTHUR.

IN DISCUSSING WALLACE'S MISSION TO CHINA IN JUNE AND JULY, 1944, THE STATEMENT SAID:

"MR.WALLACE, WHO HAD NO BACKGROUND ON CHINA, WAS ACCOMPANIED BY TWO ADVISORS KNOWN FOR PRO-COMMUNIST SYMPATHIES.

"IS HIS REPORT OMITTED BECAUSE IT WOULD REVEAL THAT SINCE AMBASSADOR (PAT) HURLEY'S RESIGNATION OUR POLICY WAS BASED ON THE WALLACE RECOMMENDATIONS?"

THE ASSOCIATION STATEMENT ALSO SAID THE WHITE PAPER "OMITS THE TELEGRAM FROM CHIANG KAI SHEK TO PRESIDENT ROOSEVELT WARNING OF PEARL HARBOR WEEKS BEFORE THE EVENT."

"GEN.MACARTHUR, ON FEB. 19, 1949," THE STATEMENT ADDED, "REVEALED THAT THE U.S.S.R. HAD THE SAME INFORMATION BUT APPARENTLY FAILED TO WARN OUR GOVERNMENT."

WILLIAM LOEB, PUBLISHER OF THE MANCHESTER (N.H.) UNION LEADER, IS PRESIDENT OF THE ASSOCIATION.

BOARD MEMBERS INCLUDE CONGRESSMAN WALTER H.JUDD (R-MINN); A. PHILIP RANDOLPH, PRESIDENT OF THE INTERNATIONAL BROTHERHOOD OF SLEEPING CAR PORTERS; CLARE BOOTHE LUCE; WRITER MAX EASTMAN; FORMER GOV.GEORGE H.EARLE OF PENNSYLVANIA; MAJ.GEN.DAVID P.BARROWS OF BERKELEY, CALIF. ANDGEORGE CREEL, CHAIRMAN OF THE COMMITTEE ON PUBLIC INFORMATION IN WORLD WAR ONE.

SN1054PED

AUG 28 1949

NEW YORK, AUG.28-(AP)-FORTY STUDENTS, MOSTLY FROM ILLINOIS, WERE UP IN THE AIR TONIGHT EVEN AFTER THEY LANDED AT NEW YORK CITY'S INTERNATIONAL AIRPORT AFTER A FLIGHT FROM AMSTERDAM, HOLLAND.

THE STUDENTS LEFT CHICAGO JUNE 27 TO FLY TO AMSTERDAM AND RETURN. THEY SAID THEY CONTRACTED FOR THE TRIP WITH ALASKA AIRLINES, A NON-SCHEDULED AIRLINE COMPANY. THE LINE TOOK THEM FROM CHICAGO, VIA THE EAST COAST, TO EUROPE.

THEY ARRIVED TONIGHT AT THE IDLEWILD, QUEENS, AIRPORT ON A SEABOARD AND WESTERN AIRLINES PLANE. THE SEABOARD IS NOT AUTHORIZED TO FLY FROM NEW YORK TO CHICAGO.

---THE STUDENTS SAID A KLM ROYAL DUTCH AIRLINES OFFICIAL TOLD THEM IN AMSTERDAM THAT ALASKA AIRLINES PROBABLY WOULD FLY THEM FROM HERE TO CHICAGO.

A REPORTER LEARNED FROM A FORMER ALASKA AIRLINES PILOT THAT THE LINE CEASED OPERATIONS LAST WEEK. THE COMPANY'S FORWARDING ADDRESS, THE PILOT SAID, IS ANCHORAGE, ALASKA.

FULTON J.HOKE, 45, OF (649 EAST 83RD STREET) CHICAGO, A STRANDED PASSENGER WHO SAID HE WAS A HIGH SCHOOL TEACHER, TELEPHONED THE ALASKA FIRM'S NEW YORK OFFICE. THERE WAS NO ANSWER.

THE ALASKA LINE'S FORMER PILOT WAS QUOTED AS SAYING THAT THE LINE INTENDED TO FULFILL ALL "CONTRACTUAL OBLIGATIONS" BUT COULDN'T SAY WHEN.

MEANWHILE, HOKE CALLED ANOTHER AIRLINE. HE WAS TOLD THE GROUP COULD BE FLOWN TO CHICAGO BY CHARTERED PLANE--FOR $1,500.

BUT MOST OF THE STUDENTS DIDN'T HAVE ENOUGH MONEY TO EAT. THE STUDENTS POOLED THEIR REMAINING MONEY AND ALL HAD SANDWICHES AND COFFEE AT AN AIRPORT RESTAURANT.

LATE TONIGHT THEY SAT IN THE AIRPORT'S TERMINAL BUILDING.

THEY'RE ALL WONDERING WHEN--AND HOW--THEY GO FROM HERE.

INCLUDED IN THE STRANDED GROUP WAS DAVID E.ELLISON OF ERIE, ILL., A STUDENT AT THE UNIVERSITY OF CHICAGO.

LATER, PORT OF NEW YORK AUTHORITY OFFICIALS PLACED COTS IN THE TERMINAL BUILDING, WHERE THE STUDENTS WILL SPEND THE NIGHT.

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30.24- 5319

TYDINGS BACKS ARMS-AID ITEM

Opposes Vandenberg Cut In Fund For Allied Factories

Washington, Aug. 28 (AP)—The Senate fight over the Administration's arms-aid program added intensity today with two major committees aiming at a showdown vote by midweek.

The Foreign Relations and Armed Services committees will have another go tomorrow at proposals for two major changes in the program, which calls for $1,450,000,000 cash plus sending surplus arms to strengthen other nations against any Russian aggression.

The two proposals involve a fight led by Senator Vandenberg (R., Mich.) for a $160,990,000 slash in the bill's $1,160,990,000 for European members of the Atlantic Alliance; and an amendment by Senator Knowland (R., Cal.) to mark non-Communist China in for assistance.

Tydings Opposes Vandenberg

Senator Tydings, chairman of the Armed Services Committee, came out today in opposition to the Vandenberg amendment. The biggest part of the cut Vandenberg wants would be $155,000,000 that President Truman is asking to step up arms production in western Europe.

Gen. Omar Bradley, chairman of the joint chiefs of staff, has testified this amount will enable pact members to retool existing factories and produce more than $700,000,000 worth of arms.

In a radio broadcast, Tydings defended this project. He said it is designed "primarily to help these western European countries obtain the means, the tools and the raw materials in some cases, to manufacture their own weapons, small parts and ammunition."

Wherry Repeats Criticism

"Without this," Tydings said, "we would have to do pretty much all of its ourselves. We cannot go on forever furnishing arms in large quantities, even to our friends. . . ."

Senator Wherry, Republican leader, reiterated his opposition to the whole present program in a radio speech.

Wherry, who has announced he will vote against the arms bill, contended it should be delayed until the defense council contemplated under the Atlantic Alliance is formed and makes recommendations for an overall program. He said he is opposed to 'piece-meal scattering of arms and armaments among treaty countries."

Another Republican, Senator Morse (Ore.), a member of the Armed Services Committee, indorsed the arms-aid plan in a radio interview.

Morse May Favor Some Cut

Morse said he intends to vote "for whatever the facts show are necessary" to provide military help for the pact nations until the defense council can organize and make recommendations.

However, Morse said that tentatively he feels Vandenberg is right in saying that "we do not need, for that interim period, the total amount of funds, or the total amount of implementation, provided for in the Administration bill."

Morse did not say which items he might favor cutting. He added that if Senate debate shows the full amount is needed he is going to vote for it.

Knowland's Effort For China

He said, "We cannot afford, from the standpoint of the security of the American people, to let our Allies in Europe face the Russian border without adequate military implementation to meet an immediate aggression."

Knowland has made plain that he intends to carry on the Senate floor his fight to have China "treated on the same basis as other nations in this bill." He has promised a "full-scale review of our policy in the Pacific" at that time.

He has proposed an amendment authorizing the President to supply $210,640,000 of military aid to non-Communist China, Korea, the Philippines and elsewhere in the Far East. This would mean an increase of $193,000,000 in the Truman program, which already carries some funds for Korea and the Philippines.

Administration Indications

Dean Acheson, Secretary of State, told Congress early this month that the Administration did not feel justified in asking more arms for China, but that a fund to be used in the Far East at the President's discretion would be helpful.

Within the last week there have been indications that Administration supporters in the Senate are willing to back $75,000,000 to $100,000,000 of such discretionary funds for the Far East.

Knowland is insisting that arms be provided specifically for China, however. The outcome when the two committees vote is uncertain.

U.S. May Let Britain Relax Loan Provision

Washington, Aug. 28—(AP)—The United States may grant the British permission to discriminate temporarily against American goods, government officials reported today. It would be a move intended to help Britain solve her current financial crisis.

Would Hit Exports

These officials, connected with the British-American-Canadian financial talks now in progress, said United States negotiators are "seriously considering" relaxing the terms of the 1946 British loan agreement to permit this.

Under this agreement, Britain got $3,750,000,000 from the United States in return for a promise to treat American exports the same as those from the empire countries and Europe.

The British are now reported to have requested the administration to ease article nine of the loan accord to halt some of the drain on its dollars and dwindling gold reserves.

These informants said the British feel they cannot put into effect a plan for boosting intra-European trade until the United States waives the terms of this article.

Administration officials are reported to believe this could be done without going to Congress for approval of the action. This would not be the first time the United States has relaxed the provision of the 1946 loan agreement to help the British.

In 1947, the treasury department freed the British from the obligation of converting all pounds into dollars on request, after a "run" on the British treasury threatened to deplete all of Britain's scarce dollar supply.

Snyder Undecided

Officials of the Economic Cooperation Administration and the State Department are reported urging Secretary Snyder to yield to this second request. Snyder is reported sympathetic but not quite sold on the idea yet.

Administration officials who favor granting the British this permission do not believe it by itself will solve Britain's financial problem. But they do believe it will help check the drain on Britain's reserves before they sink to $1,000,000,000, which is the immediate aim of the financial talks.

Officials gave this example of what could happen if the U. S. waived article nine as requested:

Britain could then for instance, refuse to issue a license to British buyers who want to buy American specialty goods such as fountain pens. But it could give "open licenses" to Britishers who, for example, wanted to import Italian fountain pens. Since the Italian fountain pens could be purchased with sterling, this would save Britain dollars.

No Alternative Seen

Administration officials acknowledged this would hurt some American exporters. But those in favor of the idea said there appears to be no alternative; that the stakes are now Britain's survival and its continued existence as an independent nation allied with the United States in the "cold war."

Negotiators on both sides took a day off today before resuming their "fact finding discussions" at the State Department tomorrow morning.

Undersecretary of State Webb, who heads the working group on the American side, is reported confident the negotiators will have no difficulty agreeing on the facts of the situation by Sept. 7.

At that time, Sir Stafford Cripps, British chancellor of the exchequer, and British Foreign Secretary Bevin are scheduled to sit down with Snyder and Secretary of State Acheson in an effort to reach some conclusions. Canada will be represented by Foreign Minister Lester B. Pearson and Douglas Abbott, Canadian finance minister.

Vaughan Testifies Tomorrow; Quiz Of Hunt, Bennett Sought

Washington, Aug. 28 (AP)—Two senators insisted today that the five-percenter investigation be held open until two much-discussed figures, James V. Hunt and David Bennett—both ill—can appear.

There was talk of a quick wind-up after this week's big show—the questioning Tuesday of Maj. Gen. Harry H. Vaughan, whose name has been linked with testimony about both Hunt and Bennett.

Hunt, self-described Washington management counselor, has just handed the Senate Investigating Committee a 6,000-word affidavit which included a statement that he never asked Vaughan to do anything more important than get some football tickets. But this affidavit only whetted the appetite of Senator Mundt (R., S.D.) who called it inconclusive.

Joins In Request

"We will have many questions to ask him about it, particularly regarding his relations with Vaughan," Mundt said.

He joined Senator Margaret Chase Smith (R., Maine) in urging that the committee not call a halt, but merely recess, in order to make an effort later to hear Hunt and Bennett.

Physicians have certified that both men are unable to testify at this time. Hunt's attorney told the committee his client would be glad to appear when his health permits.

Bennett heads the Albert Verley Perfume Company, of Chicago, which paid for seven home freezers which Vaughan sent to high Washington figures early in the Truman Administration. Vaughan, who is President Truman's army aide, said they were gifts to him through friendship.

Vaughan's Reaction Sought

The committee wants to hear Vaughan's side of testimony that also has linked him with a race track, molasses, perfume, windshields—and with John Maragon, another key figure of the inquiry described as having frequently acted in behalf of business men.

Concerning Vaughan, Mrs. Smith said:

"We want to know whether he denies or confirms the things that have been said about him at the hearings. The big question is whether he did all this to be a good fellow or for some other reason."

As for Hunt, he told the committee in his affidavit there was no truth about much of the testimony concerning him.

The committee has received testimony that Hunt got substantial fees in his business of helping others to deal with the Government, and that he claimed to have an inside track to the White House through Vaughan.

"Neat Job Of Timing"

Commenting on Hunt's affidavit, Mundt said that in his opinion it represented "a very neat job of timing in view of the fact that it comes out just two days before Vaughan is scheduled to testify." He added:

"My interest in wanting Hunt to testify as soon as his health permits has been magnified many times by his affidavit. It seems to me to be a very inconclusive document."

Vaughan will have a chance to discuss all the episodes in which his name has come up. Here are the principal ways in which Vaughan's name has entered the hearings:

1. The race-track episode.

Tighe Woods, housing expediter, testified that in January 1948 Vaughan called him to the White House and said some of his friends were interested in seeing that a permit for scarce materials was issued for work at the Tanforan race track in California.

Asked To "Please Hurry"

Woods said that a few days later Vaughan came to his office, accompanied by the president of the race track, and asked him to "please hurry." Woods granted the permit the next day.

2. The molasses case.

Herbert C. Hathorn, formerly of the Agriculture Department, testified that Vaughan tried to get the department to authorize more sugar for the Allied Molasses Company, of Perth Amboy, N.J.

Vaughan Helped Perfumer

Hawthorn said this company had been a "flagrant and wilful" violator of a rationing order. He said Vaughan was "rough" on him and made it clear he could get Hathorn's job. But he said Vaughan's request was turned down.

Hathorn and another Agriculture Department official both said John Maragon also came to them in behalf of the molasses company and that he implied he was acting for Vaughan.

3. The perfume case.

Committee investigators presented evidence to show that Vaughan wrote a letter of introduction for Bennettt, the perfume-firm head, who flew to Paris on an Air Transport Command plane in May, 1945, only three days after V-E day, and brought back essential oils.

Another letter was presented as evidence that Vaughan told the State Department in August, 1945 that President Truman was "personally interested" in seeing that Maragon visited Italy as a repre-

sentative of the Verley Company.

This episode came after Maragon flew to France in July 1945 in an air transport command plane—according to committee evidence and tried to bring through customs perfume oils disguised as bottles of champagne. Maragon paid a $1,155 penalty.

4. The home-freezer affair.

A Milwaukee manufacturer testified he sent freezers to Vaughan and other prominent persons in Washington in 1945 and that the bill was paid by the Albert Verley Compay.

Gifts From Old Friends

Vaughan then issued a statement saying the freezers were gifts to him from two old friends, David Bennett and Harry Hoffman (advertising agent for the Verley Company). Vaughan said he in turn made gifts of some of the freezers to friends of his. (One went to Mrs. Harry Truman at Independence, Mo.) Vaughan denied anything improper.

5. The windshields episode.

A statement by an Army ordnance colonel was introduced which said that last May 20 Vaughan's office asked the help of the Ordnance Department in expediting the final details of a windshield contract which had been let to the Austin Metal Products Company, of Detroit.

The army colonel also said a major under his command was summoned to the office by Louis A. Johnson, Secretary of Defense, where he was met in the reception room by Maragon. The statement said Maragon asked the major to do everything possible to assist with the windshield contract and stated that this was also Vaughan's desire.

Other Episodes

6. Other Maragon episodes.

Joe F. Major, congressional liaison man at the War Assets Administration, testified Vaughan got him his job there; that Maragon came over frequently in behalf of various companies.

Mission To Turkey

Washington, Aug. 28—(AP)—The World Bank announced today it is sending a five-man mission to Turkey to examine three projects for which the Turkish government is seeking a loan.

The projects are grain storage facilities, irrigation, flood control and electric power, and port construction and improvement.

Neither the cost nor the amount of the loan request was stated.

'Playboy' Vaughan Urged To Resign

French Lick, Ind., Aug. 28 (AP)—Gov. Henry F. Schricker, Democrat, calling Maj. Gen. Harry H. Vaughan a "playboy," last night said he should resign as President Truman's military aide.

The Governor made the statement in an extemporaneous address to the Indiana Democratic Editorial Association.

"If I were Harry Vaughan I would offer to resign from office," Schricker said. "That is the manly thing to do."

"The President has a great responsibility," he went on. "There is no reason why the President should be embarrassed by a playboy who wants to deal in deep freezes. There is too much at stake—the democracy you and I love."

"We must keep that or exchange it for a dictatorship," the Indiana Democrat declared.

The Governor prefaced his blast at Vaughan, who has figured prominently in the Washington five-percenter investigation, with this observation:

"Things are not smelling too good for the Democratic party in Washington these days."

Dulles Asserts Policy Skirts Road To War

Watertown, N. Y., Aug. 28—(AP)—Senator John Foster Dulles (R-NY) said today the present course of the United States "skirts, dangerously, the road to war."

He termed the nation's reliance on material and military might "dangerous," but added that "our leaders take that risk because they feel that there is no adequate alternative."

Dulles' statements were made in a sermon he delivered at the First Presbyterian Church. His father, the late Rev. Dr. Allen Macy Dulles, was once pastor of the church.

Strong Convictions Vital

Dulles told the congregation Communism and Fascism could be resisted successfully only by societies imbued with strong spiritual convictions.

Congress, he said, is working on great plans to halt Communism by giving economic and military aid "to those who we hope will resist." He added.

"It is, however, perfectly clear that these plans will not succeed if they merely put material things into the hands of men who do not have a spiritual faith and who do not feel a sense of human brotherhood and of social responsibility."

He declared:

"Today our nation is relying greatly on material and military might. That is dangerous. A nation that possesses a gret military establishment is likely to be influenced by the counsel of persons who believe in the inevitability of war or who believe that good ends can be gained by violent means.

"Policy makers work with the tools that, it seems, can be made available. Economic and military power can be developed under the spurt of laws and appropriations, but moral power does not derive from any act of Congress. It depends on the relation of a people to their god.

"It is the churches to which we must look to develop the resources for the great moral offensive that is required to make human rights secure and to win a just and lasting peace."

In viewing the world situation, Dulles said that if the barrier between Germany and Russia "crumbles there could easily come another Soviet-German offensive alliance, such as the one exactly 10 years ago today and which touched off World War II."

Reds Set Up Manchuria Regime

SAN FRANCISCO, Aug. 28 (AP).—The Chinese Communists announced today creation of a "Northeast People's Government" for Manchuria.

The Peiping radio, heard in San Francisco by The Associated Press, said a Northeast People's Congress had elected a forty-one-member government council headed by Lin Feng.

The Peiping radio announced that Mrs. Sun Yat-sen arrived in Peiping from Shanghai today and was greeted by Mao Tse-tung, Communist party Chairman, and the other high Chinese Reds.

AUG 28 1949

RIOT IS PUT UP TO DEWEY BY ROBESON

Probe, Arrest Of 'Storm Troopers Who Incited To Violence' Demanded

AUG 28 1949

New York, Aug. 28 (AP)—Paul Robeson today demanded that Gov. Thomas E. Dewey order an investigation of the three-hour riot that broke up a scheduled concert by the Negro singer last night in Peekskill, N.Y.

Robeson also charged at a press conference that laxity of local authorities caused the riot, touched off by marching veterans' groups.

Similar calls for action by the Governor came from Representative Vito Marcantonio New York State American Labor party chairman, and officials of the Civil Rights Congress, a branch of which planned the concert.

Marcantonio Accuses Officials

Marcantonio said the attack on the concert "was organized with the direct knowledge and aid" of two Westchester county officials. He demanded that the Governor oust them.

Marcantonio said the two officials were Robert J. Field, county clerk, and Leonard Rubenfeld, assistant district attorney.

Neither Field nor Rubenfeld could be reached for comment.

The Civil Rights Congress, which has been listed as a subversive organization by Tom Clark, former United States Attorney General, demanded the arrest of several persons they said were "storm-trooper leaders who incited to violence."

The Congress also accused Peekskill and State police of staying away from the scene until the riot was well under way although they "were well aware of the fact that mob action was being planned."

Robeson Notes Burning Cross

John E. Hayes, Peekskill police commissioner, said his force took no action because the scene of the incident was two and a half miles outside the city limits and "the Peekskill police had absolutely no jurisdiction."

He said the local force was alerted to take care of any disorders "arising inside the city limits" as a result of the affair.

Robeson today referred to a cross burned near the scene and said:

"This is a part of Ku Klux Klan terror. Certainly the Department of Justice should be interested in investigating the American Legion and the Ku Klux Klan."

Meeting At Rosen Estate

Meanwhile, some 1,500 persons, many of them persons who went to hear last night's concert, gathered this afternoon at the estate of Dr. Samuel Rosen, at Katonah, N. Y.

The estate, about 10 miles from the scene of the riot, also was the scene of a rally for Wallace's Progressive party during last year's election campaign.

Mrs. Rosen said she had asked State police to send protection for today's meeting because of "a number of crank calls" and the fact that suspicious-looking persons had gathered near the estate.

Several State police were sent to the Rosen home and patrolled the roads.

Wallace Expresses Regret

The meeting voted to organize a "committee for law and order" in Westchester county and to send a delegation tomorrow to Governor Dewey and Nathaniel Goldstein, attorney general.

Henry Wallace, lecturing at a Young Progressive meeting in South Fallsburg, N.Y., issued a statement expressing regret that his home county of Westchester had joined "the roll of shame."

"I thought New York was immune to this kind of thing," Wallace said, "and I am sure that the State authorities will take prompt action to investigate the situation and prosecute all those responsible."

At the Robeson press conference, Benjamin J. Davis, New York city councilman, Negro Communist and one of the eleven defendants gathered at the foot of a hill near the estate.

Several state police were sent to the Rosen home and patrolled the roads leading to the estate.

Mrs. Rosen said the meeting was called to "protest the fascist violence" and to make plans for another public appearance by Robeson in Westchester Couty.

At the Robseson press conference, New York City Councilman Benjamin J. Davis, Negro Communist and one of the 11 defendants in the Communist conspiracy trial, said he would introduce a resolution in the council condemning the "shocking act of fascist violence against Paul Robeson."

Eight Injured

At least eight persons were injured, two seriously, in the fierce riot.

Robeson said the disorder was part of a "national terror" against negroes and progressives.

The rioting, he said, was "an invasion of civil rights, a major crime which I doubt if any American will place in the category of democratic procedure."

'I am not going to be frightened by any Legionnaires," the singer added. "They had better be careful."

Robeson said he went to Peekskill by train and was met by friends who drove him to the picnic grounds where the concert was to be held.

As they approached, the singer said, they noticed a disturbance, and that the concert area was dark and deserted.

Had to Restrain Robeson

When his friends learned that the rioting had started on the outskirts of the grove, Robeson said, they had to restrain him from leaving the car.

He said that at 8:45 P. M. (EST), more than an hour after the rioting began, he still was in the car, near the gate to the picnic grounds.

"The police arrived much later," he said.

Later, he said, he went to a friend's home in Peekskill and spent the night.

Stones hurtled through the air as an estimated 5,000 persons battled furiously along the dark dirt road leading to the wooded picnic grove where Robeson was to appear.

Veterans Smash Concert Stage

Autos were overturned. A vanguard of veterans smashed the concert stage, then set fire to some of the 2,000 camp chairs set up for the recital. As the fighting spread, a fiery cross blazed from a hillside above the picnic grove.

Robeson, frequently associated with left-wing activities, did not appear.

AUG 28 1949

William L. Patterson, executive secretary of the Civil Rights Congress whose Harlem branch was to benefit from the recital, said he intercepted the Negro singer and whisked him away to a safe place. This, he said, saved Robeson from "bodily injury" and "possibly lynching."

Broke Out Just Before Nightfall

Patterson called the demonstration "storm trooper violence."

The fighting broke out shortly before nightfall. It was more than three hours later before an emergency detail of 40 state troopers, a score of county officers and a squad of Peekskill patrolmen could quell the milling throng.

There were no arrests.

A New York State Police spokes-

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man said the troop commander in the area is conducting an investigation of the affair but details of the investigation were not yet available.

He said investigating officers so far have reported that "nobody wants anybody arrested" as a result of the incident.

In Albany, the office of Gov. Thomas E. Dewey said he had no comment on the matter. Dewey was at his farm in Pawling, N. Y.

Beginning of Trouble

The trouble began when several veterans' groups, which had announced plans for a "peaceful" protest parade against Robeson's appearance, marched with blaring bands past the picnic grove a half hour before the concert was to begin.

The parade plans were announced by the Joint Veterans Council of Westchester County. The council includes the American Legion, Veterans of Foreign Wars, the Catholic War Veterans and Jewish War Veterans.

Clyde Lewis, of Plattsburg, N.Y., newly elected National Commander of the Veterans of Foreign Wars, said today that neither national nor state units of the VFW had anything to do with the Peekskill rioting.

At a press conference following his return to New YYok from the annual VFW convention at Miami, Fla., Lewis said:

"It was a spontaneous demonstration by the local post of the Veterans of Foreign Wars working in conjunction with other groups of the area. If there was any lawlessness, the unlawful will have to answer to the community. The Veterans of Foreign Wars does not advocate lawlessness, it does, however, believe in peaceful demonstrations."

War Veteran In Hospital

William Secor, 24-year-old veteran of Mohegan, was in Peekskill hospital after being stabbed in the side during the wild melee. The other seriously injured victim was William Bybel, 44, of Croton Point.

Hospital attaches said Bybel was clubbed. He was treated for cerebral concussion and left the hospital today against physicians' wishes.

Six other persons, including both Whites and Negroes, were treated for bruishes and cuts at a hospital.

The crowd was predominantly White.

State troopers patched together this story of the riot and the sparks that kindled it:

As the vets swung up the narrow dirt road leading to the picnic grove, several hundred persons, already gathered for the concert, moved to block their path.

The two groups collided and the battle was on. Men and women fell to the ground. Others slipped off to cower in the protection of the nearby woods.

Throw Up Road Blocks

The veterans quickly threw up road blocks to check escape, but late-arriving concert-goers streamed to the aid of the besieged and the fighting raged even more furiously.

During the height of the battle, 10 cars were overturned and one was pushed off an embankment. An unidentifed Negro was reported beaten and then hurled over a fence into an adjoining cemetery.

At one point, several veterans mounted the stage and forced a frightened woman pianist to play "Yankee Doodle" and the National Anthem. Another grouped ripped the platform apart and started a bonfire, throwing the seats on the flames.

As the rioting swirled in all directions, commanders of the veterans shouted vain, unheard orders for their men to disband.

Only Four Sheriffs On Hand

Four deputy sheriffs were the only law-enforcement officers at the scene when the fighting erupted. The disorders subsided rapidly with the arrival of state troopers.

Several hours before the concert an American Labor Party group sent a telegram to State Attorney General Nathaniel Goldstein asking police protection. Goldstein could not be reached for comment today.

Patterson charged that the anti-Robeson demonstration was backed by the "official forces of Westchester County." AP

French Cabinet Officer To Address Legion

New York, Aug. 28 (AP)—Robert Betolaud, French Minister of Veterans, arrived today from Paris by plane en route to the American Legion's convention in Philadelphia.

Ark Believed Half Size Of Queen Mary

New York, Aug. 28—(AP)—Noah's Ark, which five Americans are seeking on Mount Ararat in Turkey, measured about half the size of the big liner Queen Mary, according to the Ark's dimensions given in the bible.

In the book of Genesis, Noah was directed to build an ark in preparation for the flood. He was told: "The length of the ark shall be 300 cubits, the breadth of it 50 cubits, and the height of it 30 cubits."

A cubit is 17.85 inches, making the ark, 439 1-2 feet long, with a beam of 73 1-4 feet and a height of 44 feet.

The liner Queen Mary, one of the world's largest, is 975 feet long.

Biblical historians generally set 2348 B. C., as the year the ark made its trip.

AUG 29 1949

Group To Oppose Trial Of Reds

New York, Aug. 28—(AP)—Formation of a countrywide organization to oppose the conspiracy trial of top Communist officials was announced today.

It is called the "National Nonpartisan Committee to Defend the Rights of the 12 Communist Leaders."

Negro singer Paul Robeson and Judge Norval K. Harris of Sullivan, Ind., were listed as co-chairmen.

They said the committee is composed of "public figures of varied political and religious beliefs" who oppose the "attempt to try in a court of law a political philosophy, judgment on which can properly be passed only by the electorate."

Other officers listed were Elwer Benson of Minnesota; Grant Oakes of Illinois, president of the Farm Equipment Workers; Father Clarence Park, Chicago; Mrs. Modjeska Simkins, Columbia, S. C.; Prof. Louise Pettibone Smith, Wellesley, Mass.; Theresa Robinson, Washington, D. C., and novelist Howard Fast.

The announcement said the committee will stage meetings, publish literature, sponsor touring speakers and raise funds in behalf of the Communist leaders on trial.

AUG 27 1949

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Truman Promises to Aid Britain in Dollar Crisis

Sound Economy Essential to Peace, He Tells Legion Convention

PHILADELPHIA, Aug. 29 (AP)—President Truman pledged Great Britain today that the United States will help in her hour of financial crisis.

The president spoke to a crowd of 15,000 at the American Legion's 31st national convention after a roaring, confetti-spattered welcome by 100,000 Philadelphians and visitors. He said the U. S. will examine Britain's plight in a "spirit of friendliness and helpfulness."

British and Canadian representatives are coming to Washington next week to seek U. S. air in solving the British dollar shortage.

Gives 4-Point Program

The president laid down this four point program he said "must be carefully kept in mind" in these talks:

1—"That a sound and expanding economy is essential to world peace."

2—"That we are trying to expand the exchange of goods and services among nations. xx We are not looking for trick solutions to deep-seated problems."

3—"That we cannot succeed xxx unless we keep everlastingly at it."

4—"That the democratic nations are not proposing to interfere with one another's internal politics."

Mr. Truman rode in an open car through Philadelphia streets on his arrival from Washington. A crowd estimated by police at 100,000 watched the president's motorcade, showering paper and confetti on him from downtown skyscrapers.

"It was a wonderful turnout," said the president. He called attention to Philadelphia's First City Troop, famed horse guard which led the motorcade.

"It makes a horse artilleryman homesick," the president said, "to see horses once more in use."

Given Legion's Highest Honor

Mr. Truman received the American Legion's highest honor, the distinguished service medal.

Secretary of Defense Louis son presented the medal to Mr. Truman, stating that the president is "the first Legionnaire with active military service" to become president and also win the medal.

The late Franklin D. Roosevelt was awarded the Legion's medal posthumously.

Johnson said that Mr. Truman, who served with Battery D, 129th Field Artillery in World War One, "has never forgotten that he once served in the ranks. x x x He knows what it is to be a little fellow."

"The whole world looks to America, under your leadership, to hold the peace," the defense secretary said.

The president in accepting the medal from Johnson, told the delegates:

"I am reminded that I have been in this hall before——for a different purpose."

It was nearly a year ago when the Democratic national convention, meeting in the same convention hall, nominated Mr. Truman for the presidency.

Today it was not quite so hot as it was in the sweltering, jam-packed hall the night Mr. Truman was nominated. Nevertheless the Legion delegates quickly shed their coats as the convention got underway and it was a comfortable, shirt-sleeved crowd to which Mr. Truman delivered the speech he labeled earlier as one on "international affairs affects the welfare of the nation in days to come."

Cites World Trade Needs

The president told Legionnaires that "world trade is now seriously out of balance."

He called attention to the "terrible after-affects of war" and "the attempt of organized communists to achieve economic and political domination of the world through the misuse of the desires and aspirations of mankind."

To meet this crisis, Mr. Truman said, the U. S. has adopted short-range and long-range programs. He called the European recovery program our short-range answer. The long-range program is four-fold:

1—"Encouraging American business to make productive investments abroad in increasing volume."

2—"Planning to help the people in under-developed areas learn modern industrial and agricultural methods."

3—"Continue our well-establish-policy of negotiating reciprocal trade agreements in order to reduce barriers to international trade."

4—"Encouraging closer regional ties among nations in order to lower trade barriers and increase production."

"The free nations have overcome the danger of immediate postwar collapse, but we have not yet achieved the sound and expanding world economy that is necessary for lasting prosperity and peace," he said.

"This larger task is the one that now confronts us."

Raps "Politics" Moves

Mr. Truman said without naming names, that "certain newspapers and politicians" have "deliberately stirred up x x x misunderstanding and misinformation about our international economic policy."

They did this, the President said, "for political reasons."

The free nations of the world must use their resources and manpower to create a "continually expanding and productive international economy," Mr. Truman asserted.

"Without foreign trade, many of our industries would suffer. Without foreign trade, for example, it would be difficult, if not impossible, for us to develop atomic energy."

"Moreover, we need to sell many things abroad. Our prosperity would be seriously damaged if the export of our products x x x were cut off."

To overcome the logjam which has disrupted the world's economy, the President said we must "not return to the economic nationalism" which followed the first world war when "each nation erected trade barriers to keep out the products of other nations."

These "dog eat dog" policies were "self-defeating," the President said. "They helped to bring on the worst depression the world has ever seen."

Mr. Truman's speech started the convention on four busy days that will wind up Thursday with election of a new national commander to succeed Perry Brown of Beaumont, Tex.

Green Warns Soviets

William Green, president of the American Federation of Labor, told the convention in a speech following the President's that "Soviet Russia's hopes of preparing the way for world revolution by first capturing control of organized labor is doomed to failure."

And Maj. Gen. Lewis B. Hershey, head of selective service, said that by next June "the people of this nation must make the choice among selective service, universal military training or no preparation at all."

With the first flurry of speech-making out of the way, the delegates moved en masse tonight from the hall to downtown streets and hotels.

An hour after Mr. Truman went back to Washington the first convention parade was under way with the members of the 40 and 8, fun and honor organization of the Legion, cavorting in the free-and-easy fashion they have made famous.

At Municipal stadium ten crack drum and bugle corps, survivors of the day's eliminations, competed in the championship test that is the top honor for Legion musical organizations.

There will be no convention sessions tomorrow. The entire day is set aside for the gigantic Legion parade scheduled to march at 10 a. m., and likely to still be on the move at midnight.

Wednesday will be devoted to convention action on resolutions and Legion policy.

Truman's Attitude Acclaimed

LONDON, Aug. 29 (AP)—The British Foreign Office said in a statement tonight that President Truman's pledge of United States "friendliness and helpfulness" toward the British, made in his Philadelphia speech, was "most helpful and encouraging for the success" of the Washington talks.

"The point of view expressed by the President is fully appreciated and shared in London," said the statement.

Philadelphia, Aug. 29 (AP)—Following is the text of a speech delivered by President Truman today at the American Legion's annual convention:

I am happy to be with the members of the American Legion again at their annual convention.

I am very proud to be honored by you with the American Legion Distinguished Service Medal. There are many fine things about this medal, and one of them is that it has no political implications. I shall prize it highly, and try to live up to what it means to you and to me.

At the Legion convention last year, I talked to you about your Government's efforts to achieve world peace based on freedom and justice. Today, I am going to talk to you again about peace, because I think that is the most important thing in the world, and I know you agree with me.

Last week at Miami, before another convention of veterans, I discussed our efforts to protect nations against aggression and to preserve the principles of the United Nations. I talked about our collective-security agreements and the necessity of providing military aid to other countries to support those agreements.

World Economic Policy

Today, I would like to talk about another equally important aspect of our efforts to achieve a lasting peace—that is, our international economic policy.

I find that there is a good deal of misunderstanding and misinformation about our international economic policy. Some of this is deliberately stirred up by certain newspapers and politicians for political reasons. Some of it is due to the fact that the economic problems of the world seem to be distant from our daily lives and hard to understand.

World economic problems are undoubtedly complex. But their importance to us is very clear.

World prosperity is necessary to world peace. Furthermore, world prosperity is necessary to our own prosperity in the United States.

If these facts are kept in mind, it will be easier to understand what this country is trying to do.

Three New Problems

In working for prosperity in the postwar world, the nations of the world face new problems—and greater ones than they have ever faced before.

They are suffering from the terrible after-effects of the war, which caused an almost complete breakdown of European industry and of world trade. There is also the rising demand of men all over the world for independence, and for a greater share of the good things of life which only a restored and expanding economic system can bring.

Added to these two problems there is a third. That is the attempt of organized Communists to achieve economic and political domination of the world through the misuse of the desires and aspirations of mankind.

These problems require the combined efforts of the free nations. Together, we must repair the damage of war, complete the restoration of the economy of Europe, and revive world trade.

Mistakes After First War

We must go forward to establish an expanding world economy in which men everywhere can work to satisfy their desire for freedom and a better life. We must demonstrate that the economic system of the free nations is better than the system of communism.

The free nations are determined to avoid the mistakes of the past. The roots of the present economic problems go back to the first World War.

After that war, the nations of the world made the mistake of following narrow and shortsighted policies of economic nationalism. Each country working for its own selfish interest, tried to get the best of the others. Each nation erected trade barriers to keep out the products of other nations. Each nation tried to dump its own products in foreign markets.

These policies were self-defeating. They achieved neither national nor international prosperity. Instead, they helped to bring on the worst depression the world has ever seen.

Penalties Of Depression

Factories closed down all over the world. Ships lay idle in harbors. Surplus crops rotted in the fields. Unemployment grew and hunger became widespread.

In every country, there were hundreds of thousands of young men and women without jobs and without hope for the future. Many of these young people became the prey of unscrupulous demagogues. They joined the black shirts of Italy and the storm troopers of Germany. They were the tools of the Japanese militarists. In the end, the marched to war under the bloody banners of those dictatorships.

Before the end of World War II, we resolved that the international economic chaos which had led to war should not occur again. We knew that permanent peace could not exist if the nations of the world resumed the policy of dog-eat-dog.

Consequently, the United States joined with other nations to prepare for a peaceful economic world.

Postwar Economic Plans

The International Monetary Fund was set up to deal with exchange and monetary problems among nations. The International Bank was established to provide investment capital for reconstruction and development.

In our proposals for a world trade organization, the United States outlined a method for breaking down the trade barriers which had strangled world commerce in the period between the wars.

As the war ended, we made billions of dollars available to relieve suffering and repair the damage of war.

These were good beginnings. Never before in history had nations made such careful, long-range plans for a better economic future.

Shortly after the war ended, however, it became apparent that the economic life of the world was more badly disrupted than any one had expected.

Soviet Obstructionism

Still further difficulties were created when it became clear that the Soviet Union would not join in working for world economic recovery.

The Soviet Union was hostile to European economic co-operation. It refused to join in the European Recovery Program, and prevented its satellites from joining. Its aggressive foreign policy created alarms and fears that hampered recovery.

On every hand there was evidence that the policy of the Soviet Union was aimed at prolonging the distress and suffering of the free nations.

If we had been discouraged by these difficulties and had abandoned our efforts, the results would have been disastrous. Once again the streets of Europe would have been filled with crowds of hungry and hopeless men and women.

Once again, unscrupulous agitators would have used these angry millions to create tyranny and slavery.

Immediate Collapse Avoided

But the free nations did not let this happen. We went ahead with our recovery programs. As a result, production has risen greatly in Europe. Men and women there have jobs and food and a belief in the future. They know that the democratic way is the way of hope.

The free nations have overcome the danger of immediate postwar collapse, but we have not yet achieved the sound and expanding world economy that is necessary for lasting prosperity and peace.

This larger task is the one that now confronts us.

The free nations have the resources and the means to accomplish this task.

Together, they have most of the industrial capacity of the world. They have vast supplies of raw materials. They have industrious and skillful populations. The free nations together have all the elements necessary to provide a better way of life for mankind.

Need Of Common Action

What is needed is to draw these elements together into a continually expanding and productive international economy.

Such a world economy is vital, not only to the cause of world peace, but also to our own national prosperity and security.

We in the United States depend upon foreign countries for many vital minerals and other raw materials. Without foreign trade, many of our industries would suffer. Without foreign trade, for example, it would be difficult, if not impossible, for us to develop atomic energy.

Moreover, we need to sell many things abroad. Our cotton, our wheat and our tobacco, for example must have foreign markets. Our prosperity would be seriously damaged if the export of our products were cut off.

We cannot, therefore, fall back into economic isolationism. Instead, we must take every action we can to bring about more trade, expanding markets, and growth and development in other countries as well as our own.

Unbalance Of Needs

One of the most serious difficulties we face is the fact that, at present, foreign nations need to buy more things from us than we need to buy from them. They have called upon us for food and raw materials in unprecedented amounts. Furthermore, many countries need equipment and machinery, which only we can supply, if they are to develop their own resources and raise their own standards of living.

The urgent demand which foreign countries have for these things far exceeds their present capacity to pay for them. As a result, world trade is now seriously out of balance.

We have both short-range and long-range plans for meeting these difficulties. We will continue the European Recovery Program as our principal means of meeting emergency needs for the next three years. At the same time, we are moving ahead with long-range measures.

American Investment

We are encouraging American business to make productive investments abroad in increasing volume. Through such investments, foreign countries, — particularly underdeveloped areas — will be able to obtain the equipment they so desperately need.

We are also planning to help the people in underdeveloped areas learn modern industrial and agricultural methods. By this means, they will be able to double and redouble their production. By this means, they will be able to make an increased contribution to an expanding world economy and a balanced world trade.

In addition, we must continue our well-established policy of negotiating reciprocal trade agreements in order to reduce barriers to international trade. These agreements enable use to buy more from other nations at the same time that they help to maintain new markets abroad for our products. We must increase our buying abroad if we are to achieve a balanced world trade.

Europe's Move For Unity

Furthermore, we are encouraging closer regional ties among nations in order to lower trade barriers and increase production.

The nations of Europe, under the stimulus of our aid, are working toward closer ties of economic union. Already, through the organization of European economic co-operation, they have begun to make joint decisions that affect their basic economic policies.

In the Council of Europe, now meeting at Strasbourg, more far-reaching measures of European union are being considered.

Closer economic union means a difficult period of transition for the countries that enter into it, but it is essential for a better world. The United States will do what it can to aid the European nations to achieve greater unity.

As we go ahead with these long-range measures for a stable and growing world economy, we shall have to adjust our actions to changing conditions.

British Economic Talks

We shall need to be alert to new developments, and turn to advantage every possible resource.

We shall be concerned in the months immediately ahead with certain special and urgent problems arising out of the present unbalanced state of world trade. Representatives of the United Kingdom and Canada will soon be here to discuss some of these problems.

We look upon these talks as discussions among friends about problems which affect all of us, and in the solution of which we all have a common interest.

The people of this country are well aware of what the war meant to Great Britain and of the stresses and strains which have been laid upon the British people in recent years. The representatives of the United Kingdom will find here a warm personal welcome and may be assured that these mutual problems will be examined by us in a spirit of friendliness and helpfulness.

Four Underlying Principles

In our discussions with the representatives of the United Kingdom and Canada, as in our approach to problems with other nations, we must keep clearly in mind the basic underlying principles upon which the economic policy of the free nations must be based.

The first principle which we should clearly understand is that a sound and expanding world economy is essential to world peace.

International economic discussions revolve around such prosaic things as tobacco and rubber and rates of interest and the value of currencies. But, behind all these, lie the great objectives of satisfying the material and spiritual needs of mankind and preserving democratic freedom.

"On A Business Basis"

The second principle which should be clearly understood is that we are trying to expand the exchange of goods and services among nations.

Sound and prosperous relations among nations rest upon the exchange of goods and services on a business basis. We are not engaged in a charitable enterprise. We are not looking for trick solutions to deep-seated problems.

The third principle is that we cannot succeed in creating a sound and expanding world economy unless we keep everlastingly at it.

There are times, no doubt, when we shall become impatient or annoyed by delays and obstacles. But we cannot throw in our hand and walk out of the game. Nor can any other nation afford to do so.

The path of mutual adjustment and combined economic effort is not an easy one. The economic interests of nations are not easily reconciled. No group can get all it wants. But there is no other way to the solution of our difficulties than the way of mutual concession and co-operation.

Avoiding Interference

The fourth principle is that the democratic nations are not proposing to interfere with one another's internal politics.

We know very well how we would feel if some foreign nation tried to tell us how to vote.

We recognize that each nation has its own political problems and that it uses different political labels and different slogans from those we use at home. In the same way, nations have different business practices and different governmental devices for achieving the same economic ends.

A community of democratic nations cannot insist on uniformity in matters of politics or business. The only uniformity on which they can insist—and this is what binds them together as free nations—is a firm adherence to democracy, coupled with a common desire to improve the standard of living of all their citizens.

On the basis of these four principles, the free nations of the world can solve the difficulties which confront them. On the basis of these principles, they can achieve their goal of a sound and expanding world economy.

Contributions To Peace

There is one more thing for us, as Americans, to remember. Our country is the most important economic unit in the world today. The future of the world depends upon the continuation of our own economic growth and development. If we can continue to increase our national income, and to raise our standards of living, the solution of international economic problems will be far less difficult.

Every one of us has a responsibility in building a peaceful world. We can contribute to that cause in our daily lives, in our jobs, in our thinking. We contribute to peace when we work for the prosperity and growth of the United States. We contribute to peace when we reject the claims of those selfish interests, here and abroad, that would turn us against the cause of international co-operation. We contribute to peace when we ask for divine guidance and help for the efforts of mankind to establish understanding and good will among the nations of the world.

Germans' Reports Discount Soviet-Yugoslav War Rumor

AUG 29 1949

Berlin, Aug. 29 (AP)—Western intelligence agents received reports today that the Soviet Government is resolved to use any measure short of war to liquidate Marshal Tito of Yugoslavia.

The reports, originating with Germans friendly with Russian officials in eastern Germany, said an attempt will be made to dispose of the defiant marshal within six months.

The information cast doubt on speculation that Russia may lead her satellites in a direct attack on Yugoslavia. A Cominform-inspired revolt within Yugoslavia or a plot to assassinate the Yugoslav leader were described as the more likely methods.

Assistance Council Meets

The reports coinsided with the announcement at Sofia that the Economic Council of Mutual Assistance, a group of seven East European countries organized last January to counter the Marshall plan, had taken "necessary decisions" at a meeting in the Bulgarian capital.

The council includes Russia, Bulgaria, Albania, Hungary, Poland, Romania and Czechoslovakia, all of whom are engaged in a campaign of economic pressure against their former Cominform sister, Yugoslavia.

The announcement said the representatives of the seven countries met three days, August 25 to 27, inclusive. Moscow dispatches said a meeting of that length indicated important decisions had been taken.

Belgrade Ignores Most Rumors

Belgrade dispatches, meanwhile, said Yugoslavs showed no outward signs of worry over the possibility of a shooting war.

The Balkan cold war of nerves apparently had Yugoslavia less upset than most of the rest of the world. Possibly this was because the Yugoslav press had not printed most of the rumors circulating elsewhere.

Yugoslav spokesmen either denied or treated as "only rumors" reports that:

1. Two divisions of Yugoslav troops were sent into Istria, former Italian territory, to prevent sabotage following a fire in the Fiume oil refinery there.

2. Three divisions of Soviet mechanized troops have been moved from Romania into Hungary and up to the Yugoslav border.

3. Yugoslavia challenged the right of Russian gunboats to sail up the Danube through Yugoslav territorial waters.

Report On Macedonia

About the only report not denied in Belgrade was the one from Istanbul, Turkey, where diplomatic and intelligence sources said Tito is steadily massing his armed forces in Macedonia, in the south, where they would be in a position to fight a simultaneous effort from Bulgaria and Albania to slice the country in two. Yugoslav forces there were said to total 150,000 men, well-equipped and on a war footing.

Cominform agents have been stirring up talk of a united Macedonia made up of parts of Yugoslavia, Bulgaria and Greece. The Istanbul reports said Soviet officers, technicians and military

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equipment had arrived in Albania and roads were being built to the Yugoslav border.

In Belgrade it was acknowledged that the armed forces are on the alert and have been since the Cominform read Tito out of the Communist party fifteen months ago. The actual disposition of troops remained one of the secrets Yugoslavia is trying to keep, however.

Germans Slip Into U.S. Zone

Meanwhile the American Military Government here announced that five Soviet zone German policemen slipped into the United States zone at Hof today. They said they had fled to escape service with Communist guerrillas in Greece.

One of the escaped policemen said a recent Russian order called for all unmarried members of the people's police who are under 25 to be recruited for military service in Greece. West German newspapers recently reported that Soviet zone policemen also were being sent to garrison the Yugoslav border.

Germans Report Russian Plans To Kill Tito

Berlin, Aug. 29 (AP)—Western Allied intelligence officers in Berlin received fresh reports today that Soviet Russia will attempt to liquidate Premier Marshal Tito, of Yugoslavia, within six months.

They said these reports, circulated among Germans friendly with Soviet officialdom in Eastern Germany, stressed that Tito's assassination or a Russian-inspired internal revolt are the most likely prospects.

The reports cast doubt on speculation that Moscow would lead Soviet satellites in Southeastern Europe in a direct military attack against Yugoslavia.

15,000-Word Economic Plan Adopted by British Cabinet

Proposals Cripps and Bevin Will Take to Washington Are Perfected—Government Bonds Slump as Leaders Meet.

London, Aug. 29 (A. P.).—Prime Minister Attlee's Labor Cabinet approved today a 15,000-word plan for dealing with Britain's economic crisis.

Sir Stafford Cripps, Chancellor of the Exchequer, and Foreign Secretary Bevin will take the plan to Washington this week for talks with United States and Canadian leaders on the dollar problem.

Just what specific steps Britain will propose for joint action in bolstering her sagging economy remained secret. It was not disclosed whether the Cabinet made any substantial changes in the plan as drafted by Treasury, Board of Trade and Foreign Office experts.

The Ministers met for four hours and ten minutes, with a break for lunch.

News of the Cabinet meeting brought a slump in Government bond prices on the London Stock Exchange after a week of gains. Brokers attributed the decline to renewed talk that the value of the pound sterling may be cut as one of the dollar crisis remedies. Some bond issues with a par value of £100 ($400) were down as much as 15 snillings ($3) in midafternoon.

May Last All Day

Partly because of known differences between Sir Stafford Cripps at the Treasury and Ernest Bevin at the Foreign Office on the right approach to the problem, the closed-door Cabinet talks were expected to last all day.

The two men will sail for New York on Wednesday.

Meanwhile, the *Financial Times* estimated today that the gold and dollar working capital of Britain and the rest of the sterling nations has dwindled by around $400,000,000 since the end of June.

Reserves Decrease

That would leave about $1,200,000,000. In the Spring of 1948, the Treasury said $2,000,000,000 was the rock-bottom safe minimum. The reserves at the end of 1946 totaled $2,656,000,000. They have gone down steadily since.

There have been suggestions abroad that one way for Britain to stop the drain would be to cut the price of her goods by devaluing the pound. In theory, that should step up exports.

The pound is now pegged officially at $4.03.

Sir Stafford's View

Sir Stafford contends that any increase in sales to the dollar area from devaluation would be offset by the added cost of British imports. The *Financial Times* commented:

"Unless the drain on the gold reserve is taken in hand forthwith, devaluation of the currency will be accomplished by the processes of the market, whether we like it or not."

John Strachey, Minister of Food and Hugh Gaitskell, Minister of Fuel, took part in the Cabinet meeting, although they are not members.

Speculation On Food, Gas

This led to speculation that cuts in dollar purchases of gasoline and food were being discussed.

After an adjournment for luncheon, the Cabinet went back into session with heads of the Army, Navy and Royal Air Force present.

Sir Stafford already has told department heads to get set for a five per cent cut in Government spending next year. The armed services account for a quarter of this year's budget of £3,000,000,000 ($12,000,000,000) and figure to be a main target for the Cripps economies.

Among Leaders Present

Service heads present were General Sir William Slim, of the army; Lord Tedder, chief of the air staff, and Vice Admiral Sir John H. Edelsten, vice chief of the naval staff.

Also present were War Minister Emanuel Shinwell and Arthur Henderson, Secretary for Air.

Yugoslav Correspondent Expelled By Budapest

London, Aug. 29 (AP)—Tanjug, the official Yugoslav news agency, said tonight its correspondent in Budapest had been ordered to leave Hungary within 48 hours.

"Authorities did not give one single plausible reason for this decision," it said in a broadcast heard here.

Yugoslavia and the Russian-dominated Cominform nations, of which Hungary is one, have been on the outs since Yugoslav Premier Marshal Tito was expelled from the Cominform last year for "nationalistic tendencies."

Britain Cuts Down On Free Eyeglasses

London, Aug. 29 (AP)—In an attempt to cut down the backlog of orders for free glasses, the Ministry of Health today announced it would give each patient only one pair for the time being.

Each patient has been receiving two pairs. More than 3,000,000 are waiting to get theirs. Some have been in the lines more than six months.

The specs are supplied as part of Britain's tax-supported womb-to-tomb national health service.

38 Killed In African Riots

Paris, Aug. 29 (AP)—The French Government said today 38 persons were killed and 154 injured during recent riots in Djibouti, French Somaliland. The Ministry for Overseas Territories and the Foreign Minstry said the riots were caused by political and religious tension between Arabs and Somalis. Both ministries said order had been restored.

Mussolini's Daughter To Buy African Farm

Naples, Italy, Aug. 29 (AP)—Friends of Countess Edda Ciano, eldest daughter of Benito Mussolini, said today she will leave soon for Mozambique, Portuguese East Africa, to buy a farm.

They said the Countess had been advised to take the step by Tullio Cianetti, former Fascist minister. They said Cianetti now is in Puerto Rico, where he is reported directing a successful farm.

The newspaper *Roma-Pomeriggio* said the Countess recently received large royalties from the memoirs of her late husband, Count Galeazzo Ciano. Ciano, former Fascist Foreign Minister, was shot by Mussolini after a summary trial for treason in Verona, Italy, early in 1944.

Priests Confirm Allegiance

ROME, Aug. 29 (AP)—The Vatican news service said today that all but twenty of the 4,000 Roman Catholic priests in Czechoslovakia had confirmed their allegiance to the bishops.

Only eleven Czechs and nine Slovaks have deserted the hierarchy in the church-state fight, the service said.

U.S. Again Asks Russ To Free 2 Tourists

Berlin, Aug. 29 (AP)—American authorities demanded anew today that the Russians release two American youths who bicycled into the Soviet zone of Germany last month while on a tour of Germany.

Maj. Gen. Geodrge P. Hays, United States military governor, said there was little doubt that Warren Oelsner, 20, of Oyster Bay, N. Y., and Peter Sellers, 18, of Philadelphia, were being held in a small Soviet-zone town across the border from the British-zone area of Luebeck.

"Spelled Names Differently"

Hays asked the Russians about the youths when they were first reported missing.

"A Soviet liaison officer informed us they had two boys, but he spelled the names slightly differently," Hays said. He added the differences were so slight it left little doubt as to their identity. No furher word has been received about the young men.

Hays sent a new message to Lieut. Gen. M. I. Dratvin, deputy Soviet military governor, asking that the identity of the boys be confirmed and that they be turned over to allied authorities at the British zonal border.

Russ Silent On Action.

The Russians have given no reason for holding the two so long.

The United States Army announced a German informant had related that the youths were arrested in the Russian zone for taking pictures.

2 U. S. YOUTHS STILL HELD

Russians Ignore the Newest Demands for Release of Pair

BERLIN, Aug. 29 (AP)—The United States Military Government said tonight that Russian officers had so far ignored its newest demand for release of two American bicycle tourists held in the Soviet zone of Germany.

Maj. Gen. George P. Hays sent a note to Soviet authorities early today asking for release of Warren Oelsner of Oyster Bay, L. I., and Peter Sellers, son of the Lester H. Sellers of Philadelphia.

Eight hours later General Hays said there had been no answer or acknowledgment.

Oelsner and Sellers rode their bicycles into the Soviet zone last month while on a tour of Germany. Soviet liaison officers earlier confirmed that two youths were being held, and listed them under names so slightly different that United States authorities said there was no doubt they were Oelsner and sellers.

The Russians have given no reason for holding the youths. American officials said the Russians had made no formal demand that they be exchanged for three Russian deserters who fled to Western Germany.

5 SOVIET ZONE POLICE ESCAPE INTO U. S. AREA

BERLIN, Aug. 29 (AP)—Five Soviet zone German policemen entered the United States zone today and reported they had fled to escape service with Communist guerrillas in Greece, a Military Government announcement said.

Alexander Warshall, United States Military Government officer at Hof, Bavaria, said the five men entered the United States zone at dawn, wearing their blue and silver uniforms and carrying rifles and revolvers.

Mr. Warshall quoted them as saying they had fled the Soviet zone because of a recent Russian order that all members of the Volkspolizei (People's Police) who were single and under 25 would be recruited for military service in Greece.

"After short training periods," Mr. Warshall quoted the refugee policemen as saying, "recruits are sent to regular units destined for service in Greece."

West German newspapers recently published reports that Soviet zone policemen also were being sent to garrison the Yugoslav border, in view of the growing tension there.

Mr. Warshall said one of the men told him "eighteen to twenty more can be expected to arrive today."

He said he was told "many more members of the Volkspolizei want to flee to the western zones, but they are afraid of being sent back to the Russians."

The Bavarian military government office said the decision on whether to send back refugees from the eastern zone is made by German authorities on the basis of whether the emigration was for reasons of political persecution.

SOVIET QUIET ON RAILS

Zone Chiefs Refuse to Discuss Reports of New Tracks

BERLIN, Aug. 29 (AP) — Soviet zone railway authorities today refused to discuss reports that they were installing wide, Russian-gauge tracks to connect Eastern Germany with Moscow. Russian trains cannot now run on German tracks, which are the same width as tracks throughout Western Europe.

West Berlin sources said that the Russians already had built a wide gauge, one-track line from Russia via Breslau to Frankfort-on-the-Oder, on the Polish-German border.

Reports circulated in Western Berlin said that the wide track was being extended into the Soviet zone of Germany to serve both economic and military purposes.

German State Leader Quits

KIEL, Germany, Aug. 29 (AP)—Hermann Luedemann, Socialist minister-president of the German state of Schleswig-Holstein in the British zone, resigned today. He gave no explanation.

Gottwald Assails Church Leaders

Zvolen, Czechoslovakia, Aug. 29 (AP)—President Klement Gottwald accused Czechoslovakia's Roman Catholic Church leaders today of trying to undermine the Communist-led Government by "spreading false propaganda."

Gottwald charged church leaders were falsely accusing his Government of religious persecution. He said their real aims were to "restore reaction" and disrupt Czechoslovakia's alliance with Russia.

Addresses 100,000

The President spoke to a throng of soldiers, workers and militiamen estimated at 100,000 in this central Slovakian town. The ceremonies climaxed the three-day celebration of the fifth anniversary of the Slovak uprising against the Nazi occupiers.

Referring to Czech Catholic leaders, Gottwald added:

"We won't let anyone spoil our republic. Our people will no take care of reaction, just as they did in February, 1948 (when Communists seized power.)"

Spy Network Charged

Minister of Justice Alexei Cepicka asserted yesterday that Archbishop Josef Beran and his bishops were attempting to "organize a subversive network for espionage and sabotage" against the Government.

Gustav Husak, chairman of the Slovak Board of Commissioners, said "our enemies today are the same as five years ago (Fascists)."

"They will be crushed again, just as they were then," he added.

Gottwald reviewed troops, militia and youth groups. Photographers were told they were free to take pictures of all ceremonies and the military show except parachutists who were dropped in an air demonstration.

Sik Gets High Budapest Post

BUDAPEST, Hungary, Aug. 29 (AP)—Dr. Andrew Sik, former Hungarian Minister to Washington, has been named chief of the Foreign Ministry's political department, an authoritative source said today. Dr. Sik returned from Washington about two weeks ago.

Czechs Print Stalin Works

Prague, Aug. 29 (AP)—Czech Communists are pushing a three-year printing plan to publish all the works of Stalin, so that every worker can be armed "with the means of defeating reaction." The official Czech press agency said that the first 100,000 copies of Stalin's books to be printed here were hardly enough to stock the libraries, information centers and factory reading rooms.

Prague Press Reports Smashing Coup by Spies

By The Associated Press.

PRAGUE, Czechoslovakia, Tuesday, Aug. 30—The official Czechoslovak press bureau announced today the Government had smashed a group of spies and terrorists who were "upon the point of executing a well-prepared revolt" in this capital city.

The press bureau said six of those convicted as terrorists had been sentenced to be executed, ten to life imprisonment and an unspecified number to lesser prison terms.

They were accused of high treason and spying "on behalf of a certain Western imperialistic power with which they had been in contact."

Greeks Win Major Victory In Grammos Area Fighting

WITH GREEK TROOPS ON THE GRAMMOS FRONT, Aug. 29—(AP) The Greek army tonight claimed its greatest triumhp in the three year civil war.

The five-day battle for the Grammos mountain bastion of the guerrillas virtually ended this morning execpt for mopping up. The entire southern part of the Communist stronghold has been cut into pieces by swiftly striking regular army units and commandos.

Rebels Flee to Border

The Communist guerrillas are now trying to escape into Albania through a narrow strip of frontier believed to be less than five miles wide.

The only organized guerrilla positions still intact are pressed against the border between Kamenic, massive mountain north of Konitsa, and the area containing the villages of Assinohori, Hionades, and Gorgopotmos, all of which may fall in a few hours.

Kamenic, 6,700-foot mountain, and Steno Ridge are being defended desperately in order to give as many guerrillas as possible a chance to escape into Albania.

With the liquidation of the Visti bastion to the northeast more than two weeks ago, the Grammos area remained the last guerrilla area in Grece. At the start of the Greek army's blitz five days ago 5,000 guerrillas were believed in the area.

A general staff communique said many were being killed as they sought to flee. It listed 296 killed and 264 captured yesterday, and listed the army's own losses as 18 dead and 120 wounded.

Large quantities of supplies and equipment were being captured. One division alone listed 137 submachineguns, 33 heavy mortars, two anti-aircraft guns, and thousands of mines among its loot.

Climax of Campaign

The climax of the campaign came yesterday when the Ninth Division battled to the top of 8,500-foot Mount Grammos, on the Albanian border. This was after the last escape route in the northern Grammos area had been latched shut by the division which crossed the Baroukas valley.

The Ninth Division then began a southward advance to close a seven-mile gap in the border. At the same time other units on the southern front began a northward advance and began storming Mount Kamenic.

While the two forces tried to close the bag other units attacked and captured all of the Grammos range, which stretches southeast from Mt. Grammos to the village of Eptahorion on the Sarandaporos river.

When fighting was resumed this morning the guerrillas held an area barely four by five miles square.

(The Greek rebel radio in a broadcast heard in London by the leftist Greek news agency declared government casualties in the Grammos and Vitsi fighting were 26,000.

(The Albanian radio again alleged Greek violations of the border on Aug. 25, 26, 27 and 28, and said a new protest had been sent to the United Nations.)

Finnish Shipyard Workers Strike

Helsinki, Finland, Aug. 29 (AP)—Workers at ont of Finland's largest shipyards today joined the wave of Communist-led strikes which have threatened the stability of the Socialist Government.

A series of unofficial walkouts has idled thousands of workers in many undustries and split Finland's trade union organization.

The Crichton-Vulcan shipyards and machine shop at Turku, Finland's second larges city, announced that only 150 of its 2,600 employés reported for work today.

Strike Is Voted

B. J. Schauman, deputy managing director of the plant, said the company had received no notification of a strike. There had been no request from the union for negotiations on wages or other matters, he added.

The Crichton-Vulcan employés belong to the Metal Trades Union. A rump meeting of Turku metal workers yesterday voted 1,501 to 337 in favor of a strike.

Many of the 3,000 metal workers attending the meeeting left before the vote was taken. The anti-Communist workers had maintained no strike ballot could be issud until som demands were placed before the employers. There are about 4,000 metal workers in the city.

It was reported here that metal workers in Tikkakoski, Pori and Salo voted yesterday against striking. Strike meetings were being held today by metal workers in Tampere and at the Sandviken shipyards in Helsinki.

Finnish Strikes Hit Shipyard

Helsinki, Finland, Aug. 29 (AP)—Finland's Communist-led strikes spread to the metal industry today, virtually stopping work on five ships being built for Russia as war reparations.

Socialist Prime Minister Karl A. Fagerholm had predicted that the Communists next would move against metal industries in an effort to create difficulties for his Government in its foreign relations. Most of the country's metal industry is busy producing reparations goods for Russia.

Only 150 of the 2,600 employés of the Crichton-Vulcan shipyards at Turku showed up for work this morning after a rump meeting of metal workers there voted to strike. The yard said there was no wage or other demands before the walkout.

Other Industries Affected

Many other Turku metal industries, including the Pansio shipyards, were affected.

Before the vote about 3,000 anti-Communist workers left the meeting. There are about 4,000 metal workers in the city.

Metal workers at Tikkakoski, Pori and Salo voted against striking yesterday.

Other strike meetings were being held by metal workers in Tampere and at the Sandviken shipyards in Helsinki. The Helsinki yards also are working on reparations orders for Russia.

82 Ships Involved

Thousands of workers remained on strike in many other industries, ranging from brewery workers to the nation's docks. A survey showed 82 ships were not being worked on and only 80 were being worked, partly by volunteer labor. The port strike was almost complete in Helsinki. Maentuluoto, Kaskinen, Kokkola, Oulu and Kemi.

About 5,000 dockers are on strike.

A check of figures from employers indicated at least 25,000 workers are on strike throughout the country, though Communists claim 60,000.

The trade most severely hit is the building industry where employers admit construction is at a standstill.

30.24- 5327

Russ Reveal East Europe Mutual Aid Meeting

Moscow, Aug. 29 (AP)—The Russian-led Economic Council of Mutual Assistance met last week in Sofia, Bulgaria, it was announced today.

The meeting was the first publicly reported ECMA conference since the Soviet Union and six other Eastern European Communist countries organized for mutual economic assistance in Moscow last January.

(This was designed as the East's answer to the Marshall plan. Some Western observers attached substantial significance to the meeting of ECMA—from which Yugoslavia is excluded—during the rising propaganda war between Russia and Premier Marshal Tito's Yugoslav Government.

Linked To Pinch On Tito

[Moscow has threatened "effective measures" to bring Tito's regime into line on one issue—the treatment of Russian nationals in Yugoslavia—and she and her satellites have been pinching Yugoslavia for a year with an economic boycott.

[The boycott has led Tito to seek $250,000,000 or more in loans from the World Bank and from American financiers. Tightening of the Communist boycott might have been a topoci in Sofia.]

The brief announcement on the Moscow radio and iin the Communist paper *Pravda* said the seven-nation council met Thursday for a three-day session in the Bulgarian capital. Bulgaria is Yugoslavia's neighbor on the east.

"Took Necessary Decisions"

No details were given. The announcement said, "th council reviewed current questions of its work and took necessary decisions."

If representatives of these seven countries spent three days in meetings, one can be certain important decisions were taken, although what they were have not yet been announced.

ECMA members are the U.S.S.R., Bulgaria, Czechoslovakia, Hungary, Poland, Romania and Albania.

Tito Denounced By All 7

All members of the council have denounced Tito's Government and made it abundantly clear it is not the kind of government with which they want to do business.

When ECMA was formed, an official announcement said "the Western boycott" of Eastern Europe had influenced the Communist nations to form the council.

Its announced aim is to exchange experience in the economic field and to give mutual aid in technical help and in exchange of raw materials, foodstuffs and machinery.

Pravda Calls Robeson Riot Lynch Attempt

Moscow, Aug. 29 (AP)—A *Pravda* headline said today: "Outrage of American Fascists: attempt to lynch Paul Robeson."

That was the Communist party newspaper's sumup of the disorder near Peekskill, N.Y., that cancelled a concert by the Negro singer Saturday night.

A Tass dispatch from New York quoted Willima L. Patterson, secretary of the Civil Rights Congress, as saying he prevented a lynching by hiding Robeson as he was on his way to the concert.

The *Pravda* dispatch said the instigators of the attack were identified as "Fascist hoodlums organized by local reactionary groups of ward veterans."

New Red Drive Perils Canton

Canton, Aug. 29 (AP)—The Communists mounted a new threat to uneasy Canton today. They drove to the outskirts of Jucheng, 170 miles north of this Nationalist refugee capital.

The Red thrust, admitted by the Ministry of National Defense, put Gen. Liu Po-cheng's troops 6 miles from the Kwangtung province border and 45 from Kukong, key point on the Canton-Hankow railway.

If the Communists cut through to the railroad, the main supply line to the main Central China defense force would be severed. Nationalist Gen. Pai Chung-hsi's base is Hengyang, 265 miles north of Canton on the railway.

Kweitung Captured

From Kukong, it is only 125 miles along the railroad to Canton. Kukong also is the objective of other Red armies pushing almost to Kwangtung province from the northeast in Kiangsi province. Here the Reds were reported only 140 miles from Canton and 55 east of Kukong.

Newburgh Red Cross Aid Is Found Dead in Japan

YOKOHAMA, Aug. 29 (AP).—American Red Cross worker Charles Millard, forty-three of Newburgh, N. Y., was found shot to death in a Japanese shrine at near-by Zama Saturday, the Army announced today. An automatic pistol from which one shot had been fired was found near him. Mr. Millard was assistant field director of the Red Cross in occupied Japan.

SMUTS HITS NATIONALISTS

Calls Secret Broederbond Body a Menace to South Africa

PRETORIA, South Africa, Aug. 29 (AP)—Field Marshal Jan Christiaan Smuts said today an ultra-nationalist state was developing in the Union of South Africa.

This state, he said, is being sponsored by the Broederbond, a secret and powerful ultra-nationalist Afrikaner organization whose membership is believed to include some members of the Government.

He told a committee of the United party for Transvaal such a state was a greater menace to South Africa than a republic. The United party opposes plans of some political groups to take South Africa out of the British Empire and set up a republic.

"I would welcome a republic rather than this monstrosity of a Broederbond state which is developing," said the one-time prime minister. He said he recognized this development in efforts made to halt criticism of the Government, in the stopping of immigration and in the suspension of relays of the British Broadcasting Corporation programs, "leaving us isolated from world opinion."

Iran Asks Soviet To Free 11 Soldiers

Tehran, Iran, Aug. 29 (AP)—Foreign Minister Ali Asfgar Hekmat said yesterday Iran had demanded the release of eleven Iranian soldiers seized by Russian troops in a border skirmish a week ago Sunday.

Hekmat said Iran had sent a note of protest to the Russians. He said the protest followed a Soviet statement that the soldiers were on Russian soil when they were seized.

A military informant said Thursday that Russian and Iranian soldiers had exchanged fire Sunday, August 21, after Soviet troops had made a foray into Khorasan province in northeast Iran.

Karen Rebels Seize Burma Road Terminus

Rangoon, Burma, Aug 29 (AP)—Rebels have captured Lashio, the wartime terminus of the old Burma road to China, officials said today. They swept through the light defenses of the garrison at dawn yesterday.

The rebels were not officially identified, but it is understood they are Karen tribesmen. These are one of several groups fighting Premier Thakin Nu's regime.

Lasio lies in the northern Shan state 160 miles north of Taunggyi, rebel-held capital of the southern Shan state. The disclosure of the fall of Lashio explained a mysterious order Sunday barring all plane flights to that city. The Government announced no reason at the time.

U. S. Envoy to India to Go Home

NEW DELHI, India, Aug. 29 (AP)—The United States Embassy announced today Ambassador Loy W. Henderson was leaving for Washington in early September for routine consultations. He will go by way of the Pacific and visit United States diplomatic missions en route.

Tito Asks U.S. Loan to Buy Mining Gear

Seeks $25,000,000, Offers Key Metals

Acheson Backs Request to Help Yugoslavs to Offset Soviet Blockade

By The Associated Press

WASHINGTON, Aug. 29.—Yugoslavia has formally applied to the Export-Import Bank at Washington for an American loan, government officials disclosed tonight. They said the government at Belgrade wants about $25,000,000 to buy American mining machinery and equipment for its lead, copper and zinc mines.

The application marks the first time that Premier Marshal Tito has appealed directly to the United States for financial help since he split with the Moscow-dominated Cominform (Communist Information Bureau) in June, 1948.

Secretary of State Dean Acheson is understood to be strongly supporting the Yugoslav request as a means of helping Tito to combat the economic blockade imposed by the Soviet Union and its satellites.

Export-Import Bank officials confirmed that the Yugoslav government has submitted a formal application, but the Yugoslav Embassy here replied "no comment" when questioned about it.

U. S. Would Get Metals

Bank officials said the loan application is getting "serious consideration" and that a decision will be forthcoming soon.

Under the proposal, the loan would be repaid with Yugoslav shipments of strategic metals to the United States. Lead, copper and zinc are among the materials which are being stockpiled by the United States for the event of an emergency.

Approval of Yugoslavia's loan bid would be the second step by the United States to help Tito and his government remain independent of Moscow. Two weeks ago, the Administration gave Yugoslavia permission to buy materials for a steel mill from an American company.

This was done mainly at Secretary Acheson's urging. He persuaded Defense Secretary Louis Johnson to drop his objections with the argument that it was a "calculated risk" necessary to bolster Tito in his fight with Moscow.

Bank Gets Formal Request

Milenko Filipovic, Minister of the Yugoslav Embassy, is reported to have presented the formal request to the Export-Import Bank president, Herbert E. Gaston, after a series of "informal conversations." Mr. Filipovic was acting under instructions from Ambassador Sava N. Kosanovic, who earlier had discussed the loan plan at the State Department with Secretary Acheson.

World Bank Delaying

Officials told a reporter that the Yugoslavs turned to the Export-Import Bank after it became clear to them that they could expect no financial help from the International Bank for Reconstruction and Development until early in 1950.

Yugoslavia applied for a loan from the International Bank several months ago. A mission from the bank is now in Yugoslavia conducting an investigation of the Yugoslav economy. It is scheduled to return in October.

Secretary Acheson is reported to be convinced it is essential that Yugoslavia be allowed to buy American-made mining machinery in order to maintain and expand the output of existing government-owned mines in Yugoslavia. Much of the equipment in the mines is reported damaged and worn out.

Exports from these mines are the main source of the dollars Yugoslavia has been using to buy goods from the West—goods which it formerly bought in the Soviet satellite states of Eastern Europe.

Yugoslavia, in the last six months, has increased greatly its shipments of lead and copper to the United States.

During the period from January through June of this year it sent 12,322,000 pounds of copper—three times the amount sent in the same six months of 1948. Lead shipments to the United States increased almost six times—to 4,800,000 pounds during the same period. In addition, 3,797 long tons of chrome ore were exported to American buyers.

Tito Feud Perils Stalin Grip On Satellites

Washington, Aug. 29 (AP)—Stalin's grip on the Communist satellite states has been reported sharply shaken by his row with Marshal Tito of Yugoslavia.

That information comes in highly responsible reports reaching Washington from eastern Europe.

These reports are expected to play an important part in the meetings being scheduled for next month among Secretary of State Acheson, British Foreign Minister Bevin and French Foreign Minister Schuman.

New Allied Moves Foreseen

Western diplomats foresee in these meetings a three-power review of the grand strategy of the cold war with Russia, followed by a determined effort to devise new moves against the Kremlin.

Bevin is due here in little more than a week, primarily to sit in on the British-American-Canadian economic talks.

Schuman's name has been brought into the picture only in the last few days, with word from Paris that he will arrive here well ahead of the September 20 opening date for the United Nations General Assembly in New York.

3 Areas To Be Reviewed

Observers here predict that the East-West struggle will be divided into three major sections:

1. THE FAR EAST—The Western powers have taken a complete defeat in China. Acheson, Bevin and Schuman will be mostly concerned with trying to save the rest of Asia from communism.

2. EASTERN EUROPE—Russian political control is no longer as stable as it was at the time of the Tito break. The satellite countries have encountered consistent economic difficulties and large groups of their people are reported discontented.

3. WESTERN EUROPE—In terms of industrial production, the Marshall-plan countries are far along the road to recovery. But this has not been accompanied by equal success in speeding trade and officials here wonder seriously whether the Europeans will be able to stand on their own feet by the time American aid ends in 1952.

Allies Watch Albania

Some satellite factions which have played along with the Communists have been attracted by the Tito success. If ever the Red Army was pulled back into Russia they might be inclined to jump the traces on Moscow completely.

Western diplomats now are beginning to speculate over political developments within Albania. Diplomatic authorities report evidence that Moscow has little confidence in Premier Hoxha of Albania.

Hinged On Britain Crisis

Britain's dollar shortage is the worst of a series of economic troubles which western Europe will have to lick before the cold-war battle can be said to be won in the West.

On the whole, however, top officials of the Truman Administration still appear reasonably confident that the Marshall plan can do most—if not all—of the job of European recovery, provided measures can be found in the next few months to deal successfully with the British economic crisis.

SENATORS FAVOR ARMS OUTPUT BY EUROPEAN BLOC

WASHINGTON, Aug. 29 — (AP) Two Senate committees voted today in favor of permitting friendly European nations to build up their own weapons output with funds from the proposed $1,450,000,000 arms aid program.

But Senator Vandenberg (R-Mich), leading a fight against the proposal, said he was not satisfied with the decision because only 20 of the 26 members of the armed forces and foreign relations committees were present.

Favored By Committees

Chairman Connally (D-Texas) of the Foreign Relations Committee announced that the two groups voted 11 to 9 to permit use of some of the huge arms aid fund to buy tools, equipment and raw materials in European countries which are members of the North Atlantic Alliance.

Vandenberg told newsmen this tally showed the issue was very close and he thinks it should be decided by the full membership of the two committees. They are considering jointly President Truman's request for funds to help rearm non-communist nations.

"I shall of course ask for a showdown on it as previously planned in the full committee," Vandenberg said.

No specific amount of money was involved in today's action by the two committees. But Gen. Omar Bradley, chairman of the joint chiefs of staff, told the senators last week that $155,000,000 should be used to stimulate weapons production in Europe.

The situation was this:

A pending amendment by Senator Byrd (D-Va) would have barred use of any of the arms aid funds for construction of any factories outside the United States, or for the maintenance of equipping of such factories.

Senator Tydings (D-Md) then proposed to revise the Byrd amendment by providing that funds could be used to purchase tools, raw materials and equipment for the operation of weapons factories in European members of the North Atlantic Alliance.

Tydings' proposal was adopted by the 11 to 9 vote, and the Byrd amendment was then approved by an unannounced tally.

Seen Saving for Taxpayers

Connally said the action would save U. S. taxpayers $700,000,000. This was a reference to Bradley's argument that stimulation of arms production in Europe would make it unnecessary for this country to supply from its own resources that amount of arms.

Vandenberg and other senators have argued that any such effort to boost European war potential should be delayed until after the formation of a defense council under the Atlantic Pact and the adoption by the council of an overall defense plan.

Vandenberg still has pending before the committees a proposal to chop off $160,990,000 of the amount Mr. Truman seeks for the military assistance program. It is scheduled for action tomorrow.

Under his plan, the $1,160,990,000 asked by the administration for arms aid to European members of the Atlantic Pact would be held to an even $1,000,000,000. Of the reduced total, only half would be in cash, the remainder being authority to enter into contracts.

The arms aid program has already been passed by the House, but that body cut in half the requested $1,160,990,000 for arming European members of the Atlantic Pact.

Canada May Act As Mediator At Financial Talks

Washington, Aug. 29 (AP)—Canada was reported ready to assume the role of mediator if the going gets rough in the financial talks between Britain and the United States.

However, tempers on both sides had cooled considerably by the time preliminary talks got under way.

Canadian delegates are watching for any outbreak of the preconference bickering that alarmed the Ottawa Government.

Instructed To Be "Helpful"

The Dominion's top representative, Norman Robertson, is understood to have instructions to be "helpful" to both sides.

Lester B. Pearson, Canada's Foreign Minister, is reported ready to continue this peace-making role when he arrives this week end for discussions with top American and British Cabinet officers.

Pearson, a former Canadian ambassador to the United States, has advised both sides to calm down. His remarks came at a time when British and American newspapers and politicians were hurling charges and countercharges across the Atlantic.

Warns Against Setback

A split between Britain and the United States, he warned, would be a tremendous setback to the western world and would benefit only the leaders of Russia.

"Their ill-conceived satisfaction over this possibility should be our warning not to permit it to happen," Pearson asserted.

State Department officials at the first "fact finding" discussions said they were devoid of any recrimination.

Long-Range Issue

Officials of the three governments are gloomy about the chances of discovering a long-rang solution for Britain's acute dollar shortage.

The biggest chance for friction appears to be in the discussion of the possible causes. Many British officials believe that the business recession in the United States, coupled with high American tariffs, is the main factor.

Secretary of the Treasury Snyder has been irritated by this argument and is reported ready to deny it if the time comes.

Won't Press Point

Snyder believes that unwillingness to devalue the pound from the present $4.03 level has been one of the big reasons for Britain's plight. But he is reported now to have decided not to press that point.

He fears that if he does and Britain's crisis continues, the British may blame that suggestion for their continued troubles.

Two possible remedies have been under consideration.

One, proposed by the British, would call for increased American and Canadian purchases of foreign goods, with the idea that the dollars thus spent would eventually find their way into Britain's depleted stocks.

Would Need More Exports

The British, for their part, would try to increase exports and cut costs.

The other plan, reportedly under discussion by American officials, would permit Britain to buy fewer American goods, and thus spend fewer dollars, than she is now required to buy under the British loan agreement.

VAUGHAN DUE FOR QUIZZING IN PROBE TODAY

Question Before Senate Committee Expected To Cover Wide Range

Washington, Aug. 29 (AP)—Bluff, back-slapping Maj. Gen. Harry H. Vaughan, President Truman Army aide and his friend for 31 years, will be called on tomorrow to answer whether he has taken unfair advantage of that friendship.

The questions will be put to Vaughan by the Senate investigations subcommittee. There probably will be a lot of them, for Vaughan's name has turned up every day during the five percenter hearing.

The subjects of the questions are expected to range from molasses to perfume to a race track, and to center on Vaughan's relations with James V. Hunt, John Maragon and David Bennett.

Claims Wide Acquaintance

Hunt is a management counsellor who has said he knows many a Washington official, including Vaughan.

Maragon has been a go-between, the committee has been told, who frequently has left the impression he was speaking for Vaughan.

The committee had hoped to get some of the answers from Maragon. But when he made his appearance Friday, he wasn't his usual glib self at all. He refused to answer almost all the committee's question, on the grounds that he might incriminate himself.

Bennett is president of the Verley Perfume Company, of Chicago. An old friend of Vaughan's, he has received several favors from him. Bennett paid for the seven deep freezers that went to Washington notables.

Testimony Turned Over

Today the committee turned over to Justice Department and the Internal Revenue Bureau copies of all the testimony heard so far.

In each letter special attention was called to Maragon's testimony.

Earlier committee members had accused Maragon of perjury, and had said that he failed to report all his income. They said that on his income-tax returns and in his testimony at a closed hearing he said he was making about $6,000 a year over a five-year span.

Later developments, William Rogers, committee counsel, said, showed that for the same period Maragon made bank deposits of $120,000.

In addition to the testimony, Rogers said in his letter to the income-tax people, the committee has "a considerable amount of financial data" concerning Maragon.

Counterattack Expected

Vaughan hasn't said what kind of a statement he will give the committee. But he is expected to lead off with a counterattack.

It is understood that Vaughan feels he is a handy target for snipers who really are aiming at the President.

Senator McCarthy (R., Wis.) apparently had this in mind when he said last week that the public should pay no heed to "personal attacks on the committee."

30.24- 5329

He said that if any such attacks were made, they would be in an effort to divert the attention of the public from what McCarthy says are the main objectives of the hearing:

To shed "the bright light on any graft or corruption."

To make it possible for small business men to deal with the Government without having to pay for five percenters—men who offer to get Government contracts for business men in return for a fee.

See Hunt's Pictures

The committee didn't meet today, but a news conference was called at Hunt's office.

There reporters got a chance to see Hunt's picture gallery of famous persons.

His pictures—most of them autographed—were impressive. President Truman's was there, and so were pictures of 31 senators or former senators and more than 30 House members.

The 104 pictures covered one wall like wallpaper, and then overflowed to the other walls.

Mentioned In Hearings

Hunt's pictures have been mentioned several times during the hearings, and the implication has been that he used them to impress prospective clients.

Mr. Truman's picture had the handwritten inscription: "Best wishes to Lieut. Col. James V. Hunt. Harry Truman."

Roger Q. White, Hunt's attorney, said Hunt is 99 per cent certain that he received this picture while he still was in the Army. It was given to him, White said, by General Vaughan.

Autographed pictures of two members of the investigations subcommittee — Senators McCarthy and Margaret Chase Smith (R., Maine) were in Hunt's collection.

McCarthy's read: "Sincerely, Joe McCarthy." Mrs. Smith's went: "To Col. James V. Hunt with the good wishes of Margaret Chase Smith, 2d Maine."

Asked For Some Of Pictures

Before Mrs. Smith went to the Senate, she represented the second district in Maine in the House.

Mrs. Smith has tried to find out how her picture happened to show up on Hunt's walls, and it has been brought out that some of the pictures were obtained quite simply:

Hunt wrote and asked for them.

Said White at the news conference:

"There is no secret about any of these. We didn't steal any of them. We didn't get any of them at the point of a gun."

CIVILIAN ATOMIC CONTROL BACKED

Hickenlooper Supports Present Energy Program

Washington, Aug. 29 (AP)—Senator Hickenlooper (R., Iowa) said tonight he does not favor any change in the law to give military officials control of the nation's atomic energy program.

Hickenlooper issued a statement clarifying his position after Senator McMahon (D., Conn.) had telegraphed Perry Brown, national commander of the American Legion, that any change in the principle of civilian control would "inflict a powerful blow upon our national security."

McMahon is chairman of the Senate-House Committee on Atomic Energy; Hickenlooper is the ranking Republican member.

McMahon said he sent the telegram after the New York *Times* quoted Hickenlooper as telling a closed Legion meeting at Philadelphia last Saturday that "he had recommended that the balance of power in atomic-energy control be shifted from the civilian to the military."

Interpretation Disputed

Hickenlooper said the newspaper's interpretation was "completely opposite to things I actually said." He made public a telegram to the *Times* which said, in part:

"In effect what I said was that a substantial part of the philosophy underlying the present atomic energy law is pointed toward reliable and satisfactory international controls of atomic energy and atomic weapons.

"Inasmuch as international control has made no progress and present hopes are dim and we still have the sole responsibility for atomic energy, I raised the question as to whether or not we should re-examine our policy under the act with the view to giving the military increased responsibility in custody and control over finished weapons only.

For Civilian Control Policy

"I did not affirmatively recommend such a course but only posed the question as to the desirability of investigating this particular field.

"I affirmatively stated that I believe in and support the basic policy of civilian control over the atomic energy program and I have no thought or idea of placing the military in control of the program.

"At no time have I advocated nor do I now advocate any basic change in the Atomic Energy Act that would place the military in control of the atomic energy program."

McMahon later said the President decided who should have custody of finished A-bombs as he is authorized to do under the 1946 Atomic Energy Act. The President, McMahon continued, decided to leave them with the Atomic Energy Commission.

NAVY OPENS PROBE OF B-36 PROGRAM

WASHINGTON, Aug. 29 — (AP) The Navy today opened its own investigation into the source of now discredited charges that fraud and political skulduggery were involved in the multi-million dollar B-36 bomber expansion program.

The purpose of the Naval inquiry, as set forth by Navy Secretary Matthews, is to find out whether an $8,500-a-year civilian employe of the Navy acted alone or whether others helped instigate the exploded charges.

First Session Is Secret

A four-man Naval court, meeting behind closed doors, launched the probe as the aftermath of disclosures by the House Armed Services committee.

The court promptly decided that Cedric Worth, author of a once anonymous memo which touched off the congressional B-36 investigation, is an "interested party" and should be notified that he will be "welcome" to attend the court's sessions.

The designation as an "interested party" means that Worth, who was suspended last week from his post as a special assistant to Undersecretary of the Navy Dan Kimball, will be permitted to ask questions and cross-examine witnesses.

The court also decided that future sessions will be open to the press and public, unless secret material is introduced as evidence.

After its short session, the court recessed subject to the call of its President, Admiral C. Kinkaid, commander of the eastern sea frontier. The next session is not expected before Tuesday, Sept. 6.

Navy sources said the decision to hold sessions was most unusual. However, it seemed clear that top naval officials decided to thresh out the matter out in the open to avoid any possible implication of a "whitewash" in a matter which has already caused the Navy deep embarrassment.

Navy qualms stemmed from the fact that Worth's memo goes into the books as still another episode in the long history of jealous squabbling between the Navy and the Air Force. At stake in the bitter rivalry are the roles each branch of the service would play in the event of war, particularly in strategic bombing.

In its initial session, the Naval court received into evidence an authenticated copy of the Worth memo. It was introduced by Quay Findley, assistant counsel for the House Armed Services Committee.

Worth has already admitted authorship of the document. Haled before the House committee last week, the former Hollywood scenario writer and news reporter made a complete repudiation of the charges contained in the memo and conceded that he had done the Navy "no good."

AUG 29 1949

2D WITNESS RECALLS A TOKYO ROSE OF 1942

SAN FRANCISCO, Aug. 29 (AP)—Another defense witness testified today he heard the name Tokyo Rose long before Iva Toguri d'Aquino began broadcasting over Radio Tokyo.

Mrs. d'Aquino is on trial in the Federal Court here on a treason charge. Testimony has shown that the Los Angeles-born woman began broadcasting over Radio Tokyo in November, 1943. The Government charges her utterances were treasonable.

James Frank Whitten of Torrence, Calif., testified that he heard of Tokyo Rose while on Midway Island in April, 1942, and again while in an Alaskan port in September, 1942. In August of that same year, Mr. Whitten continued, he heard a woman broadcasting news from Radio Tokyo. He then was in Pago Pago.

But the witness was unable to identify the voice.

"I cannot identify a female voice on the short-wave radio," he said.

He was the second defense witness who has testified he heard of Tokyo Rose before Mrs. d'Aquino went on the air.

GOV. DEWEY ASKS FOR FULL REPORT ON ROBESON RIOT

NEW YORK, Aug. 29—(AP) Gov. Dewey called today for a full report on the Paul Robeson concert riot.

The governor's request went to Westchester County officials after backers of Robeson, Negro singer and left-wing publicist, charged that police failed to prevent the Peekskill (N. Y.) area disorder Saturday night.

The Civil Rights Congress, meanwhile, said a delegation may be named at a rally here tomorrow night to take a further protest to President Truman.

Sponsored Concert

The congress, listed by the Justice department as subversive, was a sponsor of the scheduled concert by Robeson.

The concert was cancelled after fighting broke out between some of the 5,000 concert-goers and pickets from veterans organizations protesting the singer's appearance.

Eight persons were injured, two seriously, before state police restored order.

(The Moscow newspaper Pravda reported the incident today under the headline: "Outrage of American fascists; attempt to lynch Paul Robeson."

(Robeson recently visited the Soviet Union and expressed great admiration for its people and government.)

Dewey Calls for Report

Dewey's request for a report was telephoned from Albany to Westchester County District Attorney George M. Fannelli and Sheriff Fred W. Ruscoe.

Chief Assistant District Attorney Frederick E. Weeks, Jr., said an investigation would be made.

Dewey's office in Albany gave no indication what the governor might do after receiving the report.

Robeson was intercepted by friends Saturday night and did not reach the scene of the outbreak, which occurred at a picnic grove near Peekskill.

Start Laid To Pro-Robesonites

Fannelli immediately promised a thorough investigation. He said it would take several days.

He called the rioting "most regreattable," and added:

"The facts that I now have would indicate that the demonstration by the veterans associations was peaceful and orderly, and that after they disbanded the pro-Pobesonites provoked the violence when Secor was stabbed by one of their number."

Communist Trial Witness Sees U.S. Revolution Minus Violence

New York, Aug. 29 (AP)—Comes the revolution, said a Communist trial witness today, and America's capitalist "oppressors" will be put to work "in the mines and other places."

But such a revolution need not be accompanied by force and violence, added the witness, Max Weiss, at the conspiracy trial of eleven top Communist leaders.

Weiss, former Communist national education director in the United States, described himself as a "sort of specialist" on Communist revolutionary theory.

He testified that he made a dozen or more trips abroad, including two to Russia, as a party worker.

One-Hour Discussion

In a one-hour discussion of his lectures, Weiss explored the so-called "inevitability" of force and violence in a Communist revolution.

In Hungary and Finland, he testified, proletarian governments were established without violence.

"There is no such Maxist principle as the violent overthrow of government being a necessity," Weiss said.

He explained the "law of the inevitability of violence" in Marxist writings thusly:

"A Force" Pictured

The state maintains itself with such machinery as police, courts, prisons and army.

With a proletarian state in the saddle, the witness said, these ad-

AUG 29 1949

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junets of government would have to be removed from the hands of capitalists and placed in the hands of the workers.

This new worker-controled state then would become "a force" in maintaining the workers in power, he said.

Thus, he added, the inevitable use of force meant the total process of change from a capitalistic to a proletarian government and not just the initial seizure of power.

The old capitalistic state machinery, Weiss said, could not be used by the new government because it was built on principles abhorrent to the workers and hostile to the working class.

Question By Judge Media

Such a workers' government can be established by peaceful means, Weiss repeated.

Federal Judge Harold R. Medina asked Weiss about earlier testimony by defendant Robert G. Thompson, who was quoted as saying that after the revolution the capitalist "oppressors" would become the "oppressed" and would "be put to work."

What kind of work? asked Judge Medina.

"In the mines and other places," answered Weiss.

At the trial, now entering its thirty-third week, the eleven American Communist leaders are accused of conspiring to advocate the forcible overthrow of the United States Government.

30.24- 5331

NIGHT LEAD BRITISH (300 UP)
BY WILLIAM OATIS
LONDON, AUG.29-(AP)-BRITAIN'S LABOR CABINET TODAY APPROVED A 15,000-WORD PLAN TO THROW ON THE TABLE AT THE WASHINGTON DOLLAR CONFERENCE.
AN INFORMED SOURCE SAID IT STANDS STRONGLY FOR KEEPING UP BRITISH SOCIAL SERVICES, SUCH AS FREE MEDICAL SERVICE, AND MAKES NO MENTION OF POSSIBLE DEVALUATION OF THE POUND, NOW PEGGED AT $4.03 TO THE DOLLAR
SIR STAFFORD CRIPPS, CHANCELLOR OF THE EXCHEQUER, AND ERNEST BEVIN, FOREIGN SECRETARY, WILL TAKE THE PLAN WITH THEM WHEN THEY SAIL FOR NEW YORK ON THE MAURETANIA WEDNESDAY.
THEY START A CONFERENCE SEPT.7 WITH UNITED STATES AND CANADIAN OFFICIALS ON THE WORLD SHORTAGE OF DOLLARS, ESPECIALLY BRITAIN'S SHORTAGE.
IT HAS BEEN AUTHORITATIVELY REPORTED THAT BRITAIN'S POOL OF GOLD AND DOLLARS, A RESERVE SHE NEEDS TO BACK THE POUND IN INTERNATIONAL TRADING FOR HER FOOD AND RAW MATERIALS, WILL BE DOWN TO $1,200,000,000 BY SEPT.30. THAT IS $800,000,000 UNDER WHAT WAS SET BY OFFICIALS A FEW MONTHS AGO AS THE DANGER LINE.
THE BRITISH FOREIGN OFFICE SAID IN A STATEMENT TONIGHT PRESIDENT TRUMAN'S PLEDGE OF AMERICAN "FRIENDLINESS AND HELPFULNESS" TOWARD THE BRITISH IN HIS PHILADELPHIA SPEECH WAS "MOST HELPFUL AND ENCOURAGING FOR THE SUCCESS" OF THE WASHINGTON TALKS.
"THE POINT OF VIEW EXPRESSED BY THE PRESIDENT IS FULLY APPRECIATED AND SHARED IN LONDON," SAID THE STATEMENT.
THE CABINET MET FOR FOUR HOURS AND 10 MINUTES TODAY AT PRIME MINISTER ATTLEE'S RESIDENCE, NO. 10 DOWNING STREET.
ATTLEE, BEVIN, CRIPPS, HEALTH MINISTER ANEURIN BEVAN AND OTHER CABINET MINISTERS CALLED SOME NON-MEMBERS TO SIT IN. THESE INCLUDED FOOD MINISTER JOHN STRACHEY, FUEL MINISTER HUGH GAITSKELL AND CHIEFS OF THE ARMED SERVICES. ALL THESE AGENCIES SPEND A BIG SHARE OF BRITAIN'S DOLLARS.
SOME UNITED STATES OPINION HAS FAVORED LOWERING THE OFFICIAL DOLLAR VALUE OF THE POUND. WITH DEVALUATION, A U.S. BUYER WOULD NEED FEWER DOLLARS TO BUY BRITISH GOODS. DEVALUATION THUS WOULD ENABLE SUCH GOODS TO SELL MORE READILY IN AMERICA.
JOHN W.SNYDER, U.S. SECRETARY OF THE TREASURY, SAID LAST WEEK THIS SUBJECT PROBABLY WOULD COME UP IN THE THREE-POWER TALKS.

A21

CRIPPS' ARGUMENT AGAINST DEVALUATION IS THAT THE HIGHER COST OF BRITISH IMPORTS WOULD CANCEL OUT GAINS IN DOLLAR SALES.
THE INFORMANT ON TODAY'S CABINET MEETING SAID BRITISH LEADERS WILL TAKE NO STAND EITHER FOR OR AGAINST DEVALUATION UNTIL THE AMERICANS RAISE THE ISSUE.
SOME AMERICAN CRITICS HAVE ACCUSED BRITAIN OF FRITTERING AWAY EUROPEAN RECOVERY PROGRAM DOLLARS ON SOCIAL SERVICES SUCH AS WELFARE INSURANCE AND THE NATIONAL HEALTH SCHEME OF FREE MEDICAL TREATMENT, GLASSES AND FALSE TEETH.
THEY ALSO HAVE DECLARED SUCH BENEFITS ENCOURAGE BRITISH WORKERS TO LOAF AND HOLD BACK ON PRODUCTION.
THE INFORMANT SAID IF THE SUBJECT COMES UP IN WASHINGTON, THE BRITISH WILL ARGUE AGAINST CUTTING SUCH SERVICES.5
THE CABINET STUDIED A STATEMENT ON THE MATTER FROM THE TREASURY. THIS STATEMENT, A SOURCE CLOSE TO THE TREASURY DISCLOSED, SAYS:
"ADEQUATE SOCIAL SERVICES X X X ARE THE INDISPENSABLE FOUNDATION OF A SOUND AND HEALTHY ECONOMY."
"SOCIAL SERVICES ARE FINANCED OUT OF TAXES AT HOME AND ARE IN NO SENSE SUBSIDIZED OUT OF DOLLAR AID."
THE CABINET'S BRIEF, THE INFORMANT SAID, DOES NOT PROPOSE THAT THE $35 AN OUNCE WORLD GOLD PRICE BE RAISED.
HE EXPLAINED BRITAIN WILL WAIT TILL LATER TO MAKE THAT PROPOSAL--IN A MEETING OF THE BOARD OF GOVERNORS OF THE INTERNATIONAL MONETARY FUND STARTING IN WASHINGTON SEPT. 13.
THE U.S. SET THE PRESENT GOLD PRICE IN THE EARLY 1930'S AND THE MONETARY FUND LATER APPROVED IT. A HIGHER PRICE WOULD MEAN A BIGGER DOLLAR VALUE FOR BRITAIN'S OWN GOLD AND THAT PRODUCED IN THE BRITISH DOMINION OF SOUTH AFRICA.
LH1536PED

WITH PHILADELPHIA (190)
LONDON, TUESDAY, AUG. 30-(AP)-PRESIDENT TRUMAN'S PHILADELPHIA SPEECH SET A GOOD WILL POLICY FOR THE COMING DOLLAR TALKS WITH BRITAIN AND CANADA, THE BRITISH PRESS OBSERVED THIS MORNING.
THE TIMES SAID THE PRESIDENT'S SPEECH UNDERLINED "THE GOOD WILL AND GOOD INTENTIONS OF THE UNITED STATES GOVERNMENT."
"THE PRESIDENT HAS PUT THE GREAT ISSUES AT WASHINGTON INTO RIGHT PERSPECTIVE," THE PAPER SAID. "HE POINTED THE WAY, AND THE BRITISH-CANADIAN-AMERICAN DELEGATIONS WILL COME TOGETHER NOT TO WRANGLE OR TO HAGGLE BUT TO SEEK PRACTICAL REMEDIES FOR DISORDERS WHICH TROUBLE THEM ALL." X X
THE LABORITE DAILY HERALD SAID THE PRESIDENT'S STATEMENT OF PRINCIPLES X X X COULD HARDLY BE BETTERED."
OF THE PRESIDENT'S ASSERTION THAT THE DEMOCRATIC COUNTRIES "ARE NOT PROPOSING TO INTERFERE WITH ONE ANOTHER'S INTERNAL POLITICS," THE HERALD SAID: "CLEARLY THAT IS THE ONLY SOUND BASIS FOR COLLABORATION."
THE CONSERVATIVE DAILY GRAPHIC SAID:
"THERE HAS BEEN A GOOD DEAL OF USELESS BICKERING ON BOTH SIDES OF THE ATLANTIC. BUT NEVER ONCE HAS A MEMBER OF THE AMERICAN GOVERNMENT JOINED IN. THE ATTITUDE HAS BEEN JUST THE OPPOSITE, AND IT IS EXPRESSED AGAIN IN MR. TRUMAN'S SPEECH TO THE AMERICAN LEGION." X X X
SN907PED

ASSOCIATES SAY BEVIN HAS BEEN WORKING FOR WHAT HE CALLS "INTEGRATION" OF THE AMERICAN AND BRITISH CURRENCY SYSTEMS. BUT THEY SAY BEVIN HAS NEVER MADE IT CLEAR WHETHER HE MEANS A CUSTOMS UNION, A COMMON CURRENCY OR WHAT.
BEVIN HAS ARGUED THAT "INTEGRATION" IS NOT ONLY ESSENTIAL BUT ALSO A LOGICAL OUTCOME OF ANGLO-AMERICAN DIPLOMATIC UNITY--AN IDEA THAT TREASURY OFFICIALS ARE SAID TO POOH-POOH. THEY SAY BEVIN IS NO ECONOMIST.
THE CONSERVATIVE SUNDAY TIMES SAID TODAY "THE POSSIBILITY OF AN ECONOMIC MERGER BETWEEN THE DOLLAR AND STERLING AREAS MAY BE DISCUSSED AT THE WASHINGTON TALKS."
THE SUNDAY TIMES DIPLOMATIC CORRESPONDENT HAD THIS TO SAY:
"AS AT PRESENT ENVISAGED, THE MERGER WOULD ENTAIL THE ADOPTION OF ONE CURRENCY, BACKED BY CENTRAL RESERVES, AS LEGAL TENDER FOR THE UNITED STATES, CANADA, BRITAIN AND PROBABLY OTHER BRITISH DOMINIONS AND COUNTRIES WHOSE CURRENCIES ARE NOW ALLIED TO THE POUND."

BRIEFLY THE MONETARY RECOVERY PLAN IS THIS:

IT WOULD BIND BOTH THE BRITISH GOVERNMENT AND INDUSTRY TO CUT DOWN THE WORKING COSTS AND RAISE PRODUCTIVITY.

IT SUGGESTS WAYS IN WHICH BRITAIN CAN EARN MORE DOLLARS BY SELLING MORE AND CHEAPER GOODS.

IT ASKS THE U.S. TO LIBERALIZE BOTH TARIFF POLICY AND TARIFF ADMINISTRATION.

IT CALLS FOR THE AMERICAN PROMISE TO BUY FIXED AMOUNTS OF BASIC COMMODITIES FROM THE BRITISH-LED STERLING AREA AT FIXED PRICES FOR FIXED PERIODS.

IT PROPOSES SWIFT, JOINT WORKING OUT OF PRESIDENT TRUMAN'S PROGRAM FOR DEVELOPING BACKWARD AREAS OF THE WORLD WHERE THE BRITISH POUND IS USED.

VS310AED

PARIS, AUG. 29-(AP)-BRITAIN WILL GET ABOUT $960,000,000 (M) IN MARSHALL AID FOR 1949-50 IF THE LATEST DIVISION PLAN GOES THROUGH, IT WAS LEARNED TODAY.

THIS IS $118,000,000 (M) MORE THAN UNDER THE LAST PLAN, BUT STILL $558,000,000 LESS THAN THE BRITISH SAY THEY NEED. THE EXPERTS ARE FIGURING ON A TOTAL AID APPROPRIATION OF ABOUT $3,670,000,-000, (B) ALTHOUGH CONGRESS HAS NOT YET DECIDED ON THE EXACT FIGURE.

LIKE OTHER PLANS CALCULATED SO FAR, THIS ONE IS STILL CONSIDERED "SECRET" BY BOTH EUROPEAN AND AMERICAN MARSHALL AID AUTHORITIES.

IT WAS WORKED OUT BY TWO TOP OFFICIALS OF THE ORGANIZATION FOR EUROPEAN ECONOMIC COOPERATION (OEEC)--GENERAL SECRETARY ROBERT MAR-JOLIN OF FRANCE AND BARON CHARLES JEAN SNOY ET D'OPPUERS, DEPUTY CHIEF OF THE BELGIAN DELEGATION.

THEY WERE APPOINTED TO MAKE A NEW DIVISION PLAN AFTER ALL THE 19 MEMBERS AREAS EXCEPT TRIESTE MADE IT CLEAR THEY WERE UNHAPPY WITH THE LAST ONE. SIR EDMUND HALL-PATCH, HEAD OF THE BRITISH DELEGATION, BITTERLY DENOUNCED THAT PLAN AT A COUNCIL MEETING 10 DAYS AGO.

THE COUNCIL, RULING BODY OF THE OEEC, WILL MEET WEDNESDAY TO DISCUSS THE NEW FIGURES. OFFICIAL COMMENT ON THEM WAS LACKING, ALTHOUGH THE BRITISH ARE REPORTED PLEASED WITH THEIR INCREASE.

THE ADDITIONAL FUNDS FOR BRITAIN IN THE NEW SCHEME WERE OBTAINED BY REDUCING THE AMOUNT IN A POOL DESIGNED TO HELP COUNTRIES WHICH LOST DOLLARS BY BREAKING DOWN TRADE BARRIERS, ONE SOURCE SAID. GREECE, NORWAY, AND DENMARK WERE AMONG THE COUNTRIES REDUCED, WHILE FRANCE, ITALY AND THE NETHERLANDS WERE ALLOTTED MORE UNDER THE NEW PLAN.

RW508PED

STRASBOURG, FRANCE, AUG. 29-(AP)-TWO JOURNALISM STUDENTS FROM THE UNIVERSITY OF WISCONSIN STOPPED HERE TODAY TO SEE HOW THE WORLD PRESS IS COVERING THE EUROPEAN CONSULTATIVE ASSEMBLY.

EN ROUTE HOME AFTER ATTENDING A SUMMER COURSE IN EUROPEAN POLITICAL SCIENCE AT THE UNIVERSITY OF FRIBOURG, SWITZERLAND, FRANK L. TAYLOR, JR., 23, (4853 NORTH LAKE DRIVE) AND ROBERT SIVYER, 23, (1056 EAST CIRCLE DRIVE), OF MILWAUKEE, WIS., SAID THEY HAD BEEN FOL-LOWING WITH INTEREST THE ASSEMBLY'S WORK.

TAYLOR AND SIVYER SAT IN A NEWS CONFERENCE GIVEN BY SIR DAVID MAXWELL-FYFE, NOTED AS CHIEF BRITISH PROSECUTOR AT NUERNBERG. THE BRITON DISCUSSED THE WORK OF THE LEGAL COMMITTEE IN WRITING A BILL OF HUMAN RIGHTS. HE IS CHAIRMAN OF THAT COMMITTEE.

TAYLOR, SON OF THE PUBLISHER OF THE MILWAUKEE SENTINEL, AND SIVYER ARE LEAVING TONIGHT FOR PARIS AND LONDON. THEY ARE TO SAIL SEPT. 10 ON THE S.S. SAMARIA FOR NEW YORK.

EW110AED

STRASBOURG, FRANCE, AUG. 29-(AP)-THE EUROPEAN ASSEMBLY'S HUMAN RIGHTS COMMITTEE RECOMMENDED TODAY THAT NATIONS INTERFERING IN THEIR PEOPLES PRIVATE LIVES BE BARRED FROM MEMBERSHIP IN THE COUNCIL OF EUROPE.

SIR DAVID MAXWELL-FYFE, NOTED BRITISH LEGAL AUTHORITY WHO IS CHAIRMAN OF THE COMMITTEE, DISCLOSED THAT THE 23-MAN GROUP APPROVED SUCH A TEST BY A VOTE OF 16 TO 3. ALL TWELVE OF THE COUNCIL NATIONS ARE REPRESENTED ON THE COMMITTEE.

THE CONSULTATIVE ASSEMBLY WAS OUT OF SESSION WHILE ITS SIX STANDING COMMITTEES WORKED OUT RESOLUTIONS FOR THE ASSEMBLY TO DEBATE AND APPROVE OR REJECT. THE ASSEMBLY IS SCHEDULED TO MEET AGAIN WEDNESDAY.

BJ1141AED

VATICAN CITY, AUG. 29-(AP)-L'OSSERVATORE ROMANO SAID TODAY THE ALBANIAN ORTHODOX CHURCH HAS NEVER BEEN UNDER THE CONTROL OF VATICAN AUTHORITIES.

THE VATICAN NEWSPAPER WAS COMMENTING ON THE OUSTER OF ARCHBISHOP CHRISTOPHER KISSI BY THE ALBANIAN CHURCH'S HOLY SYNOD, ANNOUNCED SUNDAY BY THE TIRANA RADIO. BISHOP PASSI VODITSA SUCCEEDED HIM.

THE RADIO ANNOUNCEMENT SAID ONE OF THE CHARGES AGAINST KISSI WAS CARRYING ON "ACTIVITIES IN FAVOR OF FASCISM DURING THE ITALIAN OCCUPATION WITH THE VIEW OF THROWING OUR CHURCH INTO THE BOSOM OF THE VATICAN AND DETACHING IT FROM THE BOSOM OF THE ORIENTAL ORTHODOX CHURCH."

BD1122PED

naples,italy,aug.29-(ap)- american sailors - 14,000 of them -- will get a chance to inspect the bikini bathing-suit on its home beach, the french riviera.

the sixth task fleet leaves naples today for ~~southern~~ ~~france~~ a ten-day stay in nice,cannes, and villefranche.

the navy figures what it calls its "good-will ambassadors from the 20-odd ships will give a good, substantial injection of american dollars to the riviera economy.

30.24- 5333

PRECEDE GROTON DAY

TROMSOE, NORWAY, AUG. 29-(AP)-TWO UNITED STATES WARSHIPS, THE SUBMARINE TUSK AND THE DESTROYER SAMUEL M.ROBERTS, SAILED FOR HOME TODAY WITH 72 SURVIVORS OF THE SUBMARINE COCHINO, WHICH EXPLODED AND SANK LAST FRIDAY WHILE ON ARCTIC MANEUVERS.

ADM.THORE HORVE, NORWAY'S NORTHERN DEFENSE COMMANDER, WAS AT THE PIER TO SAY GOODBYE.

LT. COM. RICHARD M. WRIGHT OF SAN FRANCISCO, THE COCHINO'S EXECUTIVE OFFICER, WHO SUFFERED SERIOUS BURNS, WAS LEFT BEHIND FOR TREATMENT IN A TROMSOE HOSPITAL. HIS CONDITION WAS REPORTED FAVORABLE.

FOUR OTHER MEMBERS OF THE 77-MAN CREW, LESS SERIOUSLY HURT, WERE FLOWN TO LONDON, HEADQUARTERS FOR U.S. NAVAL FORCES IN THE EASTERN ATLANTIC AND MEDITERRANEAN.

FLOWN TO LONDON, HEADQUARTERS FOR U.S. NAVAL FORCES IN THE EASTERN ATLANTIC AND MEDITERRANEAN.

A CIVILIAN TECHNICIAN ABOARD THE COCHINO WAS KILLED IN THE EXPLOSION. THE TUSK, WHICH RESCUED HER SISTER SUBMARINE'S ENTIRE CREW, LOST SIX OF HER OWN MEN OVERBOARD IN HIGH SEAS.

--DASH--

LONDON, AUG 29-(AP)-U.S.NAVAL HEADQUARTERS HERE SAID TODAY A NAVY MEDICAL CORPS SURGEON, LT. (J.G.) DAVID O'HANLON OF (211 CALIFORNIA AVE.) PROVIDENCE, R.I., HAS BEEN FLOWN TO TROMSOE TO TREAT LT. COM. WRIGHT OF THE COCHINO.

A NAVY SPOKESMAN SAID FOUR OTHER INJURED CREWMEN FLOWN HERE FOR TREATMENT SUFFERED MINOR BURNS AND "THEIR FOLKS AT HOME HAVE NOTHING TO WORRY ABOUT."

THEY ARE LT. RICHARD KING BRANSON, 31, QUAKER HILL, WATERFORD, CONN.; ENGINEMEN 1ST CLASS WILLIAM H. PAYNE, JR., 25, (314 BUCKINGHAM ST.) OAKVILLE, CONN.; ENGINEMEN 3RD CLASS CHARLES M. SERIO, 20, (919 U ST.) BUFFALO, N.Y., AND FIREMAN RALPH THEODORE ROSETH, 19, EDMORE, N.DAK.

EX610PED

BOPPARD, GERMANY, AUG.29-(AP)-A GROUP OF GERMANS LAUNCHED AN ORGANIZED SEARCH OF MUSTY RECORDS TODAY TO PROVE THEIR CLAIMS TO A $30,000,000 AMERICAN TOBACCO FORTUNE.

THEY CLAIM TO BE LEGAL HEIRS OF MRS.HENRIETTA GARRETT, WHO DIED IN PHILADELPHIA IN 1930. SHE WAS THE WIDOW OF WALTER GARRETT, U.S.TOBACCO MAGNATE, AND HER DEATH LEFT HIS $30,000,000 ESTATE WITH NO WILL TO DIRECT ITS DISPOSITION.

FOR 19 YEARS 16 DIFFERENT CLANS OF GERMAN SCHAEFERS BATTLED VAINLY TO PROVE THAT THEY WERE RELATIVES OF MRS.GARRETT, WHOSE MAIDEN NAME WAS SCHAEFER.

YESTERDAY, CHARGING THAT AMERICAN CLAIMANTS WERE SUPPRESSING INFORMATION VITAL TO THEIR CLAIMS, THE GERMAN SCHAEFER CLANS UNITED IN ONE GROUP TO PROTECT THEIR INTERESTS.

DR.H. (FIRST NAME PRESENTLY UNAVAILABLE) SEIDEL OF BONN, WAS NAMED TRUSTEE OF THE COMBINED GERMAN CLAIMANTS.

TODAY SEIDEL SAID THE GROUP'S FIRST MOVE WILL BE TO COMB THROUGH OLD CHURCH AND CITY RECORDS IN GERMANY TO LOCATE PROOF THAT THE GERMAN CLAIMANTS AND MRS.GARRETT WERE COMMON KIN OF CHRISTOPHER SCHAEFER, WHO IS SAID TO HAVE EMIGRATED TO THE UNITED STATES IN 1840 FROM GERMANY.

THE GERMANS FACE A LOT OF COMPETITION IN THEIR BID FOR THE GARRETT FORTUNE. THERE ARE 26,000 CLAIMANTS LIVING IN MANY PARTS OF THE WORLD.

SEIDEL SAID A PHILADELPHIA COURT HAD RULED THAT HALF THE ESTATE BELONGS TO HEIRS IN THE UNITED STATES. HE SAID A THREE-MAN COMMITTEE SET UP BY THE COURT HAS BEEN INVESTIGATING CLAIMS SINCE 1936, WITH CHARLES STARR OF PHILADELPHIA ACTING AS CUSTODIAN OF THE ESTATE.

SEIDEL SAID THE PHILADELPHIA COURT IN 1947 INVITED THE GERMAN CLAIMANTS TO APPEAR IN PERSON TO SUPPORT THEIR CLAIMS, BUT THEN IT WAS IMPOSSIBLE FOR GERMANS TO GO ABROAD. THE GERMANS ASKED THE COURT TO POSTPONE THEIR HEARING, SEIDEL SAID, BUT NO ANSWER HAS BEEN RECEIVED FROM THE COURT.

THE GERMAN CLAIMANTS DID NOT EXPLAIN WHAT INFORMATION THEY THINK THEIR AMERICAN RIVALS ARE HOLDING OUT FROM THEM.

R1145AED

FRANKFURT, GERMANY, AUG.29-(AP)-THREE CZECHOSLOVAK PLANES AND A SMALL TROOP DETACHMENT WANDERED OVER THE FRONTIER INTO THE AMERICAN ZONE OF GERMANY LAST WEEKEND, BUT U.S. OFFICIALS TODAY DISMISSED THE INCIDENTS AS ACCIDENTAL.

THE PLANE FLIGHTS WERE REPORTED BY GERMAN BORDER POLICE IN BAVARIA. THEY SAID TWO CZECH FIGHTERS CIRCLED OVER NEUHAUSEN AND PASSMANSREUTH AND A FOUR-ENGINED BOMBER FLEW OVER INDUSTRIAL HOF.

U.S. OFFICIALS SAID THE FLIGHTS WERE BELIEVED PART OF CZECH ARMY MANEUVERS. ONE SAID: "WE BELIEVE THEY ARE JUST CASE OF FLIERS GOING OFF THEIR COURSE, OR NOT KNOWING WHERE THE BOUNDARY IS."

TWENTY-TWO CZECH SOLDIERS WERE CAUGHT ON AMERICAN ZONE SOIL NEAR NEUHAUSEN SATURDAY NIGHT, U.S. CONSTABULARY AUTHORITIES REPORTED. BUT THEY TERMED IT A CASE OF SIMPLE TRESPASS WITHOUT SIGNIFICANCE.

ONE OFFICIAL SAID THE CZECH SOLDIERS HAD BEEN WORKING ON INSTALLATIONS NEAR THE AMERICAN ZONE BORDER AND HEADED BACK FOR THEIR UNITS BY A SHORTCUT WHICH CROSSED GERMAN SOIL.

BJ122PED

FRANKFURT, GERMANY, AUG.29-(AP)-A SLIM 24-YEAR-OLD WOMAN WHO CLAIMS AMERICAN CITIZENSHIP WAS GIVEN A CHANCE TO GO TO AMERICA TODAY--AS A PRISONER.

SHE SAID HER NAME IS HILDEGARDE PEGGY MCCARY. SHE WAS CONVICTED BY A U.S. MILITARY GOVERNMENT COURT OF ILLEGAL ENTRY INTO GERMANY AND CARRYING A FALSE IDENTITY CARD.

BUT, ON HER PLEA THAT SHE IS AMERICAN, THE JUDGE DIRECTED THAT HER SEVEN-MONTH SENTENCE BE SERVED IN A WOMEN'S ARMY CORPS (WAC) DISCIPLINARY BARRACKS IN THE UNITED STATES.

IT WAS HILDEGARDE'S SECOND APPEARANCE IN COURT ON A SIMILAR CHARGE. LAST SPRING SHE WAS SENTENCED TO FOUR MONTHS IN A GERMAN JAIL BY A JUDGE WHO DIDN'T BELIEVE HER STORY.

SHE WAS EJECTED FROM GERMANY AFTER SERVING HER FIRST JAIL SENTENCE. BUT SHE CAME BACK WITH AN ADDMITTEDLY FAKE IDENTITY CARD AND WAS PICKED UP AGAIN.

SHE SAID SHE WAS BORN IN NEW YORK CITY, AND HER FATHER'S NAME WAS WILLIAM MCCARY. BUT SHE SAID SHE HADN'T SEEN NOR HEARD FROM HER PARENTS FOR SEVERAL YEARS AND COULD NOT SAY WHERE THEY LIVE NOW.

SHE TOLD THIS STRANGE STORY OF HOW SHE GOT TO GERMANY:

A WAC CORPORAL IN THE UNITED STATES GAVE HER A WAC UNIFORM AND IDENTITY CARD WHICH ENABLED HER TO SMUGGLE HERSELF ABOARD A TROOP SHIP CARRYING WACS TO GERMANY.

HER REASON: TO JOIN HER BOY FRIEND, WHOM SHE CALLED LT.JAMES PORTNER. BUT SO FAR SHE HAS BEEN UNABLE TO PRODUCE ANY LT.PORTNER.

THE U.S. CONSULATE IS HELPING CHECK HILDEGARDE'S STORY.

MEANWHILE, SHE IS BEING HELD IN A GERMAN JAIL. IF THE INVESTIGATION SHOWS SHE IS NOT AN AMERICAN, SHE MAY STAY IN A GERMAN JAIL INSTEAD OF BEING TRANSFERRED TO THE UNITED STATES.

JA356PED

FIRST LEAD YUGOSLAV

BY ALEX SINGLETON

BELGRADE, YUGOSLAVIA, AUG 29-(AP)-OUTWARDLY AT LEAST, YUGOSLAVIA SHOWED SCANT SIGNS TODAY OF WORRY ABOUT THE POSSIBILITY OF A SHOOTING WAR WITH HER SOVIET-DOMINATED NEIGHBORS.

THE WAR OF NERVES IN THE BALKANS APPARENTLY HAD THE REST OF THE WORLD MORE JITTERY THAN IT DID THE PEOPLE OF THIS COUNTRY--EVEN THOUGH THEY ARE CONSCIOUS OF THE POSSIBILITIES.

GOVERNMENT SPOKESMEN WERE KEPT BUSY DENYING A FLOOD OF RUMORS ABOUT MOVES AND COUNTERMOVES IN THE INCREASINGLY BITTER WORD WAR BETWEEN SOVIET RUSSIA AND YUGOSLAVIA.

BUT SHOESHINE BOYS IN BELGRADE SLAPPED PLACIDLY AWAY AT THE BOOTS OF THEIR CUSTOMERS. HOUSEWIVES CARRIED ON THEIR MARKETING AS USUAL.

IN THE COUNTRY, FARMERS WERE THRESHING ONE OF THEIR RICHEST GRAIN HARVEST IN YEARS.

AT LEAST PART OF YUGOSLAVIA'S CALM CAN BE ATTRIBUTED, OF COURSE, TO THE FACT THAT THE OFFICIAL PRESS HAS CARRIED FEW OF THE RUMORS WHICH APPARENTLY HAVE DISTRIBUTED THE WESTERN WORLD.

THERE HAS BEEN NO MENTION YET, FOR EXAMPLE, OF THE MEETING OF THE SOVIET-DOMINATED ECONOMIC COUNCIL OF MUTUAL ASSISTANCE IN SOFIA, BULGARIA.

THERE HAVE BEEN SOME OFFICIAL DENIALS OF SUCH RUMORS AS "UNUSUAL" TROOPS MOVEMENTS IN YUGOSLAVIA, THAT TWO DIVISIONS HAVE BEEN SENT INTO THE ISTRIAN (TRIESTE) PENINSULA TO PREVENT SABOTAGE, THAT FIRE IN THE FIUME OIL REFINERY WAS THE WORK OF SOVIET AGENTS.

IT'S TRUE THAT MARSHAL TITO'S TROOPS STRETCHED AROUND YUGOSLAVIA'S UNEASY BORDERS ARE ON THE ALERT.

THAT'S NOTHING NEW. THEY'VE BEEN THAT WAY SINCE THE COMINFORM (COMMUNIST INTERNATIONAL INFORMATION BUREAU) BLACKLISTED TITO 15 MONTHS AGO ON CHARGES OF PURSUING "NATIONALISTIC" POLICIES AND BEGAN A CAMPAIGN TO OUST HIM FROM POWER.

PERHAPS ITS TRUE THAT THE HEAVIEST CONCENTRATION OF TITO'S FORCES ARE IN MACEDONIA--BREEDING SPOT OF PAST WARS--AS REPORTED IN ISTANBUL. MACEDONIA IS THE SECTION OF SOUTHERN YUGOSLAVIA WEDGED BETWEEN BULGARIA AND ALABIA, BOTH COMINFORM MEMBERS.

REINFORCEMENTS IN MACEDONIA WOULD B

BETWEEN BULGARIA AND ALBANIA, BOTH COMINFORM MEMBERS.

REINFORCEMENTS IN MACEDONIA WOULD BE NATURAL TO WARD OFF ANY ATTEMPT BY COMINFORM COUNTRIES TO INCITE REBELLION WITH THE PROMISE OF UNITING THE MACEDONIAN SECTIONS OF YUGOSLAVIA, GREECE AND BULGARIA INTO A SPEARATE STATE.

BUT ACTUAL DISPOSITION OF YUGOSLAV TROOPS AND THEIR STRENGTH HAS BEEN, AND WILL REMAIN, SECRET UNLESS AND UNTIL A SHOWDOWN COMES.

REPORTS ON YUGOSLAV TROOPS CAN BE PUT DOWN AS A VARIETY OF RUMORS AND DIPLOMATIC GUESSWORK.

THERE WAS NOT ONE SOLID FACT TO BACK UP ANY OF THE RUMORS OF SABOTAGE, TROOP MOVEMENTS AND SPYING THAT FLEW FROM TABLE TO TABLE IN COFFEE SHOPS AND WERE WHISPERED IN DIPLOMATIC CORRIDORS.

A GOVERNMENT SPOKESMAN DENIED LAST NIGHT THAT YUGOSLAVIA HAD SENT TROOPS INTO THE ISTRIAN PENINSULA, PRE-WAR ITALIAN TERRITORY, TO PREVENT SABOTAGE.

THE SPOKESMAN THEN TOOK UP OTHER PUBLISHED STORIES WHICH HE EITHER DENIED FLATLY OR DISMISSED AS "ONLY RUMORS."

HE DENIED THAT YUGOSLAVIA HAD CHALLENGED THE RIGHT OF RUSSIAN GUNBOATS TO TRAVEL THROUGH YUGOSLAV TERRITORIAL WATERS ON THE DANUBE RIVER. HE SAID RUSSIA HAD THAT RIGHT UNDER THE DANUBE NAVIGATION CHARTER AND SAID YUGOSLAVIA HAD NOT ASKED ANY RUSSIAN GUNBOAT TO HALT.

HE LUMPED TOGETHER AS "ONLY RUMORS":

A REPORT THAT YUGOSLAVIA MIGHT CHARGE RUSSIA BEFORE THE UNITED NATIONS SECURITY COUNCIL WITH THREATENING PEACE BY HER HEATED NOTES TO YUGOSLAVIA.

A REPORT THAT THREE SOVIET MECHANIZED DIVISIONS HAVE ENTERED HUNGARY FROM ROMANIA AND ARE BELIEVED NEAR THE YUGOSLAV FRONTIER.

THE GOVERNMENT NEWS AGENCY, TANJUG, LATER ENTERED ANOTHER DENIAL OF REPORTS ABOUT SENDING REINFORCEMENTS INTO THE ISTRIAN PENINSULA WHERE THERE WAS A FIRE IN A FIUME OIL REFINERY LAST WEEK. IT SAID THERE WAS NO QUESTION OF SABOTAGE IN THE FIRE.

30.24- 5335

A7

TANJUG, ACTING FOR THE MINISTRY OF INFORMATION, NAMED A LONG LIST OF FOREIGN RADIOS, NEWSPAPERS AND PRESS ASSOCIATIONS WHICH IT SAID WERE SPREADING FALSE REPORTS.

TANJUG ALSO CARRIED A DENIAL OF STORIES PRINTED IN THE HOSTILE COMMUNIST PRESS THAT YUGOSLAVIA INTENDS TO HAND OVER TO THE GREEK GOVERNMENT REFUGEES WHO SOUGHT SAFETY HERE.

WHATEVER THE TRUTH OF THE SITUATION--WHETHER THE RUSSIAN-LED COMINFORM (COMMUNIST INTERNATIONAL INFORMATION BUREAU) WAS PREPARING TO MOVE ACTIVELY AGAINST TITO OR WHETHER THE REPORTS WERE PART OF A WAR OF NERVES, YUGOSLAV LEADERS WENT ABOUT THEIR ORDINARY TASKS.

TITO HIMSELF APPARENTLY WAS STILL AT HIS SUMMER CAPITAL ON THE ADRIATIC RESORT ISLAND OF BRIONI. HE HAS BEEN CONDUCTING BUSINESS AND SEEING DELEGATIONS THERE.

FOREIGN MINISTER EDVARD KARDELJ AND POLITBURO MEMBER MILOVAN DJILAS FOUND TIME YESTERDAY TO ATTEND A TRACK MEET BETWEEN YUGOSLAVIA, BELGIUM AND FRANCE.

THE YUGOSLAV PRESS CONTINUED TO CARRY ANSWERS TO BLASTS FROM RUSSIA AND THE OTHER COMINFORM NATIONS WHO HAVE BEEN THREATENING TITO SINCE THEY THREW HIM OUT OF THE ORGANIZATION IN JUNE, 1948.

--DASH--

THE OFFICIAL SOVIET NEWS AGENCY, TASS, ANNOUNCED IN LONDON THIS MORNING THAT THE ECONOMIC ORGANIZATION OF EUROPE'S COMMUNIST NATIONS--THE ECONOMIC COUNCIL OF MUTUAL AID (ACMA) MET IN SOFIA, BULGARIA, FROM AUG.25 TO AUG.28.

THE TASS ANNOUNCEMENT DID NOT SAY WHAT WAS DISCUSSED BUT STATED THAT REPRESENTATIVES OF ALBANIA, BULGARIA, HUNGARY, POLAND, ROMANIA, CZECHOSLOVAKIA AND RUSSIA "CONSIDERED CURRENT QUESTIONS OF ITS WORK AND TOOK NECESSARY DECISIONS."

THERE WAS NO HINT THAT THE TITO REGIME WAS DISCUSSED AT THE MEETING. THE COMINFORM NATIONS HAVE BEEN TIGHTENING AN ECONOMIC BOYCOTT OF YUGOSLAVIA TO THE POINT WHERE THERE IS PRACTICALLY NO TRADE BETWEEN THEM.

MD241AED

PRECEDE ZVOLEN DAY (210)

BY RICHARD KASISCHKE

PRAGUE, CZECHOSLOVAKIA, AUG. 29-(AP)-LEADERS OF CZECHOSLOVAKIA'S COMMUNIST-DOMINATED GOVERNMENT HURLED MORE CHARGES OF "PLOTTING" AND "REACTION" TODAY AGAINST THE COUNTRY'S ROMAN CATHOLIC HIERARCHY.

THE GOVERNMENT HAD UTILIZED A THREE-DAY CELEBRATION OF THE FIFTH ANNIVERSARY OF THE WARTIME SLOVAK RISING AGAINST THE NAZIS AS A SOUNDING BOARD FOR ATTACKS AGAINST THE VATICAN AND THE CZECH BISHOPS.

LATEST OFFICIAL TO JOIN THE ATTACK WAS COMMUNIST VICE-PRESIDENT ZDENEK FIERLINGER, WHO SPOKE AT A RECEPTION TONIGHT.

HE CHARGED THE "REACTIONARY CLERGY IN SLOVAKIA, OBEDIENT TO THE ORDERS OF THE VATICAN CARDINALS, HAD TRIED TO KEEP THE SLOVAK PEOPLE IN TRADITIONAL CHAINS OF SUPERSTITION AND BIGOTRY AND TO PREVENT ANY PROGRESS."

"THEY DID EVERYTHING TO STRENGTHEN THE CAPITALIST SYSTEM OF EXPLOITATION," HE SAID. "AND THERE WERE EVEN BISHOPS WHO REFUSED TO RECOGNIZE OUR NEW POPULAR DEMOCRATIC ZECCHOSLOVAK STATE."

EARLIER, PRESIDENT KLEMENT GOTTWALD, SPEAKING AT ZVOLEN, SLOVAKIA, ACCUSED THE CATHOLIC HIERARCHY OF "SPREADING FALSE PROPAGANDA ABOUT RELIGIOUS PERSECUTION WITH THE AIM OF 'TORPEDOING' THE COMMUNIST-LED GOVERNMENT."

HE CALLED THIS A "MOST INVIDIOUS ATTEMPT AT UNDERMINING THE FOUNDATION OF OUR STATE" AND WARNED:

"WE SHALL NOT ALLOW OUR REPUBLIC TO BE DISINTEGRATED. OUR PEOPLE SHALL MANAGE TO SETTLE ACCOUNTS WITH REACTION."

HJ1001PED

Helsinki Cadew Helsinki

MOST OF FINLAND'S METAL INDUSTRY IS BUSY PRODUCING WAR REPARATIONS GOODS FOR RUSSIA.

PREMIER KARL A. FAGERHOLM PREDICTED AT A NEWS CONFERENCE THURSDAY THAT THE COMMUNIST-LED STRIKERS MIGHT MOVE AGAINST REPARATIONS INDUSTRIES TO CREATE DIFFICULTIES FOR THE GOVERNMENT IN ITS FOREIGN RELATIONS.

MEANWHILE, A SURVEY SHOWED THAT 82 SHIPS WERE BEING HELD UP BY THE STRIKE OF PORT WORKERS. ABOUT 80 SHIPS WERE BEING WORKED, PARTLY WITH VOLUNTEER LABOR.

THE PORT STRIKE WAS COMPLETE IN HELSINKI, MAENTULUOTO, KASKINEN, KOKKOLA, OULU AND KEMI. THERE WERE SIGNS THAT SOME OF THE STRIKERS MIGHT COME BACK TO WORK SOON.

THE COMMUNIST PRESS SAID YESTERDAY THAT BREWERY AND SOFT DRINK WORKERS SHOULD END THEIR WALKOUT "BECAUSE EMPLOYERS HAD AGREED TO TAKE UP NEGOTIATIONS."

THE STRIKE AT CRICHTON-VULCAN TIED UP WORK ON FIVE SHIPS BEING BUILT FOR RUSSIA UNDER THE WAR REPARATIONS AGREEMENT. MOST OF THE 28 OTHER MACHINE SHOPS IN TURKU REPORTED AT LEAST PART OF THEIR WORK FORCE FAILED TO REPORT TODAY.

AT THE PANSIO SHIP YARDS, ONLY ONE FOURTH OF THE NORMAL WORKING CREW WAS ON THE JOB. THERE WAS NO OFFICIAL ESTIMATE OF THE TOTAL NUMBER OF TURKU METAL WORKERS ON STRIKE.

A RESOLUTION ADOPTED AFTER ANTI-COMMUNIST WORKERS HAD LEFT THE STRIKE MEETING THERE YESTERDAY CONDEMNED THE WAGE POLICY OF THE TRADE UNION FEDERATION. THE RESOLUTION ALSO DEMANDED THAT THE TUF WITHDRAW ITS EXPULSION OF FIVE UNIONS KICKED OUT OF THE CENTRAL LABOR BODY RECENTLY FOR CALLING STRIKES WITHOUT TUF CONSENT.

FH1116AED

HELSINKI, FINLAND, AUG.29-(AP)-WORKERS AT ONE OF FINLAND''S LARGEST SHIPYARDS TODAY JOINED THE WAVE OF COMMUNIST-LED STRIKES WHICH HAVE THREATENED THE STABILITY OF THE NATION'S SOCIALIST GOVERNMENT.

A SERIES OF UNOFFICIAL WALKOUTS HAS IDLED THOUSANDS OF WORKERS IN MANY DIFFERENT INDUSTRIES AND SPLIT FINLAND'S TRADE UNION ORGANIZATION.

THE CRICHTON-VULCAN SHIPYARDS AND MACHINE SHOP AT TURKU, FINLAND'S SECOND LARGEST CITY, ANNOUNCED THAT ONLY 150 OF ITS 2,600 EMPLOYES REPORTED FOR WORK THIS MORNING.

B.J. SCHAUMAN, DEPUTY MANAGING DIRECTOR OF THE PLANT, SAID THE COMPANY HAD RECEIVED NO NOTIFICATION OF AN IMPENDING STRIKE. THERE HAD BEEN NO REQUEST FROM THE UNION FOR NEGOTIATIONS ON WAGES OR OTHER MATTERS, HE ADDED.

WW913AED

A64

ATHENS, AUG.29-(AP)-THE BATTLE TO CHASE THE COMMUNIST-LED GUERRILLAS FROM THEIR GRAMMOS MOUNTAIN STRONGHOLD IS VIRTUALLY ENDED AFTER FOUR DAYS OF BITTER FIGHTING, A GREEK GENERAL STAFF SPOKESMAN SAID TODAY.

HE SAID THE GUERRILLAS HAD BEEN SQUEEZED INTO A SECTOR OF LESS THAN 25 SQUARE MILES AND WERE IN FULL RETREAT INTO ALBANIA.

THE SPOKESMAN SAID THE REBELS WERE LEAVING BEHIND THEM MUCH HEAVY EQUIPMENT AND SUPPLIES. HE ADDED THAT 286 GUERRILLAS WERE KILLED AND 264 CAPTURED YESTERDAY. NO GOVERNMENT CASUALTIES WERE ANNOUNCED.

A SPECIAL COMMUNIQUE LAST NIGHT ANNOUNCED THE ARMY HAD TAKEN THE ENTIRE NORTHERN RIDGE OF THE GRAMMOS MOUNTAINS.

HA/PS724AED

EDITORS:

WITH GREEK TROOPS ON THE GRAMMOS FRONT--NIGHT LEAD GREEK (A7).

INSERT AFTER 5TH GRAF STARTING "KAMENIC" AND ENDING "INTO ALBANIA."

ONE UNCONFIRMED REPORT SAID THE GUERRILLAS ALREADY HAD STARTED WITHDRAWING THEIR MAIN FORCES THROUGH A GAP ON THE BORDER BETWEEN KAMENIC AND SARPUN, LEAVING BEHIND ONLY REARGUARD FANATICS.

SCATTERED CASUALTY REPORTS INDICATED BOTH SIDES HAD SUFFERED CONSIDERABLE LOSSES.

ONE OF THESE REPORTS SAID MORE THAN 1,000 GOVERNMENT SOLDIERS HAD BEEN TREATED IN A HOSPITAL AT KASTORIA. ANOTHER SAID MORE THAN 300 DEAD GUERRILLAS WERE COUNTED IN PILLBOXES AND OTHER DEFENSE POSITIONS STORMED ON THE FIRST DAY OF HEAVY ASSAULTS.

WITH THE LIQUIDATION X X X 6TH GRAF.

HJ609PED

AUG 29 1949

DOGU BAYAZIT, TURKEY, AUG.29-(AP)-FIVE AMERICANS ARE TOILING UP THREE-MILE-HIGH MOUNT ARARAT TODAY TO SEE IF NOAH'S ARK LIES ON THE SUMMIT.

THEY LEFT THIS ISOLATED VILLAGE YESTERDAY MORNING AND NO WORD IS EXPECTED FROM THE GROUP MAKING THE PERILOUS ASCENT UNTIL TOMORROW AT THE EARLIEST.

THE RUSSIANS HAVE PROTESTED STRENUOUSLY THAT THE SEARCH FOR THE ARK IS MERELY A BLIND FOR A SPYING EXPEDITION--MT.ARARAT IS ON THE TURKO-RUSSIAN BORDER.

THE SEARCHERS, WHOM THE RUSSIANS CALLED SPIES, INCLUDE DR.AARON J.SMITH, 61, RETIRED MISSIONARY FROM GREENSBORO, N.C.; WALTER WOOD, 36, DEVELOPMENT ENGINEER OF SEA CLIFF, LONG ISLAND, N.Y.; WENDELL OGG, 24, OF KNOXVILLE, TENN.; PHYSICIST AT THE OAK RIDGE ATOMIC ENERGY PLANT; E.J.NEWTON, 46, INTERIOR DECORATOR OF COLFAX, N.C.; AND ASSOCIATED PRESS CORRESPONDENT EDWIN GREENWALD.

FIVE TURKS ARE ACCOMPANYING THEM.

INTEREST IN THE AREA HAS INTENSIFIED SINCE LAST YEAR, WHEN PEASANTS REPORTED THEY HAD SEEN AN OBJECT RESEMBLING A BOAT. THE OBJECT HAD BEEN UNCOVERED BY AN USUALLY HEAVY THAW.

AS LONG AGO AS 1916, A RUSSIAN AVIATOR SAID HE SAW ON ARARAT A SHIP THAT SEEMED IDENTICAL TO THE BIBLICAL DESCRIPTION OF NOAH'S ARK.

MD245AED

NIGHT LEAD CHINESE (190)

BY SPENCER MOOSA

CANTON,CHINA,AUG 29 (AP)-A COMMUNIST THRUST 170 MILES NORTH OF CANTON SENT NEW UNEASINESS THROUGH THIS CHINESE NATIONALIST CAPITAL TODAY.

THE NATIONAL DEFENSE MINISTRY SAID THE REDS HAD REACHED THE OUTSKIRTS OF JUCHENG, 40 MILES EAST OF THE CANTON RAILWAY AND 45 MILES NORTH OF KUKONG, KEY POINT ON THE RAILWAY.

THE REDS' NEAREST APPROACH TO CANTON WAS 140 MILES NORTHEAST, IN THE VICINITY OF KIENNAN. THE THREAT TO KUKONG AND THE RAILWAY COULD CUT OFF THE CAPITAL'S CONTACT WITH THE NATIONALIST ARMY BASED ON HENGYANG, 265 MILES NORTH OF CANTON.

NORTH OF HENGYANG, THE COMMUNISTS CONTINUED THEIR UNEXPLAINED WITHDRAWALS. THE DEFENSE MINISTRY REPORTED THE RED 49TH ARMY, FORMERLY AT CHANGSHA, 100 MILES NORTH, HAD PULLED BACK 50 MILES NORTHWEST TOWARDS YIYANG, WITH THE NATIONALISTS AT THEIR HEELS. IT SAID THE RED 39TH ARMY FOR THE SECOND TIME IN A WEEK HAD ABANDONED ANHWA, 90 MILES WEST OF CHANGSHA.

THERE WAS SPECULATION THAT THESE RED WITHDRAWALS MIGHT PRESAGE A DRIVE AT CHUNGKING, 400 MILES TO THE NORTHWEST. CHUNGKING IS THE PROSPECTIVE NEXT SEAT OF THE NATIONALIST GOVERNMENT IF CANTON BECOMES UNTENABLE.

GENERALISSIMO CHIANG KAI-SHEK STILL WAS IN CHUNGKING CONFERRING WITH GENERALS MA PU-FANG AND HU TSUNG-NAN, HIS COMMANDERS FROM THE FAR NORTHWESTERN FRONT IN KANSU PROVINCE.

GG227PCS NM

AUG 29 1949

Canton Add for Kukong

THE COMMUNIST PUSH TO JUCHENG CAPTURED KWEITUNG AS IT COURSED SOUTHWARD THROUGH HUNAN PROVINCE NEAR THE KIANGSI BORDER.

ON THE SOUTHEAST CHINA COAST, RED GEN. CHEN YI WAS REPORTED MOVING SIX ARMIES AGAINST THE BIG PORT OF AMOY, OPPOSITE FORMOSA. WITH HIS TROOPS 45 MILES AWAY, THE NATIONALISTS WERE SAID TO BE THROWING HEAVY REINFORCEMENTS INTO AMOY.

CAPTURE OF AMOY, 330 MILES NORTHEAST OF CANTON, WOULD SET UP THE REDS FOR AN INVASION OF KWANGTUNG ALONG THE COAST.

IN THE FAR NORTHWEST, THE NATIONALISTS SAID THEY HAD LAUNCHED A COUNTEROFFENSIVE AIMED AT CUTTING THE SUPPLY LINE OF RED FORCES WHICH TOOK LANCHOW, CAPITAL OF KANSU PROVINCE.

THE DEFENSE MINISTRY SAID THE COUNTER MOVE WAS STARTED BY GEN. HU TSUNG-NAN FROM THE NORTH CHENG MOUNTAIN RANGE IN SOUTHERN SHENSI PROVINCE AND WAS MAKING GOOD HEADWAY. HU IS THE GOVERNMENT COMMANDER IN THE SHENSI-HUPEH-SZECHWAN BORDER AREA.

HU'S APPARENT PURPOSE WAS TO SWING A FORCE EASTWARD AND CUT THE SIAN-LANCHOW HIGHWAY.

THE REDS, EVIDENTLY UNDISTURBED BY THIS THREAT TO THEIR REAR, CONTINUED THEIR CROSS-COUNTRY ADVANCE AGAINST SINING, CAPITAL OF TSINGHAI PROVINCE.

AL220APS

BY SPENCER MOOSA

CANTON, MONDAY, AUG. 29-(AP)-COMMUNIST FORCES THRUST TO JUCHENG TODAY IN A NEW THREAT TO CANTON FROM THE NORTH. JUCHENG IS ONLY 170 MILES FROM CANTON.

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30.24- 5337

TOKYO, AUG.29-(AP)-SEVERAL PROFESSED SURVIVORS CHARGED TODAY THAT CHINESE MASSACRED 2,600 JAPANESE MMOST OF THEM WOMEN AND CHILDREN, IN MANCHURIA AUG.14,1945--ONE DAY BEFORE WORLD WAR 11 ENDED.

THE JAPANESE , THEY SAID, WERE SLAUGHTERED BY MACHINEGUN FIRE.

THE MASSACRE WAS FIRST REVEALED, THE NEWSPAPER YOMIURI ASSERTED, AT MEMORIAL SERVICES AT ZOZOJI TEMPLE IN TOKYO.

HISAKO MIYAZAWA, 32, SAID HE ESCAPED. HE SAID THE MASSACRE OCCURRED AT HSINGAN, NOT FAR FROM CHANGCHUN.

JAPANESE RESIDENTS OF THE AREA, HE SAID, WERE WALKING TOWARD CHANGCHUN WHEN A TANK OPENED FIRE.

WARI KOMATA, 23, ANOTHER SURVIVOR, SAID HE FLED TO THE MOHNTAINS SHRIEKING AS WOMEN AND CHILDREN DROPPED DEAD BEFORE THE MACHINEGUN FIR

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WARI KOMATA, 23, ANOTHER SURVIVOR, SAID HE FLED TO THE MOUNTAINS SHRIEKING AS OMEN

ND CHILD

MOUNTAINS SHRIEKING AS WOMEN AND CHILDDREN DROPPED DEAD BEFORE THE MACHINEGUN FIRE.

KOMATA SAID THAT HE RETURNED LATER TO FIND HIS FATHER AND A SISTER DEAD BUT FAILED TO FIND IN THE MSS OF BODIES HIS MOTHER AND TWO BROTHERWXXXX BROTHERS.

AL401APSNM

MANILA,AUG.29-(AP)-AN OUTBREAK OF KILLINGS AND MASS KIDNAPINGS TODAY WORRIED THE PHILIPPINES GOVERNMENT AND MILITARY AUTHORITIES FIGHTING COMMUNIST-LED HUKBALAHAP GUERRILLAS.

THE ATTACKS WERE BEING DIRECTED AGAINST LUMBER WORKERS ON BATAAN AND PLANTATION OWNERS IN CENTRAL LUZON.

TWO MANILA SUBURBAN POLICEMEN WERE ADDED TO THE LIST OF FATALITIES OVER THE WEEKEND.

THE MOST SERIOUS DISORDERS OCCURRED ON BATAAN. SEVENTEEN RESIDENTS OF DINALUPIHAN ON THE PROVINCIAL BORDER OF PAMPAGNA WERE KIDNAPED SUNDAY BY STRONG HUK FORCES. ON FRIDAY 10 LUMBER WORKERS WERE KIDNAPED. THEIR BODIES WERE FOUND YESTERDAY FLOATING IN A STREAM.

IN TTE PAST FOUR DAYS AT LEAST FOUR PROMINENT RESIDENTS OF TARLAC AND PAMPAGNA PROVINCES, WITHIN 80 MILES OF MANILA, WERE KIDNAPED AND KILLED.

JM1107ACS

B70

KX FX NOTE

CALCUTTA, INDIA, AUG.29-(AP)-INDIRA, THE ELEPHANT THAT PRIME MINISTER JAWAHARLAL NEHRU IS SENDING AS A GIFT TO TOKYO CHILDREN, LEFT TODAY FOR JAPAN ON THE S.S.ENCHO MARU.

INDIAN AND JAPANESE KEEPERS ARE ACCOMPANYING THE COW ELEPHANT ON THE 25-DAY VOYAGE. EIGHT TONS OF RATIONS, INCLUDING RICE, COCOANUTS, BANANA TREE STEMS AND SALT-- WERE PUT ABOARD FOR INDIRA.

B1155AED

NIGHT LEAD BURMA (440)

BY DOUGLAS LACKERSTEEN

RANGOON, BURMA, AUG. 29-(AP)-EIGHTEEN AMERICANS TRAPPED BY CIVIL WAR IN TAUNGGYI ARE REPORTED SAFE BUT EFFORTS TO REMOVE THEM WERE COMPLICATED TODAY BY REBEL CAPTURE OF ANOTHER BURMA STATE CAPITAL.

THE ARMY ACKNOWLEDGED THAT ANTI-GOVERNMENT FORCES HAVE TAKEN LASHIO, CAPITAL OF THE NORTHERN SHAN STATE AND ONE-TIME RAILHEAD STARTING POINT OF THE OLD BURMA ROAD TO CHINA.

A DIPLOMATIC MISSION FROM RANGOON, INCLUDING AMERICAN CONSULATE OFFICERS ROBERT L. CLIFFORD AND BALLARD R. DONNELL, HAD HOPED TO TAKE FOREIGN NATIONALS FROM REBEL-HELD TAUNGGYI AND FLY THEM OUT OF THE WAR ZONE FROM LASHIO AIRFIELD. THE GOVERNMENT THIS MORNING GROUNDED ALL ARMY AND CIVILIAN PLANES SCHEDULED TO GO THERE.

LASHIO IS 130 MILES NORTHEAST OF MANDALAY AND 160 MILES NORTH OF TAUNGGYI, THE SOUTHERN SHAN STATE CAPITAL WHICH WAS CAPTURED BY NATIONALIST KAREN TRIBESMEN AUG. 13. THE DIPLOMATIC MISSION APPARENTLY HAD HOPED TO TAKE FOREIGNERS OVERLAND FROM TAUNGGYI TO LASHIO FOR REMOVAL BY PLANE.

ALL TOLD, THERE ARE ABOUT 12,000 ALIENS IN TAUNGGYI, MOST OF THEM INDIANS AND ANGLO-INDIANS WITH BRITISH PASSPORTS, PAKISTANIS AND CHINESE. WITH THE 18 AMERICAN BAPTIND EDUCATION

WITH THE 18 AMERICAN BAPTIST AND EDUCATIONAL MISSIONERS ARE A FEW BRITONS.

LEGATIONS OF THE FIVE NATIONS INVOLVED WERE WARNED BY THE BURMA GOVERNMENT LAST WEEK THAT THEIR NATIONALS IN TAUNGGYI WERE IN DANGER OF AIR AND GROUND ATTACKS THE ARMY IS PLANNING IN ORDER TO RETAKE THE TOWN. A FIVE-NATION DIPLOMATIC MISSION SET OUT BY PLANE LAST FRIDAY TO CONTACT THE KAREN COMMAND THROUGH A SIKH GO-BETWEEN AND ASK FOR SAFE-CONDUCT OF THE FOREIGNERS OUT OF TAUNGGYI.

RADIO TAUNGGYI SAID THE AMERICAN CONSULAR OFFICIALS ENTERED TAUNGGYI SATURDAY AND THAT ALL THE AMERICANS THERE WERE SAFE.

A91

THE IDENTITY OF THE REBELS HOLDING LASHIO IN BURMA'S MANY-SIDED CIVIL WAR WAS NOT KNOWN HERE BUT IT WAS UNDERSTOOD THEY ARE NOT (CORRECT) KARENS. LASHIO LIES NOT MANY MILES WEST OF THE RUGGED HILL COUNTRY WHICH IS HOME TO THE PARTLY TAMED WILD WA (CAPS WW) TRIBESMEN.

THE WILD WA PEOPLE UNTIL RECENT YEARS WERE NOTED FOR HEAD-HUNTING. THE BRITISH FORMER RULERS OF BURMA LISTED THEIR DOMAIN AS "UNADMINISTERED TERRITORY." BAPTIST MISSIONARIES ARE CREDITED WITH STOPPING OR REDUCING HEAD-HUNTING AMONG THEM.

THE REBEL ATTACK ON LASHIO PIERCED THE SMALL DEFENSES AT DAWN SUNDAY, OFFICIAL REPORTS SAID, AND THE GOVERNMENT GARRISON IMMEDIATELY STARTED WITHDRAWING. A GOVERNMENT SCOUT PLANE REPORTED ALL HAD BEEN QUIET SATURDAY AFTERNOON WHEN IT FLEW OVER LASHIO.

GROUNDING OF PLANES BOUND FOR LASHIO GAVE THE FIRST INTIMATION THAT THE TOWN HAD BEEN LOST TO THE REBELS.

TH314PED

NIGHT LEAD ECONOMY

WASHINGTON, AUG. 29-(AP)-A SENATE MOVE TO FORCE PRESIDENT TRUMAN TO SLASH SPENDING TO A LEVEL 5 TO 10 PER CENT BELOW HIS ADVANCE ESTIMATES WAS DEFEATED IN THE SENATE TODAY BY THE NARROW MARGIN OF FOUR VOTES.

THE VOTE WAS 48 FOR THE CUT ORDER AND ONLY 29 AGAINST. BUT A TWO THIRDS MAJORITY WAS REQUIRED FOR PASSAGE.

THE PLAN, OFFERED AS AN AMENDMENT TO A BIG DEFENSE APPROPRIATIONS BILL, WOULD HAVE REQUIRED THE PRESIDENT TO HOLD SPENDING FOR THE CURRENT FISCAL YEAR SONE $2,000,000,000 TO $4,000,000,000 BELOW THE ESTIMATES HE MADE LAST JANUARY.

TO CARRY OUT THE DIRECTIVE, HE PROBABLY WOULD HAVE HAD TO TURN BACK SOME APPROPRIATIONS VOTED BY CONGRESS. HE WOULD HAVE HAD DISCREATION IN PICKING THE PLACES TO CUT.

FOES OF THE PROPOSED CUT ORDER SAID IT AMOUNTED TO PASSING THE ECONOMY BUCK TO THE PRESIDENT. SUPPORTERS OF THE DIRECTIVE SAID THE PRESIDENT WAS IN THE BEST POSITION TO DETERMINE WHERE TO CUT.

AFTER THE DECISION ON THIS ISSUE, THE SENATE PASSED BY VOICE VOTE A $14,800,000,000 APPROPRIATIONS BILL TO PAY FOR NATIONAL DEFENSE--THE COSTS OF THE ARMY, NAVY AND AIR FORCE. THIS WAS SOME $500,000,000 LESS THAN PRESIDENT TRUMAN ASKED.

IT ALSO WAS ABOUT $1,100,000,000 UNDER THE $15,900,000,000 FIGURE VOTED BY THE HOUSE. A COMPROMISE SENATE-HOUSE COMMITTEE WILL TRY TO REACH AN AGREEMENT.

IN THE PROCESS OF PASSING THE GIGANTIC MONEY BILL WHICH REPRESENTS MORE THAN A THIRD OF ALL GOVERNMENT COSTS, THE SENATE ALSO:

1. DEFEATED 45 TO 31 AN AMENDMENT BY BUTTER STATE SENATORS TO PREVENT USE BY THE MILITARY OF OLEOMARGARINE FOR ANYTHING BUT COOKING PURPOSES. A SIMILAR PROVISO HAS BEEN A STANDARD FEATURE OF THE APPROPRIATIONS BILLS, BUT HOUSE AND SENATE COMMITTEE TOSSED IT OUT THIS YEAR.

2. VOTED DOWN 49 TO 25 AN AMENDMENT BY SENATOR DOUGLAS (D-ILL) TO SEND THE BILL BACK TO COMMITTEE AND ORDER ANOTHER $273,000,000 REDUCTION.

SENATOR MCCLELLAN (D-ARK) LED A BIG GROUP OF DEMOCRATS AND REPUBLICAS IN ATTEMPTING TO NAIL ONTO THE BILL THE "RIDER" REQUIRING PRESIDENT TRUMAN TO CUT TOTAL SPENDING.

A19VX

MCCLELLAN TOLD THE SENATE THIS WOULD MEAN A MINIMUM SAVING OF $2,000,000,000. HE ESTIMATED THAT CONGRESS ALREADY HAS HELD APPROPRIATIONS $1,750,000,000 BELOW BUDGET ESTIMATES SO FAR.

DEMOCRATIC LEADER LUCAS OF ILLINOIS, BATTLING THE RIDER AS AN ATTEMPT TO SHIFT RESPONSIBILITY TO THE PRESIDENT, DISPUTED MCCLELLAN'S FIGURES. HE CONTENDED IT WOULD MEAN THAT MR.TRUMAN PROBABLY WOULD HAVE TO CUT ANOTHER $700,000,000. MOST OF THIS, LUCAS SAID, WOULD HAVE TO COME FROM DEFENSE AND FOREIGN AID FUNDS, ALREADY CHOPPED DOWN. OR, HE SAID, IT WOULD HAVE TO BE TAKEN FROM VETERANS, THE FARM PROGRAM OR OTHER "ESSENTIAL FUNCTIONS."

LUCAS ARGUED THAT IT WAS AN ATTEMPT TO TELL THE PRESIDENT TO DO WHAT CONGRESS LACKED COURAGE TO DO. HE DUBBED IT A "POLITICAL GESTURE" AND ASKED "WOULD THEY IMPEACH HIM?" IF MR.TRUMAN WAS UNABLE TO SAVE AS MUCH AS ORDERED.

"ON THE CONTRARY," CONTENDED MCCLELLAN, "IT IS SOUND LEGISLATION NECESSARY IN THE PUBLIC WELFARE, AND FAILURE TO BALANCE THE BUDGET OR TO HOLD THE DEFICIT TO THE MINIMUM THIS AMENDMENT MAKES POSSIBLE MAY WELL PROVE TO BE A STUPID AND DANGEROUS BLUNDER."

THE ARKANSAS SENATOR CONTENDED THAT THE PRESIDENT HAD EQUAL RESPONSIBILITY WITH CONGRESS FOR MAINTAINING SOUND FINANCIAL POLICIES, AND THEREFORE THE DIRECTIVE WAS NOT OUT OF ORDER.

IT WAS A RULING BY VICE PRESIDENT BARKLEY THAT SEALED THE DOOM FOR THE AMENDMENT. HE WAS UPHELD BY A 41 TO 36 ROLLCALL VOTE.

BARKLEY HELD THAT A POINT OF ORDER COULD BE MADE THAT THE RIDER DID NOT BELONG IN THE BILL UNDER SENATE RULES. WHEN THE SENATE SUPPORTED THIS, IT THEN REQUIRED A TWO-THIRDS VOTE TO SUSPEND THE RULES AND ATTACH THE RIDER ANYWAY. AT THIS POINT, THE DRIVE BROKE DOWN.

SENATOR TAFT (R-OHIO) JOINED THE FIGHT TO PASS THE DIRECTIVE, ARGUING THAT IT WAS "PERFECTLY LOGICAL AND REASONABLE."

SUPPORTERS POINTED OUT THAT THE BILL ALREADY CONTAINED A DIRECTIVE TO SECRETARY OF DEFENSE JOHNSON TO KNOCK $433,000,000 FROM FUNDS ALLOWED THE ARMY, NAVY AND AIR FORCE. JOHNSON AGREED TO DO SO.

FOES OF THE MOVE ARGUED THAT IF CARRIED TOO FAR THE POLICY WOULD BE A DANGEROUS DELEGATION OF AUTHORITY TO THE EXECUTIVE BRANCH.

THE APPROPRIATION BILL'S BIG CUT CAME IN FUNDS VOTED BY THE HOUSE FOR THE AIR FORCE IN AN ATTEMPT TO INCREASE ITS STRENGTH TO 58 GROUPS. THE ADMINISTRATION HAD REQUESTED FUNDS FOR 48 GROUPS, AND THE SENATE CUT IT BACK TO THIS.

THE OLEOMARGARINE DEBATE ALSO TOOK AN ECONOMY TURN. SENATOR FULBRIGHT (D-ARK) CONTENDED THAT USE OF OLEO INSTEAD OF BUTTER WOULD PERMIT A SAVING OF $10,000,000 OR $11,000,000 A YEAR.

MD522PED

(470) NIGHT LEAD BRITISH

WASHINGTON, AUG 29-(AP)-GEOFFREY CROWTHER, A PROMINENT BRITISH EDITOR, SUGGESTED TODAY THAT TO SOLVE HER PROBLEMS HIS COUNTRY MUST GET AWAY FROM ANY IDEA THE WORLD OWES HER A LIVING.

CROWTHER, EDITOR OF THE LONDON WEEKLY THE ECONOMIST, MADE THE COMMENT AS PRELIMINARY TALKS CONTINUED HERE LOOKING TO A SOLUTION TO GREAT BRITAIN'S SERIOUS DOLLAR CRISIS.

"WE HAVE SLIPPED IN THE LAST GENERATION IN ENGLAND INTO BELIEVING THAT THE WORLD NOT MERELY OWES US A LIVING, BUT THAT THE WORLD WILL MEETS ITS OBLIGATION AND PROVIDE US WITH A LIVING," CROWTHER SAID IN A COPYRIGHTED INTERVIEW PUBLISHED IN THE NAGAZINE U.S. NEWS AND WORLD REPORT.

"WE HAVE GOT TO BE WILLING TO FACE THE UNCOMFORTABLE FACT THAT THE WORLD VALUES THE SERVICES OF THE BRITISH PEOPLE LESS HIGHLY THAN THEY VALUE THEM THEMSELVES."

PAUL G. HOFFMAN, MARSHALL PLAN ADMINISTRATOR, SAID MEANWHILE THAT BRITAIN'S GAINS IN PRODUCTIVITY REPRESENT A "SUPERB ACCOMPLISHMENT."

HE WAS RELUCTANT TO DISCUSS AT A NEWS CONFERENCE THE FORTHCOMING U.S.-BRITISH-CANADIAN FINANCIAL TALKS. BUT HE DID SUGGEST THAT THE SOLUTION TO THE UNITED KINGDOM'S DOLLAR SHORTAGE LIVES IN EVEN HIGHER PRODUCTIVITY AND LOWER PRODUCTION COSTS.

HOFFMAN SAID VERY REAL ECONOMIC PROGRESS HAS BEEN MADE IN EUROPE GENERALLY BUT "MUCH, MUCH MORE" NEEDS TO BE DONE. HE HAS JUST RETURNED FROM EUROPE.

"THE MARCH OF COMMUNISM HAS BEEN STOPPED; WESTERN EUROPE IS SHOWING MARKED DEVELOPMENT TOWARD ECONOMIC SOLVENCY AND POLITICAL STABILITY; PRODUCTION HAS BEEN GREATLY INCREASED," HOFFMAN SAID.

IN ADVANCE OF THE HIGH-LEVEL FINANCIAL TALKS WHICH WILL START THIS WEEKEND, THERE WERE INDICATIONS THAT PREVIOUSLY RUFFLED TEMPERS ON BOTH SIDES HAD COOLED BEFORE PRELIMINARY DISCUSSIONS STARTED HERE SATURDAY.

CANADIAN REPRESENTATIVES WERE UNDERSTOOD TO BE PREPARED TO ASSUME A MEDIATOR'S ROLE IN THE EVENT OF FURTHER FRICTION IN THE DELICATE EXAMINATION OF THE REASONS FOR BRITAIN'S FINANCIAL CRISIS AND WHAT TO DO ABOUT IT.

A29WX

CROWTHER, WHO WAS INTERVIEWED IN LONDON, SAID THE MOST IMPORTANT THING FOR GREAT BRITAIN TO DO IS LOWER HER PRODUCTION COSTS--"OR TO PUT IT ANOTHER WAY, TO RESTORE THE BRITISH PEOPLE'S BELIEF IN GIVING VALUE FOR MONEY."

THIS SHIFT IN ATTITUDE, HE SAID, WILL REQUIRE "WHAT YOU CAN ALMOST CALL A MORAL REVOLUTION."

CROWTHER SAID HIS COUNTRY'S "BASIC POSITION IN THE WORLD IS SOUND." BUT HE POINTED TO THREE FACTORS WHICH HE SAID WILL MAKE IT DIFFICULT TO LOWER PRODUCTION COSTS:

1. THE LABOR GOVERNMENT'S VAST SOCIAL PROGRAM HAS MADE IT "A LITTLE TOO EASY TO LEAD A SOFT AND EASY LIFE."
2. HEAVY TAXATION HAS RESULTED IN "A CONSIDERABLE DISINCENTIVE TO WORK."
3. THE ABSENCE OF UNEMPLOYMENT HAS LED WORKERS TO RELAX THEIR EFFORTS BECAUSE "UNLESS A MAN HAS A CERTAIN HEALTHY APPREHENSION OF LOSING HIS JOB, YOU CAN'T EXPECT HIM TO WORK AS WELL AS HE MIGHT DO."

MEANWHILE, OFFICIALS OF BRITAIN, CANADA AND THE U.S. MET FOR TWO HOURS TO CONTINUE THEIR FACT-FINDING TALKS.

THE BRITISH DELEGATION HEADED BY SIR HENRY WILSON SMITH DEVOTED MOST OF A MORNING SESSION TO REVIEWING BRITAIN'S PRODUCTION AND EXPORT EFFORTS.

PF/V607PED

PMS (500) BRITISH

BY JOHN SCALI

WASHINGTON,AUG.29-(AP)-CANADA WAS REPORTED READY TODAY TO ASSUME THE MEDIATOR'S ROLE IF THE GOING GETS ROUGH IN THE DELICATE FINANCIAL TALKS BETWEEN BRITAIN AND THE UNITED STATES.

CANADA'S SOOTHING WORDS MAY NOT BE NEEDED. PREVIOUSLY RUFFLED TEMPERS ON BOTH SIDES HAD COOLED CONSIDERABLY BY THE TIME PRELIMINARY TALKS GOT UNDERWAY FRIDAY.

NONETHELESS, CANADIAN DELEGATES TO THE MEETING ARE WATCHING CAREFULLY FOR ANY OUTBREAK OF THE PRE-CONFERENCE BICKERING THAT ALARMED THE OTTAWA GOVERNMENT.

THE DOMINION'S TOP REPRESENTATIVE AT THE CURRENT SESSIONS, NORMAN ROBERTSON, IS UNDERSTOOD TO HAVE COME FROM OTTAWA WITH INSTRUCTIONS TO BE "HELPFUL" TO BOTH SIDES IN REACHING AN AGREEMENT.

LESTER B.PEARSON, CANADA'S FOREIGN MINISTER, IS REPORTED PRIMED TO CONTINUE THIS PEACE-MAKING ROLE WHEN HE ARRIVES THIS COMING WEEKEND FOR HIGH-LEVEL DISCUSSIONS WITH TOP AMERICAN AND BRITISH CABINET OFFICERS.

PEARSON, A FORMER CANADIAN AMBASSADOR TO THE UNITED STATES, ADVISED BOTH SIDES IN A SPEECH LAST WEEK TO CALM DOWN. HIS REMARKS CAME AT A TIME WHEN BRITISH AND AMERICAN NEWSPAPERS AND POLITICIANS WERE HURLING CHARGES AND COUNTER-CHARGES ACROSS THE ATLANTIC.

A SERIOUS SPLIT BETWEEN BRITAIN AND THE UNITED STATES, HE WARNED, WOULD BE A TREMENDOUS SETBACK TO THE WESTERN WORLD AND WOULD BENEFIT ONLY THE LEADERS OF SOVIET RUSSIA.

"THEIR ILL-CONCEIVED SATISFACTION OVER THIS POSSIBILITY SHOULD BE OUR WARNING NOT TO PERMIT IT TO HAPPEN," PEARSON SAID.

STATE DEPARTMENT OFFICIALS WHO SAT IN ON THE FIRST "FACT FINDING" DISCUSSIONS WHICH BEGAN LAST FRIDAY SAID THE MEETINGS WERE FRIENDLY AND DEVOID OF ANY RECRIMINATION.

THEY EXPRESSED HOPE THIS ATMOSPHERE WOULD CONTINUE INTO LATER DISCUSSIONS, WHEN THE NEGOTIATORS OF ALL THREE GOVERNMENTS PLUNGE INTO DETAILED EXAMINATION OF THE REASONS FOR BRITAIN'S UNEXPECTED FINANCIAL CRISIS.

A25WX

ALTHOUGH OUTWARDLY CONFIDENT, OFFICIALS OF THE THREE GOVERNMENTS ARE GLOOMY ABOUT THE CHANCES OF DISCOVERING A LONG-RANGE SOLUTION FOR BRITAIN'S ACUTE DOLLAR SHORTAGE.

THE BIGGEST CHANCE FOR FRICTION DURING THE TALKS APPEARS TO BE IN THE DISCUSSION OF WHAT IS RESPONSIBLE FOR BRITAIN'S ECONOMIC SLUMP. MANY BRITISH OFFICIALS ARE KNOWN TO BELIEVE THAT THE BUSINESS RECESSION IN THE UNITED STATES, COUPLED WITH HIGH AMERICAN TARIFFS, IS THE MAIN FACTOR.

SECRETARY OF THE TREASURY SNYDER IN THE PAST HAS BEEN IRRITATED BY THIS ARGUMENT AND IS REPORTED READY TO DENY IT EMPHATICALLY IF THE TIME COMES.

SNYDER IS KNOWN TO BELIEVE THAT UNWILLINGNESS TO DEVALUE THE POUND FROM THE PRESENT $4.03 LEVEL HAS BEEN ONE OF THE BIG REASONS FOR BRITAIN'S PLIGHT. BUT HE IS REPORTED NOW TO HAVE DECIDED NOT TO PRESS THE BRITISH ON THIS POINT.

HE FEARS THAT IF HE DOES AND BRITAIN'S ECONOMIC CRISIS CONTINUES, AS IT MAY, THE BRITISH MAY BLAME THAT SUGGESTION FOR THEIR CONTINUED FINANCIAL TROUBLES.

IN THE DISCUSSIONS THUS FAR, TWO POSSIBLE REMEDIES HAVE BEEN UNDER CONSIDERATION.

ONE, PROPOSED BY THE BRITISH, WOULD CALL FOR INCREASED AMERICAN AND CANADIAN PURCHASES OF FOREIGN GOODS, WITH THE IDEA THAT THE DOLLARS THUS SPENT WOULD EVENTUALLY FIND THEIR WAY INTO BRITAIN'S DEPLETED STOCKS. THE BRITISH, FOR THEIR PART, WOULD TRY TO BOOST EXPORTS AND CUT COSTS.

THE OTHER PLAN, REPORTEDLY UNDER DISCUSSION BY AMERICAN OFFICIALS, WOULD PERMIT BRITAIN TO BUY FEWER AMERICAN GOODS--AND THUS SPEND FEWER DOLLARS--THAN SHE IS NOW REQUIRED TO BUY UNDER THE BRITISH LOAN AGREEMENT.

ES357AED

SAID WHITE AT THE NEWS CONFERENCE: Wash Water Gun.

"THERE IS NO SECRET ABOUT ANY OF THESE. WE DIDN'T STEEL ANY OF THEM. WE DIDN'T GET ANY OF THEM AT THE POINT OF A GUN."

HUNT HAS BEEN ILL, BUT CHAIRMAN HOEY (D-NC) SAID THE COMMITTEE PLANS TO CALL HIM AS SOON AS HE IS ABLE TO TESTIFY. IT HAS BEEN ESTIMATED THAT HE WON'T BE READY FOR A HEARING FOR AT LEAST A MONTH.

HERE ARE SOME OF THE SUBJECTS VAUGHAN PROBABLY WILL BE ASKED TO DISCUSS:

--THE RACE TRACK--

OFFICIALS OF TANFORAN RACE TRACK, IN CALIFORNIA, WANTED SOME SCARCE BUILDING MATERIALS. HOUSING EXPEDITER TIGHE WOODS HAS TESTIFIED THAT VAUGHAN CAME TO HIM, ASKED THAT HE "PLEASE HURRY," AND THAT TANFORAN GOT THE PERMIT THE NEXT DAY.

BOTH MARAGON AND HUNT WERE MENTIONED IN CONNECTION WITH THE ATTEMPT TO GET THE RACE TRACK PERMIT.

WOODS' PICTURE WAS AMONG THOSE ON HUNT'S WALLS. IT HAD THE INSCRIPTION:

"TO JIM HUNT WITH FONDEST REGARDS

"TIGHE WOODS

"HOUSING EXPEDITER"

--MOLASSES--

HERBERT C.HATHORN, FORMERLY AN EMPLOYE OF THE AGRICULTURE DEPARTMENT, SAID VAUGHAN ONCE MADE IT CLEAR HE COULD GET HATHORN'S JOB.

THIS WAS AFTER VAUGHAN AND MARAGON TRIED TO GET THE DEPARTMENT TO AUTHORIZE MORE SUGAR FOR THE ALLIED MOLASSES CO. OF PERTH AMBOY, N.J., HATHORN SAID. IN SPITE OF THE PRESSURE VAUGHAN APPLIED, HATHORN SAID, THE REQUEST WAS TURNED DOWN.

--DEEP FREEZES--

AMONG THE RECIPIENTS OF THE HOME FREEZERS: GENERAL VAUGHAN AND THE LITTLE WHITE HOUSE IN INDEPENDENCE,MO.

VAUGHAN LATER SAID--IN HIS ONLY PUBLIC STATEMENT TO DATE--THAT HE WAS GIVEN THE FREEZES BY DAVID BENNETT, AN OLD FRIEND OF HIS. MARAGON FORMERLY WORKED FOR GENNETT'S PERFUME FIRM.

--PERFUME--

TESTIMONY HAS DISCLOSED THAT VAUGHAN WROTE A LETTER OF INTRODUCTION FOR BENNETT, WHO FLEW TO PARIS IN AN AIR TRANSPORT COMMAND PLANE ONLY THREE DAYS AFTER V-E DAY.

A3WX

LESS THAN THREE WEEKS AFTER HE RETURNED, THE FIRST OF TWO OF THE FREEZERS, PAID FOR BY BENNETT, WERE ON THEIR WAY. BOTH SENATORS MCCARTHY AND MUNDT (R-SD) HAVE TRIED TO ESTABLISH SOME CONNECTION BETWEEN THESE TWO EPISODES, BUT VAUGHAN HAS INSISTED HE DID NOTHING IMPROPER.

VAUGHAN ALSO SOUGHT A PASSPORT FOR MARAGON, WHO WANTED TO MAKE A TRIP TO ITALY FOR VERLEY. IT WAS ON THIS REQUEST THAT A PENCILLED NOTE SHOWED UP, SAYING THAT VAUGHAN HAD SAID THAT MR.TRUMAN WAS "PERSONALLY INTERESTED" IN THE TRIP.

VAUGHAN ALSO SMOOTHED THE WAY FOR BENNETT TO GET INTO THE BRITISH ZONE OF GERMANY IN 1948. BENNETT SAID HE WANTED TO VISIT A SICK FRIEND.

--CHAMPAGNE--

IN JULY, 1945, MARAGON RETURNED FROM PARIS, ON A BUSINESS TRIP FOR THE PERFUME COMPANY. HE HAD WITH HIM, HE SAID, SOME CHAMPAGNE FOR THE WHITE HOUSE. THIS TURNED OUT TO BE PERFUME, AND WAS CONFISCATED.

MARAGON LATER PAID $1,500 FOR THE PERFUME--$355 IN DUTY PAYMENTS AND A $1,145 PENALTY.

MCCARTHY HAS MAINTAINED THAT MARAGON GOT OFF LIGHTLY FROM "A CLEAR CUT CASE OF SMUGGLING," AND THAT THERE MUST BE SOME REASON.

CHAIRMAN HOEY HAS MAINTAINED THAT THIS IS A NORMAL PROCEDURE ON THE PART OF THE CUSTOMS DEPARTMENT, AND THAT SIMILAR CASES ARE HANDLED THE SAME WAY.

GG4Q1PED

AUG 29 1949

WATERTOWN, N.Y., AUG. 29-(AP)-SENATOR JOHN FOSTER DULLES SAYS THE UNITED STATES IS RELYING GREATLY ON MILITARY MIGHT AND THAT ITS PRESENT COURSE "SKIRTS, DANGEROUSLY, THE ROAD TO WAR."

"OUR LEADERS TAKE THAT RISK BECAUSE THEY FEEL THAT THERE IS NO ADEQUATE ALTERNATIVE," THE NEW YORK REPUBLICAN DECLARED YESTERDAY IN A SERMON AT THE FIRST PRESBYTERIAN CHURCH, WHERE HIS FATHER, THE LATE REV. ALLEN MACY DULLES, ONCE WAS PASTOR.

DULLES, WHO SERVED ON THE U.S. DELEGATION TO THE UNITED NATIONS, DECLARED:

"TODAY OUR NATION IS RELYING GREATLY ON MATERIAL AND MILITARY MIGHT. THAT IS DANGEROUS. A NATION THAT POSSESSES A GREAT MILITARY ESTABLISHMENT IS LIKELY TO BE INFLUENCED BY THE COUNSEL OF PERSONS WHO BELIEVE IN THE INEVITABILITY OF WAR OR WHO BELIEVE THAT GOOD ENDS CAN BE GAINED BY VIOLENT MEANS. X X X

"POLICY MAKERS WORK WITH THE TOOLS THAT, IT SEEMS, CAN BE MADE AVAILABLE. ECONOMIC AND MILITARY POWER CAN BE DEVELOPED UNDER THE SPURT OF LAWS AND APPROPRIATIONS, BUT MORAL POWER DOES NOT DERIVE FROM ANY ACT OF CONGRESS. IT DEPENDS ON THE RELATIONS OF A PEOPLE TO THEIR GOD.

"IT IS THE CHURCHES TO WHICH WE MUST LOOK TO DEVELOP THE RESOURCES FOR THE GREAT MORAL OFFENSIVE THAT IS REQUIRED TO MAKE HUMAN RIGHTS SECURE AND TO WIN A JUST AND LASTING PEACE."

DULLES SAID THAT CONGRESS WAS WORKING ON GREAT PLANS TO HALT COMMUNISM BY GIVING ECONOMIC AND MILITARY AID TO "THOSE WHO WE HOPE WILL RESIST."

"IT IS HOWEVER, PERFECTLY CLEAR," HE ADDED, "THAT THESE PLANS WILL NOT SUCCEED IF THEY MERELY PUT MATERIAL THINGS INTO THE HANDS OF MEN WHO DO NOT HAVE A SPIRITUAL FAITH AND WHO DO NOT FEEL A SENSE OF HUMAN BROTHERHOOD AND OF SOCIAL RESPONSIBILITY."

JB726AED

GROTON, CONN., AUG 29-(AP)-SURVIVORS OF THE SUBMARINE COCHINO, WHICH SANK FRIDAY AFTER AN EXPLOSION IN ARCTIC WATERS OFF NORWAY, SAILED TODAY FOR NEW LONDON FROM TOMSOE, NORWAY. THEY ARE ABOARD THE SUBMARINE TUSK, THE NAVY'S SUBMARINE BASE HERE REPORTED.

THE TUSK, WHICH WAS ON MANEUVERS WITH THE COCHINO, RESCUED HER CREW OF 77 OFFICERS AND MEN AFTER THE EXPLOSION, BUT LOST SIX OF HER OWN OFFICERS AND MEN, SWEPT OVERBOARD BY HIGH SEAS. A CIVILIAN TECHNICIAN ABOARD THE COCHINO WAS KILLED.

TWO OFFICERS AND THREE CREWMEN OF THE COCHINO, SUFFERING FROM BURNS AS A RESULT OF THE EXPLOSION, WERE LEFT BEHIND. THE OFFICE OF REAR ADMIRAL JAMES FIFE, COMMANDER OF THE ATLANTIC FLEET SUBMARINE FORCE, SAID THE MOST SERIOUSLY BURNED WAS THE COCHINO'S EXECUTIVE OFFICER, LIEUTENANT COMMANDER RICHARD MORGAN WRIGHT OF SAN FRANCISCO. HE IS REPORTED TO BE IN FAVORABLE CONDITION AT A TROMSOE HOSPITAL.

THE OTHER FOUR CASUALTIES WERE FLOWN FROM TROMSOE TO A HOSPITAL IN LONDON. THEY ARE LIEUTENANT (JG) RICHARD K.BRANSOM OF QUAKER HILL, WATERFORD; ENGINEMAN 1C WILLIAM H.PAYNE OF GROTON; APPRENTICE FIREMAN RALPH T.ROSETH OF EDMORE, N.C., AND ENGINEMAN 3C CHARLES M.SERIO OF BUFFALO, N.Y.

THE TUSK CLEARED TROMSOE AT 9 A.M., EASTERN STANDARD TIME, AND IS EXPECTED TO COMPLETE THE 3,625-MILE VOYAGE TO THIS PORT SEPTEMBER 9 OR 10.

THE SUBMARINE BASE SAID IT BELIEVED ALL 72 UNINJURED COCHINO SURVIVORS WERE ABOARD THE TUSK, BUT WAS NOT CERTAIN THAT SOME OF THEM HAD NOT BEEN TRANSFERRED TO OTHER CRAFT.

XB138PED

AUG 29 1949

30.24- 5341

DES MOINES, AUG.29-(AP)-IF JOE STALIN INTENDS TO ACCEPT AN INVITATION TO ATTEND THE AMVETS' NATIONAL CONVENTION OPENING HERE THIS WEEK END HE HASN'T SO NOTIFIED THOSE IN CHARGE.

HAROLD KEATS OF FORT LAUDERDALE, FLA., AMVET NATIONAL COMMANDER, TOLD A NEWS CONFERENCE TODAY THE RUSSIAN PREMIER WAS INVITED TOO SPEAK OR SEND A STATEMENT.

THE REGISTERED LETTER OF INVITATION GOT A RETURN CARD SHOWING THAT STALIN RECEIVED IT, BUT NO ANSWER.

"WE THOUGHT BY CHANCE HE MIGHT SEND A STATEMENT," KEATS RELATED. "WE TOLD HIM WHO WE WERE--AN ORGANIZATION OF AMERICAN VETERANS OF WORLD WAR II."

KEATS SAID WINSTON CHURCHILL ALSO WAS INVITED, AND HE SENT A STATEMENT WHICH WILL BE READ TO THE CONVENTION. STATEMENTS FROM GENERAL DOUGLAS MAC ARTHUR AND MADAME CHANG KAI SHEK ALSO WILL BE READ.

RW912PCS

SECOND NIGHT LEAD STUDENTS (120)

NEW YORK, AUG. 29-(AP)-TWENTY-FIVE (CQ) STUDENTS, STRANDED IN NEW YORK OVERNIGHT BY TRANSPORTATION TROUBLES ON THEIR RETURN FROM A PLANE TRIP TO EUROPE, WERE OFF ON THE LAST LAP TONIGHT.

THE GROUP, ALL THAT WAS LEFT OF A TOURIST PARTY OF 46, LEFT LA GUARDIA FIELD AT 8:22 P.M. (EST) ABOARD A ROBIN AIRLINE PLANE BOUND FOR CHICAGO.

THEY HAD SPENT A DAY OF UNCERTAINTY AFTER THEIR PAID-FOR TRIP FROM CHICAGO TO AMSTERDAM AND BACK TO CHICAGO ABRUPTLY ENDED HERE.

NEARLY, HALF THE GROUP HAD FOUND THEIR OWN WAYS HOME. THOSE LEFT BEHIND COMPLAINED THAT THE STAY IN NEW YORK COST THEM AN EXTRA $10 TO $25.

BUT TONIGHT MOST OF THEM WERE PLACATED, BEFORE THEY BEGAN THE LAST LEG OF THE TRIP, BY A STEAK DINNER GIVEN THEM BY THE AIRLINE THEY HAD PAID FOR THE TOUR.

THE ORIGINAL 46, INCLUDING SOME TEACHERS, ARRIVED AT IDLEWILD INTERNATIONAL AIRPORT LAST NIGHT TO FIND THAT THERE WERE NO ARRANGEMENTS FOR THEIR TRANSPORTATION ANY FURTHER.

ALASKA AIRLINES, WHICH HAD SOLD THEM THE ROUND-TIP TOURS FOR $350, HAD BEEN FORCED TO HALT ITS OVERSEAS OPERATIONS BECAUSE OF A CIVIL AERONAUTICS BOARD RULING.

ALASKA HAD ARRANGED WITH THE SEABOARD AND WESTERN AIRLINES TO GET THE GROP FROM AMSTERDAM TO NEW YORK. BUT SEABOARD CANNOT FLY FROM HERE TO CHICAGO.

CONTRACT ALASKA AIRLINES SAID IT WOULD FULFILL ITS

AT FIRST ALASKA AIRLINES SAID IT WOULD FULFILL ITS CONTRACT AND FIND A WAY TO CHICAGO FOR THE STUDENTS.

THEN A COMPANY OFFICIAL IN SEATTLE SAID THE CAB RULING HAD TERMINATED THE CONTRACT--AND THE GROUP WOULD HAVE TO GET BACK TO CHICAGO THE BEST WAY IT COULD.

MOST OF THE STUDENTS WERE SHORT OF CASH, BUT SOME MADE ARRANGEMENTS TO GET HOME BY AIR OR RAILROAD.

OTHERS FOUND LODGINGS IN THE CITY. SEVENTEEN-INCLUDING EIGHT WOMEN--SPENT THE NIGHT ON COATS AND IN LOUNGES AT THE AIRPORT, POOLING THEIR RESOURCES FOR COFFEE AND SANDWICHES.

TODAY ALASKA AIRLINES CHANGED ITS MIND AGAIN. THE LINE ANNOUNCED IT HAD ARRANGED WITH THE ROBIN AIR LINE TO CARRY THE STUDENTS BACK TO CHICAGO.

THE AIRLINE SAID THE ARRANGEMENT WITH SEABOARD TO GET THE STUDENTS TO NEW YORK HAD COST ALASKA MORE THAN THE LINE GOT FROM THE STUDENTS.

THE TIRED-LOOKING GROUP OF 17 AT IDLEWILD SAT OUT THE DELAY THERE UNTIL MID-AFTERNOON. THEN, JOINED BY FIVE OF THEIR FELLOW TOURISTS WHO HAD STAYED IN MANHATTAN HOTELS, THEY WERE TAKEN TO LA GUARDIA FIELD--FOR ANOTHER WAIT UNTIL THEY BOARDED THE CHICAGO PLANE.

DY618PED

FIRST LEAD FOLO NEW YORK STUDENTS

SEATTLE,AUG.28-(AP)-FORTY STUDENTS STRANDED AT NEW YORK'S INTERNATIONAL AIRPORT ARE GOING TO HAVE TO MAKE THEIR WAY HOME BY THEMSELVES, THE SALES MANAGER OF ALASKA AIRLINES SAID HERE TONIGHT.

THE OFFICIAL, LES GREENING, SAID THE COMPANY'S CONTRACT WITH THE STUDENTS FOR TRANSPORTATION TO AND FROM AMSTERDAM, HOLLAND, HAD BEEN TERMINATED BY A CIVIL AERONAUTICS BOARD ORDER TO "CEASE AND DESIST" SERVICE PENDING A HEARING OF CHARGES THE AIRLINE HAD VIOLATED SAFETY REGULATIONS.

HE SAID THE COMPANY HAD DISCONTINUED ALL OVERSEAS OPERATIONS WITH ISSUANCE OF THE CAB ORDER, BUT HAD ARRANGED WITH SEABOARD AND WESTERN AIRLINES TO RETURN THE STUDENTS FROM AMSTERDAM TO NEW YORK. HE SAID THE STUDENTS HAD BEEN ASSURED ONLY THAT THEY WOULD BE RETURNED TO THE UNITED STATES.

MOST OF THE STRANDED STUDENTS LIVE IN ILLINOIS AND WERE ORIGINALLY SCHEDULED TO BE BROUGHT TO CHICAGO.

EARLIER, GREENING HAD SAID ALASKA AIRLINES WOULD CARRY OUT TERMS OF THE ORIGINAL CONTRACT AND RETURN THE STUDENTS TO CHICAGO.

HE DENIED A REPORTED STATEMENT BY A FORMER PILOT OF THE COMPANY THAT THE LINE HAD SUSPENDED OPERATIONS. HE SAID ALASKA AIRLINES STILL OPERATED CERTIFICATED ROUTES IN ALASKA AND AS A NON-SCHEDULED CARRIER FROM ALASKA TO SEATTLE AND FROM FAIRBANKS AND ANCHORAGE, ALASKA, DIRECT TO MINNEAPOLIS AND CHICAGO.

(NO PICKUP)

VR236AGS NM AG

CX

NEW YORK, AUG. 29-(AP)-MSGR. FULTON J. SHEEN, RETURNING TODAY FROM A MONTH-LONG VACATION IN EUROPE, SAID HE DID NOT THINK ENGLAND FACED THE DANGER OF GOING COMMUNISTIC IN A DEPRESSION.

"IT WILL TURN TO A MIDDLE COURSE OF LIGHTER DISTRIBUTION OF PRIVATE PROPERTY TO THE WORKERS IN ENGLAND," HE TOLD REPORTERS ON ARRIVAL BY PLANE.

SHEEN SAID THE RUSSIANS "DEFINITELY LOST THEIR OUTPOSTS IN FRANCE, ITALY AND BELGIUM."

TU439PED

A112 (150)
NEW YORK,AUG.29-(AP)-THE ATOMIC BOMBING OF HIROSHIMA ON AUG. 6, 1945, TOOK 210,000 TO 240,000 LIVES, INCLUDING THOSE OF 30,000 TROOPS, SAYS THE MAYOR OF THE JAPANESE CITY.
MAYOR SHIMZO HAMAI WAS INTERVIEWED YESTERDAY BY NORMAN COUSINS, EDITOR OF THE SATURDAY REVIEW OF LITERATURE. THE INTERVIEW WAS CARRIED BY THE AMERICAN BROADCASTING COMPANY.
THE MAYOR SAID HE BASED HIS ESTIMATE ON THE NUMBER OF RATION CARDS HE ISSUED BEFORE AND AFTER THE EXPLOSION. HAMAI WAS THE CITY'S RATION COMMISSIONER DURING THE WAR.
HAMAI'S FIGURE IS HIGHER THAN ANY PREVIOUSLY USED BY JAPANESE OR AMERICAN SOURCES.
THE U.S. STRATEGIC BOMBING SURVEY REPORTED ON JUNE 29, 1946, THAT THE MOST PLAUSIBLE ESTIMATE OF DEAD WAS 70,000 TO 80,000 WITH AN EQUAL NUMBER INJURED. SUPREME ALLIED HEADQUARTERS AT TOKYO ON FEB. 3, 1946, ESTIMATED 78,000 DEAD AND 14,000 MISSING.
HAMAI'S FIGURES ON THE SOLDIER DEAD ARE NEW. HE DOCUMENTED HIS ESTIMATE BY ENUMERATING THE TROOP ORGANIZATIONS INVOLVED.
BJ1049AED

NIGHT LEAD MRS. ROOSEVELT (190)
NEW YORK, AUG. 29-(AP)-HER WORK WITH THE AMERICAN YOUTH CONGRESS TAUGHT HER A LOT ABOUT COMMUNIST TACTICS, MRS. FRANKLIN D. ROOSEVELT WROTE TODAY IN MC CALL'S MAGAZINE.
THE FORMER FIRST LADY SAID SHE KNEW FOR A LONG TIME THAT THE AYC FOLLOWED THE COMMUNIST LINE.
HOWEVER, SHE SAID IN THE FOURTH INSTALLMENT OF HER LATEST SET OF MEMOIRS:
"I HAD GREAT SYMPATHY FOR THESE YOUNG PEOPLE, EVEN THOUGH THEY ANNOYED ME. IN THAT CRITICAL PERIOD, GROWING UP WAS MUCH MORE DIFFICULT THAN IT HAD BEEN AT ANY PREVIOUS TIME ANY OF US COULD REMEMBER. I HAVE NEVER FELT THE SLIGHTEST BITTERNESS TOWARD ANY OF THEM AND, AMA MATTER OF FACT, I AM EXTREMELY GRATEFUL FOR MY EXPERIENCE WITH THEM.

THEM AND, AS A MATTER OF FACT, I AM EXTREMELY GRATEFUL FOR MY EXPERIENCE WITH THEM.
"I LEARNED WHAT COMMUNIST TACTICS ARE. I KNOW HOW INFILTRATION OF AN ORGANIZATION IS ACCOMPLISHED. I UNDERSTAND HOW COMMUNISTS GET THEMSELVES INTO POSITIONS OF IMPORTANCE. I UNDERSTAND ALL THEIR METHODS OF OBJECTION AND DELAY, THE EFFORT TO TIRE OUT THE REST OF THE GROUP, THEN CARRY THE VOTE WHEN ALL THEIR OPPONENTS HAVE GONE HOME. THESE TACTICS ARE ALL FAMILIAR TO ME. X X X"
MRS. ROOSEVELT SAID THIS KNOWLEDGE WAS "OF INFINITE VALUE" IN UNDERSTANDING SOME OF THE TACTICS SHE ENCOUNTERS IN THE UNITED NATIONS, TO WHICH SHE IS A U.S. DELEGATE.
HJ838PED

LAKE SUCCESS, AUG. 29-(AP)-AN AMERICAN EXPERT ON HELP FOR UNDERDEVELOPED AREAS SAID TODAY FEW COUNTRIES ARE READY FOR THE INDUSTRIALIZATION THEY SEEK.
HE SAID PEOPLE CANNOT BE FORCED TO TAKE ECONOMIC PROGRESS.
THE AMERICAN, JOHN ABBINK, EMPHASIZED HE WAS EXPRESSING HIS OWN VIEWS AND NOT THE POLICY OF THE UNITED STATES GOVERNMENT. HE IS A CONSULTANT ON THE FOREIGN TECHNICAL ASSISTANCE PROGRAM FOR THE U.S. MISSION TO THE U.N. AND SPOKE AT A GENERAL MEETING OF THE U.N. SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES.
HE SAID ONE OF THE MOST DIFFICULT PROBLEMS CONCERNING UNDERDEVELOPED COUNTRIES IS TO CONVINCE PEOPLE THAT ECONOMIC PROGRESS COMES FROM WITHIN. IT CANNOT BE IMPOSED FROM WITHOUT AND CANNOT EVEN BE ADVANCED TO ANY GREAT DEGREE UNLESS THERE IS A DESIRE ON THE PART OF THE PEOPLE THEMSELVES FOR A BETTER LIFE SO THEY CAN UNDERTAKE THE NECESSARY SACRIFICES.
INDUSTRIALIZATION, HE ADDED, DOES NOT NECESSARILY MEAN ECONOMIC DEVELOPMENT, AND TO UNDERTAKE IT AT THE RISK OF HUNGRY STOMACHS IS HAZARDOUS.
SOME COUNTRIES, HE SAID, WITH AN AGRICULTURAL BACKGROUND HAVE HIGH INTEREST RATES AND ARE NOT SUITABLE TO INDUSTRIAL ENTERPRISES, AND IN MANY COUNTRIES LOCAL CAPITAL MARKETS DO NOT EXIST.
ABBINK DECLARED PRESIDENT TRUMAN'S POINT FOUR PROGRAM OF HELP FOR UNDERDEVELOPED AREAS WAS WIDELY HAILED THROUGHOUT THE WORLD BECAUSE IT CONTAINED A REFERENCE TO FINANCING. HE SAID IT ACTUALLY STRESSED MUCH MORE EMPHATICALLY THE NEED FOR PLANNING SUCH AS HE OUTLINED IN HIS SPEECH TO THE CONFERENCE.
"THE PEOPLE OF THE UNITED STATES HAVE PROVEN THAT THEY ARE WILLING TO HELP TO THE LIMIT OF THEIR ABILITIES," ABBINK ASSERTED, "BUT THEY WILL BE LITTLE INCLINED TO PROVIDE FUNDS MERELY BECAUSE SOME COUNTRY WANTS THEM. THERE IS TOO GREAT NEED AT HOME FOR CAPITAL."
HJ1026PED

LAKE SUCCESS, AUG. 29-(AP)-THE DEER AND THE ANTELOPE ARE HEADING FOR A NEW DAY IN THE UNITED STATES. THEY ARE ON THEIR WAY BACK.
THAT IS THE EXPERT OPINION GIVEN BY ALBERT M.DAY, DIRECTOR, FISH AND WILDLIFE SERVICE, WASHINGTON, TO THE WILDLIFE SECTION OF THE UNITED NATIONS SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES.
DAY TOLD THE SECTION THE TOTAL U.S. POPULATION OF BIG GAME MAMMALS IS ESTIMATED AT SOME 7,750,000 (M) ANIMALS. THE MOST ABUNDANT IS THE WHITE-TAILED DEER, WHICH MAKES UP A LITTLE LESS THAN TWO-THIRDS OF THE BIG GAME. THE MULE DEER IS SECOND. OTHER ABUNDANT MAMMALS ARE THE COLUMBIAN BLACK-TAILED DEER, ELK, ANTELOPE, PECCARY AND BLACK BEAR.
SCARCE ANIMALS LISTED BY DAY ARE THE DESERT AND ROCKY MOUNTAIN BIGHORN SHEEP, THE MOUNTAIN GOAT, MOOSE, BISON, EUROPEAN WILD BOAR, GRIZZLY BEAR AND CARIBOU.
THE PROBLEM NOW IS HOW TO MANAGE THE GROWING BIG GAME POPULATION RATHER THAN HOW TO INCREASE THE NUMBER. THE MAIN ITEM IS FOOD FOR THE ANIMALS.
SN912PED

NEW YORK, AUG 29-(AP)-A COMMITTEE -- WITH SINGER PAUL ROBESON AND AN INDIANA JUDGE AS ITS LEADERS -- HAS BEEN ORGANIZED TO FIGHT AGAINST THE COMMUNIST CONSPIRACY TRIAL.
THE GROUP, CALLED THE "NATIONAL NON-PARTISAN COMMITTEE TO DEFEND THE RIGHTS OF THE 12 COMMUNIST LEADERS," ANNOUNCED ITS FORMATION LAST NIGHT.

IT SAID IT OPPOSES THE "ATTEMPT TO TRY IN A COURT OF LAW POLITICAL PHILOSOPHY, JUDGMENT OF WHICH CAN PROPERLY BE P[illegible] ONLY BY THE ELECTORATE."

ROBESON AND JUDGE NORVAL K. HARRIS OF SULLIVAN, IND., [illegible] NAMED AS CO-CHAIRMEN OF THE COMMITTEE, WHICH SAID IT IS COMPOSED OF "PUBLIC FIGURES OF VARIED POLITICAL AND RELIGIOUS BELIEFS."

AT PRESENT, 11 TOP MEMBERS OF THE AMERICAN COMMUNIST PARTY ARE ON TRIAL, CHARGED WITH ADVOCATING VIOLENT OVERTHROW OF THE GOVERNMENT. A 12TH HAS BEEN INDICTED BUT HIS TRIAL POSTPONED BECAUSE OF ILL HEALTH.

THE COMMITEE LISTED OTHER OFFICERS AS ELMER BENSON OF GRANT LAKES, MINN.; FATHER CLARENCE PARKER, CHICAGO; MRS. MODJESKA SIMKINS, COLUMBIA, S.C.; PROF. LOUISE PETTIBONE SMITH, WELLESLEY, MASS.; THERESA ROBINSON, WASHINGTON, D.C.; AND NOVELIST HOWARD FAST.

THE GROUP SAID WOULD HOLD MEETINGS, PUBLISH LITERATURE, SPONSOR SPEAKING TOURS AND RAISE FUNDS FOR THE COMMUNISTS ON TRIAL.

MK336AED

LONDON, AUG.29-(AP)-THE HEAD OF PALESTINE POTASH, LTD, DENIED TODAY THAT THE FIRM FAILED TO GET THE BEST USE OUT OF THE DEAD SEA'S MINERAL WEALTH AS ALLEGED BY AN ISRAELI GOVERNMENT COMMITTEE.

THE ISRAELI INTERMINISTERIAL INVESTIGATION COMMITTEE SAID ANOTHER COMPANY--IN WHICH ISRAEL WOULD HAVE A CONTROLLING INTEREST--SHOULD TAKE OVER THE DEAD SEA CONCESSION.

M.E. NOVOMEYSKY, MANAGING DIRECTOR OF PALESTINE POTASH, ISSUED A STATEMENT HERE SAYING:

AUG 29 1949

"THE REPORT ALLEGES THAT THE COMPANY HAD USED THE DEAD SEA MINERAL WEALTHS 'INADEQUATELY' AND THE CONCESSIONAIRES HAD EXTRACTED ONLY 100,000 TONS OF POTASH AND VERY SMALL QUANTITIES OF BROMINE.

"ACTUALLY THE FIGURES ARE AS FOLLOWS: POTASH PRODUCED UP TO THE END OF 1947 AMOUNTED TO 1,040,000 TONS AND BROMINE 8,200 TONS."

PALESTINE POTASH, LTD., WAS FOUNDED AS A BRITISH COMPANY IN 1930 UNDER CHAIRMANSHIP OF THE LATE LORD LYTTON. IT WAS FINANCED BY BRITISH AND AMERICAN CAPITAL, NOVOMEYSKY SAID, AND HALF THE MEMBERS OF THE BOARD OF DIRECTORS ARE AMERICANS.

BROBED

FRANKFURT,GERMANY,AUG.29-(AP)-AN AGREEMENT FOR FREE TRADE BETWEEN SWITZERLAND AND WESTERN GERMANY--WITHOUT LIMITING IMPORT QUOTAS EXCEPT FOR FOOD AND FARM PRODUCE--WAS ANNOUNCED TODAY.

THE ACTION WAS DESCRIBED BY ALLIED OFFICIALS AS "THE FIRST BREAK AMONG THE OEEC (ORGANIZATION FOR EUROPEAN ECONOMIC COOPERATION) COUNTRIES WITH THE SYSTEM OF CONTROLLED COMMODITY TRADE WHICH HAS MADE INTER-EUROPEAN TRADING SO DIFFICULT."

AUG 29 1949

"ON THE WESTERN GERMAN SIDE, IT REPRESENTS THE COMBINED EFFORT OF THE AMERICAN, BRITISH AND FRENCH MILITARY GOVERNMENTS, WORKING WITH THE GERMAN ECONOMIC ADMINISTRATION, TO PROMOTE FREE INDIVIDUAL TRADING," THE ANNOUNCEMENT OF THE AGREEMENT SAID.

"THIS BOLD EXPERIMENT COULD BE MADE FIRST WITH SWITZERLAND BECAUSE SWITZERLAND IS ONE OF THE VERY FEW COUNTRIES IN EUROPE PREPARED TO REVERT TO LIBERAL TRADE POLICIES."

RHE ONLY CURB LEFT ON FREE TRADE BETWEEN SWITZERLAND AND WESTERN ERMANY IS IN THE FIELD OF FOOD AND FARM PRODUCTS.

"IT WAS NOT POSSIBLE TO APPLY THE UNRESTRICTED SYSTEM TO FOOD AND AGRICULTURAL PRODUCE FOR THE TIME BEING IN VIEW OF EXISTING CONTROLS IN BOTH COUNTRIES," AN OFFICIAL SAID.

MEANWHILE A LIST OF QUOTAS FOR AGRICULTURAL AND FOOD COMMODITIES HAS BEEN AGREED UPON IN WHAT OFFICIALS CALLED THE "BROADEST POSSIBLE TERMS."

AUG 29 1949

FOOD IMPORTS FROM SWITZERLAND ARE ESTIMATED AT ABOUT $10,500,000 A YEAR, INCLUDING FRESH AND PROCESSED FRUITS, CHEESE, MILK, MEAT, OIL-CAKE AND WINE.

GERMAN AGRICULTURAL EXPORTS OF $3,500,000 YEARLY WILL CONSIST MAINLY OF HOPS, MALT, SEEDS, BEER AND WINE.

TO FINANCE THE NEW FREE TRADING IN OTHER COUNTRIES, WESTERN GERMANY HAS AGREED TO MAKE AVAILABLE FUNDS UP TO THE EQUIVALENT OF $4,800,000 EVERY FOUR WEEKS.

AUG 29 1949

FOR THE FIRST TIME SINCE THE WAR, THE OLD SYSTEM OF DUAL ACCOUNTS WILL BE INTRODUCED. ONE ACCOUNT, IN SWISS FRANCS, WILL BE KEPT WITH THE SWISS NATIONAL BANK. THE OTHER, IN MARKS, WILL BE KEPT WITH THE GERMAN BANK DEUTSCHER LAENDER. THIS MAKES IT POSSIBLE FOR GERMAN EXPORTERS TO INVOICE THEIR EXPORTS IN MARKS.

NEW YORK, AUG 29-(AP)-EUROPE IS MORE CONCERNED WITH TRADE PROBLEMS TODAY THAN IT IS WITH FEAR OF COMMUNISM OR ANOTHER WAR, SAYS HENRY S.KINGMAN, MINNEAPOLIS, PRESIDENT OF THE NATIONAL ASSOCIATION OF MUTUAL SAVINGS BANKS.

AUG 29 1949

THE MARSHALL PLAN, THE ATLANTIC PACT, BUT MOST OF ALL THE BERLIN AIRLIFT WERE RESPONSIBLE FOR THIS CHANGE OF ATTITUDE IN EUROPE, KINGMAN TOLD A NEWS CONFERENCE AFTER RETURNING FROM A FIVE WEEK TRIP ABROAD.

ACCOMPANIED BY JOHN W. SANDSTEDT, NEW YORK, EXECUTIVE SECRETARY OF THE ASSOCIATION, KINGMAN VISITED NORWAY, SWEDEN, DENMARK, BRITAIN, FRANCE, HOLLAND BELGIUM.

"THE EXTENT OF ECONOMIC RECOVERY IN ALL EUROPE, WITH THE EXCEPTION OF BRITAIN, IS REMARKABLE SINCE MY LAST TRIP IN 1947," KINGMAN SAID.

"EUROPEANS GENERALLY ARE NO LONGER TALKING ABOUT WAR AND THEY HAVE DROPPED THE SUBJECT OF COMMUNISM," HE SAID.

"HOWEVER, COMMUNISM IS A LATENT FORCE WAITING FOR THE AMERICAN PEOPLE TO LIE DOWN ON THE JOB. COMMUNISM, IN MY OPINION IS JUST AS STRONG UNDERNEATH AS IT EVER WAR."

KINGMAN REPORTED THAT IN ALL COUNTRIES EXCEPT BRITAIN, SAVINGS OF INDIVIDUALS HAD INCREASED SHARPLY IN THE PAST TWO YEARS, WHETHER IN SAVINGS BANKS, POSTAL SAVINGS OR OTHER TYPES OF SAVINGS FACILITIES.

"IN EUROPE," HE SAID, "THE FACILITIES AND TECHNIQUES OF SAVINGS BANK OPERATION ARE MORE DEVELOPED THAN IN THE U.S. IN MANY WAYS, OPPORTUNITY TO SAVE IS MADE EASIER THERE, ESPECIALLY IN THE SCANDINAVIAN COUNTRIES."

AUG 29 1949

DX542 RED

LAKE SUCCESS, AUG. 29-(AP)-THE OIL INDUSTRY IS CARRYING ON A LARGE AMOUNT OF EXPERIMENTATION TO MEET THE NEW FUEL PROBLEMS RAISED BY JET PLANES, AN OIL EXPERT SAID TODAY.

THE EXPERT, DR. GUS EGLOFF OF THE UNIVERSAL OIL PRODUCTS CO., CHICAGO, SAID IN A PAPER HERE THAT AN EARLY SOLUTION TO THE PROBLEM OF SUITABLE FUELS FOR JET PLANES IS IMPERATIVE. HE DELIVERED THE PAPER AT THE FUELS AND ENERGY SECTION MEETING OF THE UNITED NATIONS SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES.

SPECIALISTS ON A WIDE RANGE OF PROBLEMS ARE TALKING THEM OUT AT THE U.N. MEETING. THE SOVIET UNION IS NOT REPRESENTED. NO RECOMMENDATIONS ARE PLANNED BY THE CONFERENCE, BUT U.N. OFFICIALS EXPECT MUCH BENEFIT WILL COME OUT OF THE EXCHANGE OF VIEWS.

30.24- 5345

"JET PROPULSION OF AIRCRAFT HAS CREATED NEW FUEL PROBLEMS," DR. EGLOFF SAID. "THE REQUIREMENTS FOR JET FUELS ARE NOT COMPLETELY KNOWN AND A LARGE AMOUNT OF EXPERIMENTATION IS IN PROGRESS TO DEVELOP APPROPRIATE FUELS. ONE OF THE GREATEST PROBLEMS IS THE HIGH FUEL CONSUMPTION OF JET PLANES.

"A JET PLANE USES FIVE TIMES AS MUCH FUEL AS ITS RECIPROCATING ENGINE COUNTERPART. AN EARLY SOLUTION TO THIS PROBLEM IS IMPERATIVE INASMUCH AS THE RANGE OF OPERATION IS LIMITED BY HIGH CONSUMPTION AND OPERATION IS VERY COSTLY. A SATISFACTORY FUEL MUST BURN RAPIDLY AND COMPLETELY, HAVE VERY HIGH HEATING VALUE PER UNIT WEIGHT, AND LOW FREEZING POINT BECAUSE OF THE LOW TEMPERATURES AT EXTREMELY HIGH ALTITUDES."

DR. EGLOFF PREDICTED "TAILOR-MADE HYDROCARBONS FOR JET FUELS AND NEW PROCESSES FOR MAKING THEM" WOULD COME OUT OF THE PRESENT WELTER OF RESEARCH, JUST AS SPECIAL PRODUCTS AND PROCESSES WERE FOUND FOR MAKING HIGH QUALITY AVIATION GASOLINES.

HE SAID INTENSIVE RESEARCH ALSO IS BEING CARRIED ON FOR IMPROVED DIESEL FUELS. THE USE OF DIESEL ENGINES IN LOCOMOTIVES IS INCREASING RAPIDLY, DR. EGLOFF SAID.

AUG 29 1949

"THE NEW DEVELOPMENTS IN CHEMICALS AND THEIR APPLICATIONS ARE SYMBOLIC OF THE PROGRESSIVE TREND OF THE OIL INDUSTRY," DR. EGLOFF SAID. "PRACTICALLY ALL OIL COMPANIES ARE EXPANDING THEIR RESEARCH LABORATORIES TO HOUSE THE MOST MODERN FACILITIES AND ARE LIKEWISE INCREASING THEIR STAFFS TO INCLUDE THOUSANDS OF HIGHLY TRAINED CHEMISTS, PHYSICISTS AND ENGINEERS. THE WHOLE INDUSTRY STANDS AS A DIRECT OUTGROWTH OF RESEARCH AND BASES ITS FUTURE ON THE CONTINUED DEVELOPMENT OF NEW PROCESSES AND PRODUCTS."

BUENOS AIRES, AUG. 25-(AP)-OPPOSITION TO THE PROPOSED NATIONALIZATION OF ARGENTINA'S PETROLEUM INDUSTRY WAS EXPRESSED TODAY DURING A LA DEBATE IN THE CHAMBER OF DEPUTIES OVER THE RECENTLY-SIGNED ANGLO-ARGENTINE TRADE AGREEMENT.

AUG 29 1949

A PRINCIPAL FEATURE OF THE TREATY IS A BARTER ARRANGEMENT UNDER WHICH ARGENTINE MEAT WOULD BE EXCHANGED FOR BRITISH PETROLEUM.

THE MINISTERS OF ECONOMY, FINANCE, INDUSTRY AND TREASURY JOINED THE PERONISTA MAJORITY IN DEFENDING THE TREATY AS MUTUALLY BENEFICIAL TO THE TWO COUNTRIES.

THE RADICAL MINORITY CONTENDED THE BRITISH GOT THE BEST OF THE BARGAIN. RADICAL ARTURO FRONDIZI SAID ARGENTINA WOULD NOT NEED TO IMPORT SO MUCH PETROLEUM IF HER OWN OILFIELDS WERE BETTER DEVELOPED. HE SAID THE ONLY SOLUTION TO THE PROBLEM IS APPROVAL OF A NATIONALIZATION BILL, OF WHICH HE IS THE AUTHOR.

THE PROJECT WOULD EXPROPRIATE THE HOLDINGS HERE OF STANDARD OIL CO. (NEW JERSEY) AND BRITISH SHELL, WHICH TOGETHER WITH THE ARGENTINE GOVERNMENT COMPANY--YACIMIENTOS PETROLIFEROS FISCALES--HAVE WELLS HERE.

THE PERONISTAS, WHO CONTROL THE CONGRESS, SHOWED NO DISPOSITION TO SUPPORT THE NATIONALIZATION BILL.

AUG 29 1949

(ADVANCE FOR PMS OF FRIDAY, AUG. 26)

(ADVANCE) BRUSSELS, AUGUST 26-(AP)-MARSHALL PLAN DOLLARS ARE HELPING THE REALIZATION OF THE 100-YEARS-OLD BELGIAN IDEA TO LINK HER NORTH AND SOUTH RAILWAY NETWORKS BY MEANS OF A RAILWAY TUNNEL THROUGH THE HEART OF BRUSSELS.

HALF OF THE EXPENSE OF WAGES AND MATERIAL PAID OUT DURING 1949-50 WIL COME FROM THE E.C.A. LOAN GIVEN TO THE BELGIAN GOVERNMENT.

FROM THIS LOAN THE BELGIANS LAID ASIDE 250,000,000 FRANCS ($5,700,000) AND BUDGETED AN EQUAL AMOUNT FROM LOCAL SOURCES.

THE "JUNCTION NORD-MIDI" AS THE BELGIANS CALL IT WILL JOIN BRUSSELS NORTH AND SOUTH STATIONS. IT IS SCHEDULED FOR COMPLETION BY 1952, THOUG A PARTIAL SERVICE WILL BE INAUGURATED IN 1950-51.

THE "LINK" WILL PERMIT THROUGH RAIL PASSAGE BETWEEN THE TWO STATIONS AND ELIMINATE BACKTRACKING OF ONE THOUSAND PASSENGER TRAINS DAILY AND FREIGHT TRAINS DURING THE NIGHT.

AUG 29 1949

TRAINS CHOKED WITH IMPORTED GOODS FROM THE PORT OF ANTWERP WILL SPEED SOUTHWARDS WITHOUT THE COMPLICATED ROUTING AROUND BRUSSELS WHICH THEY HAVE AT PRESENT. SOUTHERN TRAINS FROM THE IMPORTANT CHARLERIO INDUSTRIAL BASIN WILL CLICK THEIR WAY STRAIGHT THROUGH BRUSSELS AND ON TO ANTWERP AND OTHER NORTHERN SEAPORTS TO DISCHARGE THEIR EXPORT CARGOES INTO WAITING SHIPS.

CHIEF ENGINEER OF THE PROJECT FREDERICK DE LE COURT, EMPHASISED THE IMPORTANCE OF THE LINK WHEN HE SAID "BELGIAN NATIONAL ECONOMY IS BASED PRINCIPALLY ON TRANSPORT FACILITIES AND ANY IMPROVEMENT OF THESE HAS IMMEDIATE DIRECT AND INDIRECT REPERCUSSIONS ON THE GENERAL ECONOMY" THE DIRECT EFFECT WILL BE THE SPEEDING UP OF THE MOVEMENT OF GOODS AND THE INDIRECT EFFECT WILL BE THE PROVISION OF THREE NEW STATIONS IN THE CAPITAL WHICH WILL FACILITATE THE ARRIVAL AND DEPARTURE OF TRAVELLERS FROM THE PROVINCES.

IN ADDITION THE PROJECT HAS CUT A SWATHE RIGHT THROUGH THE MEDIAEVAL ALLEYWAYS AND STREETS IN THE HEART OF BRUSSELS. BUILDINGS WHICH STOOD UP THROUGH SHEER HABIT HAVE BEEN DEMOLISHED TO MAKE ROOM FOR PLANNED MODERN APARTMENT AND OFFICE BUILDINGS ON WIDE BOULEVARDS.

WHEN COMPLETED THE LINK WILL HAVE A CENTRAL STATION AND TWO SMALLER ONES. ITS TWO-MILE LENGTH WILL PROVIDE A SIX-TRACK RIGHT OF WAY WITH OVERPASSES FOR VEHICULAR TRAFFIC AND AN UNDERGROUND BUS TERMINAL. LARGE UNDERGROUND PARKING AREAS WILL HELP RELIEVE THE PRESENT TRAFFIC CONGESTION.

AUG 29 1949

THE RAILWAY TRACKS WILL BE ELECTRIFIED AND THEREFORE THE TUNNEL WILL HAVE NO SMOKE PROBLEM. WORK IS PROGRESSING AT THE MOMENT ON THE ELECTRIFICATION OF BELGIUM'S WHOLE RAIL NETWORK, BUT IT WILL FINISH AFTER THE FINAL CONSTRUCTION OF THE TUNNEL. TO GET ROUND THIS AND AS A PURELY TEMPORARY MEASURE, STEAM TRAINS COMING UP TO THE TUNNEL WILL BE COUPLED TO AN ELECTRIC LOCOMOTIVE AND SHUNTED THROUGH. AT THE OTHER END READY STOKED STEAM LOCOMOTIVES WILL BE RE-COUPLED TO THE TRAIN TO CONTINUE THE JOURNEY.

AUG 29 1949

DE LE COURT PROUDLY POINTS OUT THE LINK AS "ONE OF THE MOST IMPORTANT WORKS WHICH BELGIUM HAS UNDERTAKEN DURING THE TWENTIETH CENTURY." HIS QUOTING OF SOME FIGURES EMPHASIZES THE IMMENSITY OF THE TASK. WHEN COMPLETED THE TUNNEL WILL HAVE DEVOURED SOME 80,000 TONS OF STEEL AND 650,000 CUBIC YARDS OF CONCRETE. NEARLY ONE AND A HALF MILLION CUBIC YARDS OF EARTH HAD TO BE EVACUATED AND DISPOSED OF DURING THE DIGGING.

(END ADVANCE FOR PMS, OF FRIDAY, AUG. 26)-- MOVED AUG 25.

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30.24- 5347

NIGHT LEAD U.N.--OIL

BY WILLIAM L.PHILLIPS

LAKE SUCCESS, AUG. 26-(AP)-SECRETARY OF THE INTERIOR JULIUS A.KRUG URGED TODAY THE CREATION OF A SYNTHETIC OIL INDUSTRY TO CUSHION THE UNITED STATES AGAINST EMERGENCIES AND EVENTUAL EXHAUSTION OF ITS PETROLEUM RESERVES.

AUG 29 1949

KRUG SAID HIS OWN DEPARTMENT HAS BEEN TRYING FOR THREE YEARS TO GET APPROPRIATIONS FOR A COMMERCIAL SCALE OIL-SHALE PLANT IN COLORADO.

"OIL AND COAL INTERESTS" HAVE BLOCKED IT IN CONGRESS SO FAR, HE TOLD A NEWS CONFERENCE AT THE UNITED NATIONS SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES. HE INDICATED HE WOULD KEEP TRYING.

KRUG DECLINED TO ESTIMATE WHEN AMERICA'S AND THE WORLD'S OIL RESERVES WILL RUN OUT--A SUBJECT OF MAJOR CONTROVERSY IN THE FUELS AND ENERGY SECTION OF THE U.N. CONFERENCE.

"IT DOES NOT MATTER WHETHER WE TAKE ESTIMATES THAT IT WILL BE 200, 500 OR 1,000 YEARS," HE SAID. "THE POINT THAT WE MUST RECOGNIZE IS THAT THE RESERVES ARE EXHAUSTIBLE AND THAT WE ARE USING THEM UP."

HE SAID THAT IN HIS OPINION THE IMPORTANT THING WAS THAT THE UNITED STATES SHOULD BE READY WITH AN ALTERNATE SOURCE OF LIQUID FUEL.

HE DISCLOSED THAT THE INTERIOR DEPARTMENT'S OIL SHALE PILOT PLANT AT RIFLE, COLO., RECENTLY ATTAINED PRODUCTION OF DIESEL OIL AND JET ENGINE FUEL AT COSTS APPROACHING COMMERCIAL RATES. HE SAID THE SCIENTISTS THERE EXPECT SOON TO BE PRODUCING GASOLINE.

THE COLORADO EXPERIMENTS ARE ON AN OIL-SOAKED MOUNTAIN BELIEVED TO CONTAIN 200,000,000,000 (B) BARRELS OF PETROLEUM PRODUCTS, KRUG POINTED OUT, AGAINST KNOWN U.S. RESERVES OF 26,000,000,000 (B) OF PETROLEUM ITSELF. THE DEPARTMENT ALSO HAS A PILOT PLANT MAKING OIL PRODUCTS FROM COAL IN MISSISSIPPI, HE SAID.

"ONE COMMERCIAL PLANT WOULD BE A GREAT TONIC FOR THE INDUSTRY X X X A WONDERFUL THING FOR THE COUNTRY," HE SAID.

KRUG DISCLOSED HIS DEPARTMENT ALSO IS SURVEYING RESEARCH WORK ON USE OF ENERGY FROM THE SUN, WITH THE IDEA OF A POSSIBLE FUTURE DEVELOPMENT PROGRAM.

AUG 29 1949

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AUG. 29, 1949

30.24- 5349

SOCIALIST PAPER SEES POSSIBLE ANTI-TITO WAR MOVE IN 3,500 TROOPS

12,000 More Expected To Be Sent To Balkans Along With Tanks

C.L. DAVIDSON

Prague reports anti-Soviet revolt smashed.....Page 12

Berlin, Aug. 30 (AP)—The west Berlin newspaper *Sozialdemokrat* said today a vanguard of 3,500 heavily armed east German police had been sent to the Yugoslav border for "a possible war against Tito."

The newspaper said perhaps 12,000 more will be sent for "anti-Tito action" in the Balkans, and "with feverish hurry tanks, guns and other military equipment are being loaded on trains and trucks to go with the German police troops."

British and American army intelligence officers said they knew of the report, but could not confirm it. *Sozialdemokrat* is the British-licensed newspaper of the Social Democratic party which claims to have an extensive network of underground agents in the Soviet zone.

Go Through Czechoslovakia

Sozialdemokrat said the 3,500-man vanguard left Saturday for the Yugoslav border. The paper said police troops are being assembled near Goerlitz on the German-Polish border, and then sent south by way of Czechoslovakia. The men wear uniforms similar to those of the Soviet army, it added.

"In ever-increasing numbers are German police troops receiving the last drill for the special assignment on the Yugoslav border," the paper continued. "These 3,500 are the spearhead of another 12,000 that are to follow them into a possible war against Tito."

5 Fled To Escape Service

The newspaper's report followed by a day the disclosure by the United States Military Government that five east German policemen fled into the American zone at Hof, saying they escaped to avoid military service with Communist guerrillas in Greece. The escaped policemen said the Russians had issued an order for all unmarried members of the east German police under 25 years of age to be recruited for the service.

The *Volkspolizei* (people's police) of the Russian zone is reported to have a target enrollment of 300,000 but it believed to actually number only about 80,000 men under the command of Soviet General Smirnov. It has participated in military-style training and maneuvers under the eyes of Soviet officers and propagandists.

Might Test Stamina

The troop report comes closely after a threat by Moscow to take "more effective measures" against Premier Marshal Tito of Yugoslavia, whose Communist regime has split with the Cominform.

Western military sources here speculated that Russia might hesitate to use her own armed forces to police the Yugoslav border for fear of inviting an armed clash. But she might be willing to send German police as a test of their ideological stamina as well as a method of pressure against the Belgrade regime, these sources said.

Prague Reports Anti-Red Plot Is Smashed

Richard Kasschau

Prague, Aug. 30 (AP)—The Czechoslovak Government announced today it had crushed an anti-Communist underground movement just as the group was preparing to begin an armed revolution.

The official press bureau linked the underground members with "a certain Western imperialistic power" but did not identify the Western power.

Details of the purported plot were announced after a secret trial at which six persons were condemned to death, ten given life imprisonment and an unspecified number lesser prison terms. Ten of those tried were acquitted.

High Treason

The announcement termed members of the group spies and terrorists and said they were tried on charges of high treason and spying on behalf of the Western power "with which they had been in contact."

The Government claimed its police had played a cat-and-mouse game with the alleged conspirators and waited until they were all set to begin the revolution before moving in to nab them.

One of those sentenced to death was Josef Charvat, identified by friends as chief of security police here during the First Republic.

Political Leader

The Government said the political leader of the planned *Putsch* was Dr. Jaroslav Borkovec, identified as the brother of a former chief of the Prague police's criminal investigation section. His brother was ousted when the Communists took over the Government in February, 1948.

Informed sources said those sentenced included army and police personnel, as well as civilians.

The trial of the group was reported to have lasted several weeks in the Prague state court. The Government said many of the accused pleaded guilty.

Bank Holiday

A "large group" of conspirators was said to have been involved in the abortive *Putsch*.

Date of the attempted coup was not disclosed, but it was reported the group chose a bank holiday, "when the working people were at home and unable to mount counteraction."

A 0D

Revolt Smashed, Czechs Say; 'A Western Power' Blamed

Richard Kasschau

Prague, Czechoslovakia, Aug. 30 (AP)—Czechoslovakia's Communist Government announced today it had smashed an armed revolt by a large number of conspirators who tried to seize the capital and set up an anti-Soviet regime.

The official account claimed the plotters were "under the direction of a certain Western imperialist power" and that a copy of their plan of action was deposited with an unnamed Western embassy in Prague by the conspirators.

It was the biggest plot story in Czechoslovakia in months and most Czechs apparently were startled by the Government's announcement.

Six Sentenced To Death

The Government said the revolt already was in motion when police seized armed rebels, who had gathered at their prearranged concentration point.

The regime disclosed the smashing of the plot only after authorities were ready to announce that they already had tried and sentenced the accused participants in secret in the Prague state court.

Six men were sentenced to death. Ten others, including three women, drew life sentences. An unspecified number received prison terms ranging from one to 25 years at hard labor, and ten others were acquitted.

Western Embassies Surprised

It was the second such secret conviction of alleged terrorists announced in the last four days. On Saturday the Government disclosed that the state court at Melnik, north of Prague, had sentenced a nine-man band of alleged terrorists to terms of four years to life for trying to overthrow the Government.

Spokesmen for Western embassies in Prague said they were "as surprised as anyone could be" by the story of the plot and the charge that a Western power was involved.

Strategic Points Seizure

"We know nothing about it," the Americans said. "It is news to us." The British and French echoed this statement.

The official Government version spoke of the involvement of "hysterical women" and some women plotters who allegedly "seduced Boy Scouts in order to use them later in the gang's armed action."

It was explained that the plan was: Seizure of strategic points in the capital, liquidation or arrest of Government leaders, expansion of the revolt throughout the country coincident with proclamations of martial law and establishment of a new government.

The conspirators allegedly picked a holiday—the date was not disclosed—for their attempt to seize the capital.

Brokovec Named As Leader

Named as the political leader of the alleged plot was Dr. Jaroslav Brokovec, who was condemned to death. He was identified as a "former capitalist lawyer." Another alleged ringleader condemned to death was Kvetoslav Prokes. He was accused of having made contact with "treacherous" Czech exiles who supported the revolt.

Emanuel Cancik, charged with having made the alleged contact with the unnamed Western power through its Prague embassy, also was sentenced to death, as was Josef Charvat. Charvat was described by friends as the chief of security police in Prague during the first republic.

Czechs, learning of the conspiracy from their newspapers, also got a stern warning that they must denounce any fellow citizen suspected of plotting.

"Hostile Foreign Countries"

"This proves we must be alert," the newspaper, *Svobodne Slovo* (Free Word) said. "This shows how things go—from espionage to terrorism, from terrorism to preparation of armed uprisings. And the criminal plans are supported by foreign countries. We can say it openly—hostile foreign countries."

Speaking in Topolicanky, Slovakia, today, Communist President Klement Gottwald denounced "those enemies and dissenters who spread slanders" against the regime's collective farm system.

They are the same people, he said, who "spread false propaganda about persecution of religion" in Czechoslovakia and whose aim it is to overthrow the Government.

RUSSIA CALLS TITO STOOGE

NATE POLOWETSKY

Describes Regime As A Puppy 'Barking At An Elephant'

London, Aug. 30 (AP)—Russia tonight accused Marshal Tito and his lieutenants of being a bunch of boastful malicious deserters, deceiving double-dealers and stooges of "Western masters."

The newest Moscow note to Belgrade, the eighth in the name-calling contest between the two Communist capitals, informed Tito and his supporters "they cannot expect courtesy and, even less so, respect from the Soviet Government."

It described the Tito regime as a puppy "feeling so good she's barking at an elephant."

Threat Not Mentioned

The note made no mention of Yugoslavia's recent offer to settle outstanding differences. The Yugoslav note of August 23 offered to settle the feud—provided Russia clearly recognized that the Balkan State is determined to stay independent in all her policies.

Russia did not make further mention of the threat voiced in a Moscow note of August 19 to take "more effective measures" for protection of Soviet citizens alleged to have suffered brutalities in Yugoslavia.

Russia said the latest note was sent "not to convince the Yugoslav Government, which has long been living without convictions, and works only on instructions of its Western masters, but in order to unmask it and to help the peoples of Yugoslavia see the true face of the present Yugoslav Government."

"Masters" Not Named

The "Western masters" were not named, but the Soviet press has said that the Yugoslav Government is under United States and British influence.

In bitter language the new Soviet note said that "everyone knows the Yugoslav Government has deserted from the camp of socialism and democracy to the camp of imperialism. . . .

"It must be noted that the Soviet people and the public do not respect deserters. Even less so can they harbor anything resembling love. Furthermore, it is generally known that the Soviet people and the Soviet public despise deserters."

Some Accidental

Amplyfing this theme the note added:

"Of course there are different kinds of deserters. Some are accidental ones who have deserted owing to cowardice in the hope of saving their skins. But there are other deserters too—malicious deserters.

"These are the people who desert not only to save their skins but to do injury to the camp which they have left. And it must be said—sad as it may be—that the Soviet people and the Soviet public class the Yugoslav Government as not among accidental deserters but among malicious deserters."

Shelved Carinthian Demand

In the note broadcast from Moscow tonight, and delivered yesterday, Russia replied to a Belgrade communication of August 20 which charged the Soviet Union with double-crossing Yugoslavia on her territorial claims against Austria.

Russia and Yugoslavia have been feuding since June, 1948, when the Cominform accused Marshal Tito and his Government of being

AUG 30 1949

nationalists and anti-Soviet. The Yugoslav leaders have replied that they are fighting for the equality of Communist states.

Last June at the Paris foreign ministers' conference Russia agreed to shelve Yugoslavia's demand for Slovene Carinthia, the southern part of Austria, in the writing of a treaty of independence for Austria.

In her August 20 note, Yugoslavia cited a 1945 promise made by Premier Josef Stalin to Austria regarding the "immutability of Austrian frontiers." Yugoslavia said the Paris action showed Russia was double-crossing Yugoslavia all the time.

Quotes Stalin's Letter

In answer, Moscow tonight quoted this letter from Stalin to Chancellor Karl Renner of Austria in May, 1945:

"I thank you, esteemed comrade, for your message of April 15. You need have no doubt that your concern regarding the independence, integrity and welfare of Austria is likewise my concern. My assistance which may be necessary for Austria I am prepared to give you as far as is in my power. I apologize for the late reply."

The Russian note added:

"As can be seen, in Stalin's letter there is not a single word regarding either 'the frontiers of Austria,' or 'guaranteeing the frontiers of Austria of 1938,' or of the 'stability of the frontiers of Austria,' or about 'the frontiers of Austria remaining without change.' All this is an invention and lie of the Yugoslav Government."

Slav Nationalist Ambitions

Moscow said the Stalin letter was intended to defeat two plans:

On the one hand was a plan of "certain British circles" to form a united Danubian monarchy of Austria, Hungary and part of southern Germany.

On the other was the ambitions of "certain nationalistic circles of Slav states, including Yugoslavia," to divide up Austria among themselves.

The Soviet note said Yugoslavia believes "the principle of self-determination of nations is applicable only to Yugoslavia and the victorious nations."

Russia, on the other hand, said the note believes in self-determination for "all nations, including the vanquished."

"Betrayed National Rights"

Russia, while defending "the integrity of Austria, at the same time defended the necessity for rectifying the frontiers of Austria in favor of Yugoslavia," the note continued.

"There cannot be any doubt that Yugoslavia would have got Slovene Carinthia had not the Yugoslav Government taken fright and betrayed, in view of their cowardice, the national rights of Yugoslavia."

This betrayal, the communication continued, was in a letter from Edward Kardelj, Yugoslav Foreign Minister, to Andrei Y. Vishinsky, Soviet Deputy Foreign Minister, on April 20, 1947, in which the "Yugoslav Government gives up Slovene Carinthia and restricts itself to asking for special rights in administration of two electric power stations."

Slanderous Distortions

"The Yugoslav Government cannot escape from this traitor's document just as it cannot escape from its own shadow," the note added. Thus, it said, the Yugoslav Government "while adhering "for form's sake" to its statement before the Foreign Ministers Council claiming Slovene Carinthia, "in actual fact renounced these claims."

Moscow said the Yugoslav Government's note of August 20 was "an accumulation of fresh scandals and slanderous distortions calculated as masking its own double-dealing policy and deceiving the people of Yugoslavia."

The note further said Tito and his lieutenants were working "only on the instructions of their Western masters" (who were not named), and charged them with having "betrayed socialism and democracy and become wild Fascists."

Tito Is Controlled By West, Soviet Note Charges

AUG 30 1949

London, Aug. 30 (AP)—Soviet Russia, in a new note to Belgrade, accused Premier Marshal Tito's Yugoslavia today of working "only on the instructions of its Western masters."

The note was broadcast by the Moscow radio and recorded in London by the Soviet monitor. It was the eighth in a series of increasingly bitter exchanges between the two feuding Communist countries.

The Moscow note denied Yugoslav charges, made August 20, that the Kremlin had double-crossed Yugoslavia by abandoning Yugoslav claims to Austrian territory at last June's conference of the Big Four Foreign Ministers in Paris.

"Double-Dealing" Charged

The Russians said Yugoslavia's note of August 20 was "an accumulation of fresh scandals and slanderous distortions calculated as masking its (Yugoslavia's) own double-dealing policy and deceiving the people of Yugoslavia."

Moscow said its note was sent "not to convince the Yugoslav Government, which has long been living without convictions and works only on the instructions of its Western masters, but in order to unmask it and help the people of Yugoslavia to see the true face of the present Yugoslav Government."

Feuding Over Year

The Moscow-Belgrade feud has been in progress for more than a year and recently has increased in bitterness.

Tito's Communist regime in Yugoslavia was expelled from the Cominform (Communist International Information Bureau) for what the Kremlin regards as nationalistic deviations from orthodox communism.

Moscow has called on Yugoslavs to overthrow Tito. Russia and the other Communist states of eastern Europe have imposed an economic squeeze on Yugoslavia.

2 Distinct Disputes

Actually Yugoslavia and Russia have been exchanging notes on two distinct disputes. One centers on Yugoslavia's disappointment over what Belgrade regards as Moscow's abandonment of its claims to Austrian territory. The other has to do with charges by Moscow that Tito's regime is mistreating Soviet citizens within Yugoslav's borders.

The last previous note was on August 23. At that time Yugoslavia offered to send Russian citizens home and expressed a willingness to reach a settlement with Russia on "all disputed questions" between the two countries.

"Imperialist Tool"

The Soviet note, delivered yesterday and made public by the Moscow radio today, did not elaborate on the term "Western masters." However, the Soviet press and radio has frequently accused Tito of being "a tool of the Western imperialists"—the term the Communists employ in designating the United States, Britain and other Western powers.

Tito was disclosed last night to have applied to the Export Bank, an American Government agency, for a credit of around $25,000,000, which he needs to buy American machinery for Yugoslavia's copper, lead and zinc mines. Officials in Washington consider him a virtual cinch to get the loan, provided he stays alive and independent from Moscow. Tito also has received permission to buy a $3,000,000 steel mill from an American concern.

ADD

Latest Sovie

LONDON, Aug. 30 (AP)—Following is the text of a Soviet note to Yugoslavia as broadcast by the Moscow radio and recorded here by the Soviet Monitor, an affiliate of the Soviet Tass agency:

The Soviet Government has received the note of the Yugoslav Government of Aug. 30. The new note of the Yugoslav Government is an accumulation of fresh scandals and slanderous distortions calculated to mask its own double-dealing policy and to deceive the people of Yugoslavia.

Detected in the betrayal of the interests of the Slovenes in Carinthia and of the national rights of Yugoslavia by irrefutable facts quoted in the note of the Soviet Government of Aug. 11, the Yugoslav Government attempts to conceal its treachery and escape responsibility, having recourse to its accustomed methods of lies and slanders.

Not to convince the Yugoslav Government, which has long been living without convictions and works only on instructions of its Western masters, but in order to unmask it and help the peoples of Yugoslavia to see the true face of the present Yugoslav Government, the Soviet Government considers it necessary to make the following observations:

The Yugoslav Government asserts that Stalin, in a letter to Austrian Chancellor Renner, "Guaranteed the Austrian frontiers of 1938 (Yugoslav note of Aug. 3); that Stalin "promised that the Austrian frontiers in preserving the stability of the Austro-Yugoslav frontier"; that in view of this the Soviet Government was unable to support the demands of Yugoslavia for rectifying the Austrian frontiers in the sense of handing over Slovene Carinthia to the Republic of Yugoslavia.

Belgrade Charge Called Lie

We shall quote Stalin's letter to Austrian Chancellor Renner of May 1945:

His Excellency, Chancellor of Austria, Mr. K. Renner.

I thank you, esteemed comrade, for your message of April 15. You need have no doubt that your concern regarding the independence, integrity and welfare of Austria is likewise my concern. Any assistance which may be necessary for Austria I am prepared to give you as far as it is in my power.

I apologize for this late reply.

J. STALIN.

As can be seen in Stalin's letter, there was not a single word regarding either "frontiers of Austria" or "guaranteeing frontiers of Austria of 1938" or of "stability of the frontiers of Austria" or about "frontiers of Austria remaining without change." All this is invention and a lie of the Yugoslav Government.

Stalin's letter was caused by two circumstances which threatened Austria with division and loss of independence. On the one hand, in certain British circles a plan was being hatched for the unification of Austria and Hungary and part of southern Germany into a Danubian monarchy. The Soviet Government resolutely opposed this plan, declaring this threatened Austria with loss of independence and that Austria may remain an independent state.

On the other hand, in certain nationalist circles of the Slav states, including Yugoslavia, the plan was being put forward for a division of Austria between neighboring states. The Soviet Government likewise opposed this resolutely, declaring a division of Austria was a reactionary measure contradictory to the principles of democrcy and that Austria must remain an integral state. It was on this basis that Stalin's letter arose.

Self-Determination Stressed

The Yugoslav Government considers that the principle of self-determination of nations is applicable only to Yugoslavia and the victorious nations. But only persons reared in the spirit of imperialist aggression can reason thus.

Democrats, on the other hand, believe that the principle of self-determination of nations should be applied to all nations, including vanquished nations. It was precisely on this that the Soviet Government based itself when it rejected both the plan for the creation of a Danubian monarchy and the plan for a division of Austria.

Does this signify that the Soviet Government, declaring itself in opposition to the division of Austria and for her independence, thereby admitted "stability of frontiers" of Austria, impermissibility of rectifying Austria's frontiers in favor of Yugoslavia? Of course not. The question of the integrity of any state and the question of "stability of frontiers" of this state constitute two completely different problems. Only persons who have lost the last remnants of Marxism could confuse the two and equate them.

The Soviet Government declared itself opposed to a division of Poland and in favor of unification of all Polish lands into a a single integral state. Does this signify thereby that it was in favor at that time of "stability of frontiers" of Poland; that it did not consider possible at that time rectification of Poland's frontiers in any direction? Of course it does not signify this.

Italy Cited As Example

Subsequent facts proved this with complete clarity. When one section of American politicians hatched the plan for the partial division of Italy, demanding the separation of Sicily from Italy, the Soviet Government expressed itself against such a plan, defending the integrity of Italy. Does this mean that the Soviet Government came out in favor of "stability of frontiers" of Italy; that it did not consider possible the rectification of Italian frontiers in favor of Yugoslavia? Of course not. Subsequent facts demonstrated this with complete clarity.

The same must be said about Austria. The Soviet Government has been and continues to be in favor of the integrity of Austria.

Does this mean that, thereby, it declares itself for "stability of frontiers" of Austria; that it as not considered the possible rectification of Austria's frontiers in favor of Yugoslavia?

It is plain that it does not mean this. Subsequent facts have demonstrated this with all clarity, for the Soviet Government, in defending the integrity of Austria, at the same time defended the necessity for rectifying the frontiers of Austria in favor of Yugoslavia.

There cannot be any doubt that Yugoslavia would have got Slovene Carinthia had not the Yugoslav Government taken fright and betrayed, in view of their cowardice, the national rights of Yugoslavia.

AUG 31 1949

Added Slander Alleged

Realizing the bankruptcy of its slanderous inventions on the question of Stalin's letter to Renner, the Yugoslav Government had recourse to another version of slanderous inventions, asserting in their note that the Soviet Government no longer considered it possible to defend the former claims of Yugoslavia to Slovene Carinthia—which the Yugoslav Government gave up—allegedly because it had received for this another $50,000,000 from the sale of Soviet property in Austria to the Austrian state.

As is known, the Soviet Union, in accordance with the decision of the Potsdam Conference, was given the right of ownership of German assets in eastern Austria, just as Britain, the United States and France were given the right of ownership of German assets in Western Austria, Western Europe and the American countries.

In order to help Austria, the Soviet Government agreed to sell to Austria part of her assets for corresponding compensation. And so the Yugoslav Government asserts that the "Soviet Government, agreeing to the Carpathian Slovenes remaining under the power of Austria, obtained in its favor increased compensation for German assets in Austria to the amount of $50,000,000"; that in this connection the Soviet Government is to receive for the assets concerned not $100,000,000, as the Soviet Government is said to have demanded, but $150,000,000.

We did not think that the Yugoslav Government could fall so low; that it could think so basely and meanly of the Soviet Union.

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where cannot be any doubt that only persons who have betrayed socialism and democracy and become wild Fascists are capable of idly talking so unashamedly and loosely about the Soviet Union and its Government.

Every Word Called False

Every word of the assertions of the Yugoslav Government is a lie. It is not true that the Soviet Government demanded compensation for assets in the sum of $100,000,000. In fact it demanded $200,000,000. It is not true that the Soviet Government got $50,000,000 more than the agreed price. In actual fact it will get $50,000,000 less than the agreed value.

It is not true that the question of Carinthia has any connection with the sale of Soviet property in Austria, for even in this dirty supposition of the Yugoslav Government there is no room for the question of Slovene Carinthia. All this has been invented and falsified by the Yugoslav Government.

No, gentlemen, it was not the Soviet Government but the Yugoslav Government that betrayed the interests of the Slovenes in Carinthia, having given up as long ago as 1947 all its territorial claims on Austria.

There is a document, Mr. Kardelj's letter to Mr. Vishinsky, dated April 20, 1947, where the Yugoslav Government gives up Slovene Carinthia and restricts itself to asking for special rights in the administration of two electric power stations.

The document states: "The question could be settled by minor frontier rectification for which I present to you the draft of two versions. In a last resort it could be settled by establishing special rights of the Federated People's Republic of Yugoslavia in the administration of these stations."

The Yugoslav Government cannot escape from this traitor's document just as it cannot escape its own shadow.

Moscow Recalls Support

It is noteworthy that at the very time the Yugoslav Government in Mr. Kardelj's letter gave up Slovene Carinthia, the Soviet Delegation, at the Moscow session of the Council of Foreign Ministers on April 21, 1947, the day after the receipt of Mr. Kradelj's letter, declared the Soviet delegation considers well founded the proposals of the Yugoslav Government regarding the reunion of Slovene Carinthia with Slovenia, comprising part of Yugoslavia, as well as proposals regarding the frontier of the Slovenian district of Styria, and regarding the grant of a special statute to Burgenland Croats, which would assure their national rights as formulated in the memorandum of the Yugoslav delegation submitted to the Conference of Foreign Ministers Deputies in London on Aug. 22, 1947. The Soviet delegation supports the above proposals."

As is known, this statement by the Soviet delegation was subsequently included in a report of the Commission on the Austrian Treaty to the Foreign Ministers' Council in October, 1947.

There is also another document.

In its note of Aug. 3, 1949, the Yugoslav Government declared "the proposals of the Yugoslav Government outlined to British Minister Noel-Baker on June, 14, 1947, were made known to the Government of the U.S.S.R. as far back as April 20, 1947, in a letter sent to Minister Vishinsky," and in the above mentioned letter of Mr. Kardelj.

West Held Informed

Thus, the Yugoslav Government in its note of Aug. 3 admitted the British Government had been informed by the Yugoslav Government in June, 1947, of its renunciation of all territorial claims on Austria in respect to Slovene Carinthia. Thereby, not only the British Government but also the Governments of the United States of America and France, who followed a common negative line with regard to Yugoslav claims on Austria, were advised that the Yugoslav Government, although adhering to form's sake to its formal statement to the Foreign Ministers' Council regarding territorial claims on Slovene Carinthia, in actual fact renounced these claims, betraying the interests of Slovenes in Carinthia and the national rights of Yugoslavia.

After this it is perfectly obvious how false is the assertion of the Yugoslav Government in its note of Aug. 20 that it is known to all that the Government of Yugoslavia never renounced and has not ceased to fight for the reunion of Slovene Carinthia * * *.

The falseness and double-dealing of the Yugoslav Government is all more manifest, because the above mentioned negotiations with the British Minister were conducted in secret from the Soviet Government, behind the back of the Soviet Union.

As is known, Mr. Kardelj's letter of April 20 said nothing about the Yugoslav Government's intention of informing the British Government about Yugoslav concessions in the matter of Slovene Carinthia. The Soviet Government knew nothing about these negotiations until one of the Yugoslav representatives in Vienna in July, 1947, let the cat out of the bag during a conversation with a Soviet Deputy Political Counselor in Austria. It was only after that that the Soviet Government asked the Yugoslav Government for an explanation on this subject through its Ambassador in Belgrade.

Correction by Kardelj

On Aug. 5, 1947, Soviet Ambassador A. I. Lavrentiev had a conversation with Premier Tito and his deputy, Mr. Kardelj. Asked by the Soviet Ambassador to inform the Soviet Government of the negotiations with Noel-Baker in Belgrade, Tito first said that in these negotiations the Yugoslav Government had defended its official proposals concerning Slovene Carinthia submitted to the Council of Foreign Ministers. But at this point he was corrected by Mr. Kardelj, who admitted that Mr. Noel-Baker had been informed of the minimum territorial claims regarding Slovene Carinthia.

However, it is only the Yugoslav Government's note of Aug. 3, 1949, that disclosed that British Minister Noel-Baker had been informed of the Yugoslav Government's proposals set out in Mr. Kardelj's letter of March 20, 1947, which contained the Yugoslav Government's renunciation of all territorial claims on Slovene Carinthia.

These facts prove that in the first place the British Government had been informed by the Yugoslav Government of its renunciation of territorial claims to Slovene Carinthia away back in the summer of 1947, the Yugoslav Government having concealed this from the Government of the U.S.S.R.

These facts prove, secondly, that the Yugoslav Government was behaving in a double-faced manner both in 1947, and later in posing as if it were fighting for Slovene Carinthia, while in reality the Yugoslav Government had renounced Slovene Carinthia two years earlier in a secret deal with representatives of the British Government.

"Base Duplicity" Charged

These facts prove, thirdly, that, having known of Yugoslavia's renunciation of Slovene Carinthia, the Western Powers were bound to come out against Yugoslavia's territorial claims all the more emphatically, which made it impossible for the Soviet Government to succeed in defending Yugoslavia's case.

What is the explanation for this perfidious behavior of the Yugoslav Government with regard to Slovene Carinthia and for such base duplicity with regard to the Soviet Union? What was the purpose in view?

The purpose was evidently artificially to fan the differences inside the Council of Foreign Ministers. This was done by the Yugoslav Government to please extremist ultra-aggressive imperialist circles in Britain, the United States and France, which are interested in supporting hostile anti-Soviet sentiments and war hysteria.

The Yugoslav Government in this case acted as an ill-wisher and an enemy of the Soviet Union, as an agent of foreign imperialist circles.

When the Yugoslav Government's shady game became apparent, the Soviet Government naturally refused to be a party to this filthy policy of deceiving the peoples of Yugoslavia, conducted by the Yugoslav Government.

It is also clear the Soviet Government could no longer defend Yugoslavia's territorial claims, since the Yugoslav Government, as it has now become obvious, had disavowed these claims itself in its secret deal with the representatives of the British Government in 1947, and had thereby made it impossible for the Soviet Government to continue defending Yugoslavia's claims.

Third Version Alleged

Feeling that its capitulatory position in the question of Slovene Carinthia is hopeless, and seeing that it cannot succeed in concealing from public opinion Mr. Kardelj's letter in which it renounces Slovene Carinthia, the Yugoslav Government is resorting to version three of its slanderous conconctions.

It maintains Soviet representatives urged the Yugoslav Government to make this deal with the Western powers in the matter of Yugoslav territorial claims on Austria, and that the Yugoslav Government was prepared to make a concession in this matter only because the Soviet Government had demanded it.

True, the Soviet representatives gave the lie to this false assertion of the Yugoslav Government, by their speeches at the four power conferences in Moscow, Vienna and London in 1947, 1948 and 1949, at which they openly and honestly defended all territorial and other claims of Yugoslavia on Austria. But the Yugoslav Government is trying to hide from these facts, preferring to engage in slander.

True, the Soviet Government exposed this false assertion of the Yugoslav Government by reminding it in the Soviet note of Aug. 11 that in November, 1947, the Soviet Ambassador to Yugoslavia, in a reply to an inquiry from the Yugoslav Foreign Minister, had informed the latter that the U.S.S.R. saw no reason why Yugoslavia should cut down her territorial claims on Austria. But the Yugoslav Government passes by this fact, making believe that it does not notice it.

Exposure by Russia

True, the Soviet Government has exposed the false nature of this asser on of the Yugoslav Government by reminding it in the Soviet note of Aug. 11 that in 1948 the Soviet Ambassador to Yugoslavia reaffirmed the Soviet Government's view that reduction of Yugoslav territorial claims was untimely, exposing the more than suspicious behavior of Bebler in London. But here again the Yugoslav Government passes by this fact, feigning blindness.

What do these facts indicate if not that the Yugoslav Government is viciously slandering the Soviet Government and its representatives in claiming that they urged the Yugoslav Government to give up its territorial claims and that the Yugoslav Government was prepared to make territorial concessions "only because the Soviet Government had demanded this."

What do these facts indicate if not that the Yugoslav Government is viciously slandering the Soviet Government and its representatives, in claiming that they urged the Yugoslav Government to give up its territorial claims and that the Yugoslav Government was prepared to make territorial concessions only.

Query for Yugoslavs

Indeed if the Soviet Government was urging the Yugoslav Government to make territorial concessions why did the Soviet Government not agree with Mr. Kardelj's letter? Why did it reject Mr. Kardelj's proposal? Has the Yugoslav Government ever thought of this?

Does the Yugoslav Government not think that the posing of this question alone destroys all its slanderous concoctions about the Soviet Government allegedly having urged it to give up its territorial claims?

In general is the renunciation of maximum territorial claims permissible? Is it permissible in this case to substitute minimum demands for maximum? Yes, it is, but under two conditions: Provided this is dictated by necessity, that is, provided there is no hope of getting maximum demands satisfied at this time, and provided the Yugoslav Government assumes responsibility for such concessions.

Why did the Soviet Government not agree to Mr. Kardelj's proposals? Because in the first place, concessions proposed by Mr. Kardelj were not dictated by necessity, that is, because there was a possibility of getting maximum territorial claims satisfied, and secondly because the Yugoslav Government refused to assume responsibility for territorial concessions set forth in Mr. Kardelj's letter.

The Yugoslav Government wanted the Soviet Government to be responsible for these concessions instead of the Yugoslav Government.

Naturally, the Soviet Government could not agree to this fraudulent machination for deceiving the peoples of Yugoslavia.

Issue of Semantics

The Yugoslav Government tries to make it appear as if Mr. Kardelj sent his letter to Mr. Vishinsky because the Soviet Government was striving to secure a compromise solution of the problem of Slovene Carinthia and as if Mr. Kardelj's letter was thus a reply to Mr. Vishinky's proposals.

However, Mr. Kardelj's letter does not even contain a hint that it was a reply to some sort of proposals, still less of demands by Soviet representatives. Quite the reverse.

Mr. Kardelj's letter leaves no doubt that it was written not in reply to any "demands" from Soviet representatives but on the initiative of Mr. Kardelj himself.

This is borne out by the very first sentence of Mr. Kardelj's letter:

"Inasmuch as there exists the possibility that the Yugoslav territorial claims on Austria in their present form will be wholly discarded, and should you desire to advance a fresh proposal in this event, I should like to draw your attention to questions which are so important for the Federated People's Republic of Yugoslavia that it would be necessary to find a positive solution."

It is evident that Mr. Kardelj's letter is not a reply to any proposal or demand from Mr. Vishinsky, for if Mr. Kardelj's letter were a reply to a proposal or demand from Mr. Vishinky it would say "since you desire to advance a fresh proposal" or "in view of the fact that you desire to advance a fresh proposal."

Wording Cited as Evidence

However, something entirely different is said in the letter, namely, "should you desire to advance a fresh proposal." Consequently Mr. Kardelj's letter is not a reply to any proposal or demand from Mr. Vishinsky but a question to Mr. Vishinsky: Do you wish to advance a fresh proposal?

As is known, the Soviet Government replied to Mr. Kardelj's question in the negative, that is, that it did not want to make a new proposal revising Yugoslavia's claims on Slovene Carinthia.

The Soviet Government replied that revision of Yugoslav claims was not dictated by necessity and that if the Yugoslav Government insisted on its view it would have to assume entire responsibility for territorial concessions.

Only in the case that the Yugoslav Government assumed responsibility for these concessions would the Soviet Government be prepared to defend this new position as the position of the Yugoslav Government in the Council of Foreign Ministers.

As is known the Yugoslav Government, in passing off these territorial concessions on to the Soviet Government, refused to assume responsibility for them, wishing to conceal its new capitulatory position from the peoples of Yugoslavia.

In the interests of clarity we quote here that part of Mr. Kardelj's letter which deals with the Yugoslav Government's renunciation of Yugoslavia's territorial claims:

Moscow, April 20, 1947.

Esteemed Comrade Vishinsky:

Inasmuch as there exists a possibility that Yugoslav territorial claims to Austria in their present form will be wholly discarded, and should you desire to advance fresh proposals in this event, I

should like to draw your attention to questions which are so important for the Federated People's Republic of Yugoslavia that it would be necessary to find a positive solution. A positive solution to these questions would represent a minimum satisfaction of the demands contained in the Yugoslav territorial claims.

The first question concerns the electric power stations of Zvabek and Labod. In my report to the Council of Foreign Ministers I emphasized the special importance these electric power stations have for the Yugoslav electrical industry.

The Zvabek and Labod electric power stations were built after Anschluss, chiefly during the wartime by the German firm of Alpine Elektrowerke Aktien Gesellschaft, Wien, and despite the 1926 convention under which Austria pledged herself not to build anything on the Drava without Yugoslavia's preliminary consent.

These electric power stations, consequently, represent German property in the Western zone of Austria, for which also the Federated People's Republic of Yugoslavia, besides other states which signed decisions of the Paris reparations conference, should take part of its reparations. Furthermore, these electric power stations were built without consideration for the needs of Yugoslavia's electrical industry, and under the present regime of exploitation, they cause immense damage in some months, approximating 1,000,000 kilowatt hours.

The question can be settled by a minor frontier rectification, for which purpose I present to you a draft of two versions, and in last resort, it could be settled by establishing special righs of the Federated People's Republic of Yugoslavia in the administration of these stations. Enclosed is the plan of such a regime.

The second question relates to special protection of the national rights of the Carinthian Slovenes. After all the experience that the Slovenian people have had with Austria it may be regarded as certain that after the treaty is signed attempts will be made to intensify Germanization. Even those demagogic undertakings (for instance, re-establishment of bilingual schools) which Austria effected in Carinthia after Germany's collapse, though existing on paper with the purpose of showing its tolerance in national respect, are already today not being carried out in fact. For this reason it would be of great importance if in the treaty it was agreed that undertakings which have already acquired the force of law be augmented and as a component part of the treaty be entirely subjected to four-power control. Enclosed is the scheme with the fundamental principles of such a regime.

Utilizing this opportunity to salute you.

Yours respectfully,
KARDELJ.

Larger Area in First Version

The first version embraces the Pliberz (Bleiburg) judicial district, territory between the present Austrian-Yugoslav frontier, Drava and the western frontier of the communities of Bistrica (Feistritz) and Blato (Moos) and from the northern side of Drava, the community of Labod (Lavamuend), and that part of the community of Rjude (Rueden) which adjoins Drava and is separated from the remainder of the community by a line passing along the range cross height 882. Thus the territory is of an area of 210 square kilometers and, according to the Austrian census of 1934, has a population of 9,396.

The ethnical composition of the territory in question may be examined in detail on the basis of tables appended. The Austrian census of 1910, conducted, as is known, to the detriment of the Slovenes, nevertheless shows on this territory a distinct Slovenian majority (6,696 Slovenes and 2,878 Germans).

During 1920 the plebiscite majority on this territory voted in favor of Yugoslavia.

The second version embraces the south of Drava—the communities of Libelice (Leifling) and Zvabek (Schwabeck) and north of Drava—the community of Labod (Lavamuend) and a small part of the community of Rjude (Rueden). This version covers a territory of approximately sixty-three square kilometers and, according to the Austrian census of 1934, has a population of 3,150.

The ethnical composition is a little worse than in the first version, inasmuch as the community of Labod in which, according to this version a majority of the population resides, was strongly Germanized.

The four Yugoslav Government demands in its note of Aug. 20 that the Soviet Government should display particular respect, even love for it, that this respect and love should be expressed in notes to the Yugoslav Government, that the notes should contain nothing that might hurt the pride of the Yugoslav Government or insult it. The Yugoslav Government asserts that this is required by "international usages."

The Soviet Government is obliged to state that the Yugoslav Government's demands are impossible.

Everyone knows that the Yugoslav Government has deserted from the camp of socialism and democracy to the camp of imperialism and fascism. It must be noted that the Soviet people and the Soviet public do not respect deserters. Even less so can they harbor anything resembling love. Furthermore, it is generally known that the Soviet people and Soviet public despise deserters.

Of course there are different kinds of deserters. Some are accidental ones, who have deserted owing to cowardice, in the hope of saving their skins. But there are other deserters, too—malicious deserters. These are people who desert not only to save their skins, but to do injury to the camp which they have left. And it must be said, sad as it may be, that the Soviet people and the Soviet public class the Yugoslav Government not among accidental deserters, but among malicious deserters.

Furthermore, it should be noted that there are different kinds of malicious deserters, too. There are malicious deserters who realize their guilt, who take their shame deeply to heart and try to remain unnoticed, who try to remain in the background, and conduct themselves almost modestly. But there are other malicious deserters who try to profit from their shame, who boast loudly of their desertion as though it were a kind of heroism, who keep jumping out on the stage to abuse the camp from which they have deserted, who boast without shame that they can always abuse that camp and that consequently they are not just ordinary deserters but heroes. Just like Krylov's fable where "the puppy is feeling so big that she's barking at an elephant."

It must be said, sad as it may be, that the Soviet People and the Soviet public class the Yugoslav Government among just such boastful malicious deserters.

That is the public atmosphere in which the Soviet Government is obliged to carry on its work.

We hope that the Yugoslav Government will realize that it cannot expect courtesy, and, even less so, respect from the Soviet Government.

AUG 30 1949

U. S., Britain May Permit Yugoslavia to Get Arms

LONDON, Aug. 30 — (AP) The United States and Britain may ease restrictions soon on the sale of arms to Yugoslavia, responsible diplomatic officials said today.

The matter is under study in Washington and London, they said, and a decision is expected when Secretary of State Dean Acheson and Foreign Secretary Ernest Bevin discuss the matter in the American capital in the next week or two.

In the last few weeks British officials have been trying to figure out ways in which they can quietly back up Marshal Tito's regime in its quarrel with Russia and her friends, the informants said.

One obvious way would be to send much-needed military equipment to Yugoslavia.

Supplies of such equipment to Yugoslavia have been stopped by the countries of the Soviet-dominated Communist International Information Bureau (Cominform).

The Yugoslavs are believed to have asked the western powers to help them with certain kinds of equipment—including vehicles, light armor and small arms.

The western powers would like to help Tito defy the Cominform challenge, the informants said.

Troops Reported Sent To Yugoslav Border

BERLIN, Aug. 30 — (AP) The West Berlin newspaper Sozialdemokrat said today a vanguard of 3,500 heavily armed East German police had been sent to the Yugoslav border for "a possible war against Tito."

The newspaper said perhaps 12,000 more will be sent for "anti-Tito action" in the Balkans, and "with feverish hurry tanks, guns and other military equipment are being loaded on trains and trucks to go with the German police troops."

British and American army intelligence officers said they knew of the report, but could not confirm it. Sozialdemokrat is the British-licensed newspaper of the Social Democratic Party which claims to have an extensive network of underground agents in the Soviet zone.

The newspaer's report followed by a day the disclosure by the U. S. military government that five East German policemen fled into the American zone at Hof, saying they escaped to avoid military service with Communist guerrillas in Greece. The escaped policeman said the Russians had issued an order for all unmarried members of the East German police under 25 years of age to be recruited for the service.

The Volkspolizei (people's police) of the Russian zone is reported to have a target enrollment of 300,000 but is believed to actually number only about 80,000 men under the command of Soviet General Smirnov. It has participated in military-style training and maneuvers under the eyes of Soviet officers and propagandists.

Troops Moved to Balkans.

Berlin, Aug. 30 (A. P.).—A Berlin newspaper said today East German police are being sent to the Balkans by Russia to seal off Yugoslavia. The British-licensed Social Democrat said 3,500 heavily armed members of the Volks-Polizei (People's Police) left the Russian zone of Germany for "anti-Tito action" in the Balkans Saturday. It said 12,000 more will be sent.

British and American intelligence officers said they could not confirm the reports.

The Social Democrat said the troops, wearing uniforms similar to those of the Red Army, are commanded by Russian Gen. Smirnov.

Moscow Broadcasts Text

MOSCOW, Aug. 30 (AP) — The complete text of the latest Soviet note to Yugoslavia was read over the radio tonight to millions of Russian listeners. It will be carried in newspapers tomorrow.

Britain's Press Hails Truman's Sympathy

Nat Cooper

United States studies plan to increase buying of strategic items from England. [Page 3.]

AUG 30 1949

London, Aug. 30 (AP)—The British press gave out today with a heartfelt chorus of "Thank you, Mr. President."

The Philadelphia speech by President Truman aroused as much gratitude as though it had been a personal pat on the back for every Briton.

Sighs Of Relief

Mr. Truman's avowal of continued sympathy and friendship for the British people was the day's top news story.

It was hailed on all sides as a good omen for the dollar-crisis talks starting in Washington September 7. In Labor party circles there were audible sighs of relief.

"Truman Says Hands Off Other People's Politics" was the jubilant headline in the *Daily Herald*, the party mouthpiece.

The British Foreign Office was so pleased with what Mr. Truman had to say that it took the unusual course of issuing a formal statement long after its regular office hours. Said the Foreign Office:

"President Truman's references to the forthcoming Anglo-American-Canadian talks in his speech to the American Legion convention at Philadelphia are regarded in London as most helpful and encouraging for the success of the tri-party talks.

"Fully Appreciated"

"The point of view expressed by the President is fully appreciated and shared in London."

"Truman: We're friends,' said the seven-column banner in the Conservative *Daily Mail*.

The speech was all the more gratefully received because of growing resentment here over criticism from America.

The Socialists have been enraged by statements that their political policies have crippled the postwar recovery effort.

Britons in general are angered by suggestions from abroad that they are finished as a world power.

Clears The Air

The Liberal *Star* said the Truman speech clears the air.

"Common sense wins through," said the *Star*. "On both sides of the Atlantic the foolish propagandists have been ruefully eating their wild words."

The *Financial Times* expressed hope that "the guiding principles which the President has enunciated for a constructive approach to world economic problems will continue to shine bright and clear throughout the Washington talks."

"Useless Bickering"

The Conservative *Daily Graphic* said:

"There has been a good deal of useless bickering on both sides of the Atlantic. But never once has a member of the American Government joined in. The attitude has been just the opposite, and it is expressed again in Mr. Truman's speech to the American Legion."

The Independent London *Times* said: "The President has put the great issues at Washington into right perspective."

PARLEY TO BE HELD ON ATOMIC DANGERS

AUG 30 1949

LONDON, Aug. 30. — (AP) The United States, Britain and Canada will hold a conference Sept. 5 to 10 on dangers in atomic research, including sabotage, the ministry of supply said today.

The ministry's announcement noted that the conference will be held under the three nation technical cooperation program set up

30.24- 5353

in January 1948—which it said does not include "weapons information."

It will take place at Harwell, 50 miles west of London, where Britain has an atomic research station.

The statement remarked that each of the three countries has done much research into the potential hazards of atomic piles—in which a controlled atomic chain reaction produces energy.

"Delegates to next month's conference," it said, "will discuss the treatment of radioactive wastes; the effects of radiation on plants, animals and human beings, and pile hazards caused by accidents, sabotage or the failure of safety controls."

The three-nation program for exchange of certain technical information is under general direction of a combined policy committee.

PALESTINE GROWING FAST

2,000,000 Population in Next Five Years Predicted

LONDON, Aug. 30 (AP)—Rabbi Israel Goldstein of New York predicted today the population of Israel would reach 2,000,000 in the next five years.

"It is felt that there is room, with proper economic development, for 4,000,000 or 5,000,000 Jews there eventually," he told newsmen. Israeli's present population is about 1,000,000.

Rabbi Goldstein is a former treasurer of the Jewish agency for Palestine. He is on his way back to the United States after a year in Israel. He said Israel was developing a tourist business that eventually should rival Switzerland's.

Rabbi Goldstein said foreign capital was needed for Israel's industrial development and that steps were being taken to attract it.

"I believe that in the next few days there will be a law passed which will set forth the various inducements which the Israeli government will offer to foreign capital," he said.

Larger Aid-Share Set For Britain

Paris, Aug. 30 (AP)—Top officials of the Organization for European Economic Co-Operation have worked out a new plan for division of Marshall plan funds which would give Britain $960,000,000 in 1949-50.

This figure is $118,000,000 more than the British were allotted under the last OEEC proposal, but is $558,000,000 less than the British asked for when estimates of required aid were submitted.

Up For Discussion Tomorrow

Although the United States Congress has not yet decided on the exact amount of Marshall plan aid for the coming year, the experts are figuring on a total appropriation of about $3,670,000,000.

The new plan was worked out after all the nineteen member areas except Trieste let it be known they were not satisfied with the last proposed division.

The council of the OEEC will meet tomorrow to discuss the new proposals. There was no official comment on the new plan. The British, however, were reported pleased with the increase.

Communists And Fascists Fight In Heart Of Milan

Milan, Italy, Aug. 30 (AP)—Communists and neo-Fascists clashed in the heart of Milan tonight. Riot police quelled the disorder and arrested fifteen persons. No casualties were reported.

The neo-Fascists are members of the Italian Social Movement which frequently claims allegiance to the principles of Mussolini.

Yugoslav Bullets Kill Italian

UDINE, Italy, Aug. 30 (AP).—An Italian frontier guard was killed today on the Italo-Yugoslav border by machine-gun bullets fired from Yugoslavia, the Italian news agency Ansa said. The frontier guard, Salvatore Russo, was watching workers cutting trees along the border when the shots were fired. Ansa said his body rolled downhill into Yugoslav territory.

EAST-WEST TRADE SPED

Four Berlin Powers Back Talks of Zonal Groups Sept. 11

BERLIN, Aug. 30 (AP)—Economic experts of the four occupation powers agreed today to speed up talks for an East-West German trade pact.

They approved a formal meeting between representatives of the Soviet zone German Economic Commission and the West German Economic Administration, to be held at Frankfort Sept. 11.

The two German organizations have been holding informal trade talks in Berlin during the past week but have reached no basic understanding conforming to the instructions of the Paris Foreign Ministers' conference in June.

A brief communiqué said that the Soviet and Allied experts would recommend to the Germans that "they accelerate their present negotiations."

Robertson Sees Berlin As Capital

Berlin, Aug. 30 (AP)—The British Military Governor, Sir Brian Robertson, asserted today that the new West German Government "must support the future capital of the republic—Berlin."

He said he was "quite sure" this quartered city eventually would resume its position as the German capital, but he smilingly declined to predict a date.

"I am absolutely determined that Berlin having survived the Soviet blockade, does not fall victim to economic pressure of any other," said the military governor, who becomes British High Commissioner with the establishment of the West German republic next month.

West Berlin Runs Utilities

BERLIN, Aug. 30 (AP).—Western Berlin's gas, water, electricity and sewage facilities went back under German control today for the first time since the city fell in 1945. The thre-power Kommandatura which rules the Western sectors told the elected West Berlin city government to take over production and financing of the utilities.

Berlin, Aug. 30 (AP)—An American who lost his "best friend" inserted this ad in the occupation forces daily bulletin:

"Lost—one dog, part Boxer, part something else. Answers to the name of Lucky or anything else. Sits up and begs for food whenever he sees it. Isn't worth anything but sure would like to get him back."

Hitler Order Read At Hamburg Trial

Hamburg, Germany, Aug. 30 (AP). An alleged secret Hitler order for waging brutal war on Poland was introduced in evidence today at the British war crimes trial of former German Field Marshal Erich von Manstein.

The document, described by the prosecution as "a veritable piece of dynamite," reportedly contains notes of Hitler's speech to his generals in Obersalzburg, nine days before the Nazi invasion of Poland.

On that day Hitler was alleged to have told his war leaders—among them von Manstein—of the ruthless way the war was to be fought in Poland.

Recognized By Correspondent

The document was accompanied by an affidavit from Louis P. Lochner, former Associated Press correspondent in Berlin. He said he recognized the document as one handed to him in Berlin in August, 1939, by Hermann Maas, who later was executed for his part in the 1944 bomb plot against Hitler.

Maas told Lochner he got the document from Gen. Ludwig Beck, former chief of staff, who had received it from an officer who attended the Obersalzburg meeting. The typewritten sheets contained notes of what Hitler was supposed to have told his generals.

Von Manstein has pleaded innocent to a seventeen-count indictment accusing him of war crimes involving extermination of Jews and misuse of prisoners of war in the Polish and Russian campaigns.

Charges Catholics Seek German Rule

Schumacher Says Church Is at Peak Strength

BAD DUERKHEIM, Germany, Aug. 30 (AP).—Dr. Kurt Schumacher, head of West Germany's Socialist party, said today the Roman Catholic Church is stronger in Germany than at any time since the Middle Ages.

Dr. Schumacher charged repeatedly in the recent election campaign that the Church was interfering on behalf of his chief rival, the Christian Democratic party. The Christian Democrats led in the voting, with the Socialists second.

"The greater part of the voters were fundamentally of Socialist opinion," Dr. Schumacher told a news conference, "but they surrendered to the powerful influence of the Church."

"We have the impression that they (the Church) would like to make a second Spain in Germany," he added. "They must believe that the German state is so weak that one can do things here which are impossible in other countries."

Greeks Hammer Escape Routes Of Guerrillas

Greek Army Headquarters at Argo, Greece, Aug. 30 (AP)—A small pocket of Communist guerrillas fought frantically today to keep open two escape routes into Albania for their comrades retreating from Mount Grammos before Greek Army troops.

Planes and artillery of the victorious Greek National forces hammered the horse-shoe shaped guerrilla position which has an open end in Greece and is based on Kamenic, astride the Albanian border.

[In Athens, a general-staff spokesman said a captured guerrilla officer had declared the principal rebel military and political leaders fled into Albania on the night of August 27 and 28.

Military Leader Flees

[They included, according to the Greek spokesman, Communist party Secretary-General Nicholas Zachariades, Finance Minister Vassilis Bartzokas and Commander in Chief Spyridon Goussias.]

The guerrillas were attempting to hold their ground to allow mauled rebel units from the central Grammos to escape from the army's mop-up operation.

The two prongs of the guerrilla line are at Prophet Elias Hill on the south and Steno Ridge on the north. The open end of the horse-shoe is less than 2 miles across.

Many Reach Albania

A Greek Army communiqué said many guerrillas already have filtered into Albania. When the big Grammos push got under way there were an estimated 4,000 to 5,000 rebels in the mountainous region.

A compilation of communiqués listed 1,040 guerrillas dead and 584 taken prisoner in the Grammos

Catholics Say Reds Spur Attacks

Tell of Chaplain's Arrest and Increased Anti-church Campaign in Soviet Zone of Germany.

Leipzig, Aug. 30 (A. P.).—Roman Catholic informants said today that Soviet zone Communists were sharply increasing pressure against the church.

A few weeks ago, these sources said, Russian soldiers arrested the Catholic chaplain of the University of Rostock in Mecklenburg. They said negotiations were underway between the Russians and Catholic Church officials to obtain his release. Since his arrest the anti-church campaign, directed almost solely at the Catholics, has increased.

Church sources visiting this Russian zone city for the opening of the annual fall fair, said the burden of the anti-church campaign was being borne by the Communist Free German Youth organization.

Under the direction of the Socialist Unity (Communist) party, they said, the Free German Youth organization was conducting a threefold anti-Catholic campaign involving rowdy serenading of religious services, persuading children and teenagers to keep away from church and making anti-Catholic speeches at public meetings.

drive. Army losses were given as 188 killed and 1,175 wounded. The Army reported capture of eight artillery pieces, ten anti-aircraft guns, four anti-tank guns, 1,358 rifles, 103 mortars and more than 200 machine guns. AP

AUG 30 1949

Rebels Fight On In Grammos

With the Greek Army on the Gramos Front, Aug. 30 (AP)—Mauled Communist guerrillas fought fanatically today to defend a small horseshoe-shaped pocket on the Albanian border.

The horseshoe's open end was in Greece and was about 2 miles across. The pocket was about 3 miles deep, with one end based on precipitous Mount Kamenec and the other on saw-toothed Steno Ridge.

Pounded by artillery, Greek-manned United States Navy Hell-divers and Spitfires, the guerrillas hung on desperately to keep open routes of retreat for their comrades trying to escape the Greek Army's mop-up of the Grammos Mountain bastion.

Chieftains Escape

Many guerrillas already have escaped into Albania.

A general staff spokesman said the rebel political and military chieftains, including Nicholas Zachariades, Communist secretary general and Commander Spyridon Goussias, had gone into Albania after the first day of the Greek Army attack. The spokesman said this information had been received from a captured guerrilla officer.

Even the best informed authorities will not estimate how many of the 4,000 to 5,000 guerrillas in the area has escaped. The Greek division driving up north along the border of Kamenec failed to get through and make a junction with the 9th Division, which captured Mount Grammos and then plunged south. The strongly entrenched guerrillas managed to hold open a small gap for retreat.

A compilation of casualty figures in the army's communiqués since the start of the major attack adds up to 1,040 guerrillas killed and 584 captured. 184 army men killed and 1,175 wounded.

Finnish Government Opposition Shrinks

Helsinki, Finland, Aug. 30 (AP)—There were indications tonight that the Communists would stand alone in an expected fight against Finland's Government when Parliament opens Thursday.

Fear of a double-edged attack on the Social Democratic regime of Premier Karl A. Fagerholm lessened when the Agrarian party announced it had made no plans to raise a question in Parliament "at this time."

Agrarians had been expected to start a debate over farm prices. Farmers have been complaining of a Government decision to cut the price of milk. The Communists are expected to raise a question of confidence in the Government on the grounds that police took brutal action against Communist-led lumber strikers at Kemi recently.

Meanwhile, there was no apparent weakening of labor's efforts of Finland's strike front.

The food workers said they were willing to end their 12-day walkout, but the metal workers prepared for new strike actions. Building construction generally was at a standstill and ships were tied up in several important ports.

The president of the Food Workers' Union told the Employers' Association he was willing to call union members back to work provided negotiations on wage adjustments were started. The association insisted that the strike must be ended first.

Communists Within 30 Miles Of Key China Defense Railway

Spencer Moosa

Canton, China, Aug. 30 (AP)—Chinese Communist troops today slashed to within 30 miles of the Canton-Hankow railway, lifeline for the main Nationalist defense forces for all South China.

They overran Jucheng, 170 miles north of Canton and 40 miles east of the railway. They then speed on 10 miles west and attacked Litin, press reports said.

Should the Communists reach the railway, supplies no longer will be able to move from Canton by rail to the armies of Gen. Pai Chung-hsi. His headquarters are at Hengyang, 265 miles north of Canton.

Pai's 200,000-man armies then would have little choice but to retire southwestward into Kwgansi province, west of Canton.

Route Left Open

It seemed to be Communist strategy to force Pai into Kwangsi and leave Canton to its fate. The Communists are stepping up their pressure east of the railway.

They still are withdrawing troops west of the railway, where Pai gave them a beating. This western withdrawal leaves an escape route open for Pai into Kwangsi, his native province.

As the Communist approached, civilians began fleeing Kukong, south of Jucheng and 125 miles north of Canton on the railway. Kukong is considered the gateway to Canton.

Lungchun Threatened

Fresh troops from Hainan Island, off the south coast, were reported arriving in Canton for movement to the front. The Communists also were moving reinforcements down from the northeast.

The Ministry of National Defense also reported a new drive from the east. The ministry said this drive was threatening Lungchun, 145 miles east northeast of Canton.

Lungchun is well inside the border of Kwangtung province, of which Canton is the capital. The ministry did not say whether Communist troops had yet crossed the border.

Sining Field Unsafe

The news from the far northwest was also bad for the Nationalists. A commercial pilot was forced to turn back from Sining, capital of Tsinghai province. He said he was told the field there was unsafe.

Sining is 110 miles west of Lanchow, capital of adjacent Kansu province. Lanchow was captured by the Communists last week.

Generalissimo Chiang Kai-shek still was in Chungking. He is reported trying to settle differences between western warlords and Gen. Chang Chun, his commander in Southwest China. His long stay suggests he has run into great difficulties.

6 Japanese Sentenced In Red Poster Drive

TOKYO, Aug. 30 (AP).—Six Japanese today were sentenced to five years at hard labor for spreading rumors derogatory to occupation forces. The sentences were handed down at Osaka by the United States 25th Division's Provost Marshal's Court.

The case was the outgrowth of a poster campaign which Japanese authorities said was conducted by Communists. American soldiers were accused of raping Japanese women.

PRESIDENT'S AIDE STRONGLY DENIES ANY WRONGDOING

Tells Probers He Never Had Profited Personally by 'Favors'

FACES NEW QUIZ TODAY

Declares Truman Didn't Know What Firms He Was Assisting

WASHINGTON, Aug. 30. — (AP) Maj. Gen. Harry H. Vaughan testified today that he collected at least $4,000 in Democratic campaign funds from John Maragon and a widely known race track figure—both of whom received Vaughan favors.

But he swore he did nothing wrong. He told senators investigating Washington's "influence industry" they could look at his bank account if they wanted to see whether he ever had profited personally. He even hinted that on at least one occasion his troubles may have been caused by someone impersonating him.

Vaughan, who is President Truman's army aide, said Mr. Truman didn't know what firms Vaughan was busily assisting.

Get Campaign Funds

It was during the 1946 campaign, Vaughan told the senate investigations subcommittee, that he got $2,000 or $3,000 from William Helis, a race horse owner who sought—and got—Vaughan's aid in getting a permit for scarce materials needed at the Tanforan race track in California.

He said that he also got around $2,000 that had been collected by Maragon, Washington fixer-upper who was interested in everything from molasses to perfume and who repeatedly sought — and got — Vaughan's help.

The money, Vaughan said, was turned over to the Democratic campaign in Missouri, Vaughan's home state as well as the president's.

One of the investigating senators, McCarthy (R-Wis), asked Vaughan whether Maragon "at any time gave you money that he claimed was from Frankie Costello."

Costello has been described by various authorities as a bigshot racketeer, gambler and gangster.

Says Costello Not Mentioned

Vaughan said Maragon never mentioned that he got any campaign funds from Costello.

Senator McCarthy said the money that Vaughan collected was for use in the 1946 Slaughter-Axtell congressional primary fight and subsequent election campaign.

Rep. Roger D. Slaughter (D.-Mo.) had been a foe of a number of Truman proposals, and the President lent his support to Slaughter's opponent, Enos A. Axtell, in the Democratic primary.

Axtell won, but was beaten in the election by Republican Albert L. Reeves, Jr. Reeves in turn was beaten in 1948 by Democratic Richard Bolling.

As for Vaughan's suggestion that someone else was making like General Vaughan:

He referred to a phone call, and said he didn't know whether it was a case of being misunderstood or whether "someone impersonated me."

This was not developed, although Vaughan did say that for a time Maragon had used the phone in his office at the White House. As soon as he found out about this, Vaughan said, he put a quick stop to it.

Vaughan made no charge that it was Maragon who impersonated him. Maragon has a Greek accent and it would be hard to mistake his voice for Vaughan's.

The Senate committee was still digging into details of the campaign contributions when its time ran out.

Vaughan promised to have more facts available on who gave, and how much, when the committee hears him again tomorrow.

The sometimes blustery, sometimes profane and often controversial 55-year-old general was mild as milktoast today. During much of the two and a half hours he spent before the committee, he leaned back easily in his chair, puffing away on his cigar.

He seemed the most relaxed man in the hot, packed hearing room. Only occasionally did reporters see the muscles in the side of his face twitch, and noted a nervous nibble on his cigar.

Vaughan was particularly positive on one thing: That never had he got any fee, gift or favor in return for kindnesses he had done for businessmen.

Senator O'Conor (D-Md) asked: "Have you been willing, or are you willing, to have the committee examine any of your accounts so as to ascertain whether any fees or remuneration has been paid to you?"

Financial Records Available

Vaughan: "Yes, sir, my financial records are available to the committee or auditor at any time."

And at another time he said: "I have discharged my duties honestly and to the best of my ability."

Here, briefly, are the major episodes that have been developed during the hearing, and Vaughan's comments:

The Tanforan race track—

Previous testimony has shown that Helis, an old time friend of Vaughan's, had got Vaughan to make an appointment for him and the president of the track with the housing expediter, Tighe Woods. Woods said that Vaughan asked him to "hurry up" with the permit, and the next day it was granted.

Vaughan: "At no time did I attempt to influence the decision of these government officials." When he said "hurry up," Vaughan said, he meant hurry up with a decision.

The deep freezers—

These were given to Vaughan by David Bennett, president of the Verley Perfume Company of Chicago. They went to Vaughan, Mrs. Truman at the Little White House in Independence, Mo., and to other Washington notables.

Senators have been particularly interested in these gifts. They have noted that they were given in 1945, a time when freezers were scarce and travel was difficult.

Yet it was during this period that Bennett went to Europe, with a letter of introduction from Vaughan. Maragon, who worked for Bennett, also made a trip to Paris.

No Connection, He Says

Vaughan: "There is absolutely no connection between this gift and any assistance I have given these

30.24- 5355

friends."

Actually, said Vaughan, the State department wanted to get business men into Paris, and the Verley Company filled all the requirements that the government laid down. Vaughan said he had done nothing to get Bennett the passport that he used to get into Paris three days after V-E Day.

Vaughan admitted that he may have been wrong when he described these freezers as "factory rejects" in a statement he released after the news of the gift was made public.

He said he didn't remember where he got the idea. But he said it may have been from the repair man who came to fix his freezer.

Said Vaughan:

"On several different occasions, the service man has told Mrs. Vaughan, 'I am sorry that this service costs you $14, $16'—whatever it is— 'but the part that was broken I had to make, because this is not a standard machine and I have no way of knowing where to get parts for it.'"

'Ill-Advised,' He Admits

Vaughan conceded that the term, factory reject, may have been "ill-advised."

The molasses—

The Allied Molasses Company of Perth Amboy, N. J., wanted more molasses, back in the days of sugar rationing. Maragon was hired to help obtain the permit. Herbert Hathorn, who had charge of that section of the rationing program, said both Maragon and Vaughan tried to get him to give the permit.

Vaughan, Hathorn testified, said "we Democrats must stick together," then made a threat to get Hathorn's job when Hathorn failed to go along.

Vaughan: "An out-and-out fantasy insofar as it relates to me. Whether there was a misunderstanding by Mr. Hathorn or whether someone impersonated me in a telephone conversation with Mr. Hathorn, I do not know."

"It just doesn't make sense," Vaughan said, "that I would suggest to Mr. Hathorn or to any government employe that I would 'get his job' if he refused to grant a request which he sincerely regarded as improper or that I would be instrumental in rewarding him for betraying his public trust."

John Maragon—

Denies Maragon His Spokesman

Testimony has shown previously that Maragon frequently left the impression that he was speaking either for Vaughan or with Vaughan's approval.

Vaughan: 'I have never authorized him to represent or speak for me, or the White House, in any matter pertaining to my duties."

And again: "At no time was Mr. Maragon authorized to represent me or the White House in any shape or on any occasion."

Vaughan, like many of the witnesses before him, indicated that Maragon sometimes became a little trying.

He was asked if, after Maragon had been found using Vaughan's telephone, he had been reprimanded.

Vaughan said yes.

Did Maragon still come to the White House despite the reprimand?

"Senator," said Vaughan, "he don't reprimand easy."

Maragon, who had his chance to testify last week but refused on the grounds he might incriminate himself, sat in the back of the room while Vaughan testified.

James V. Hunt—

This Washington "management counsellor" has been described as one of Vaughan's good friends.

Vaughan: "To the best of my recollection, he has never asked and I have never aided him in any matter with a government agency."

Vaughan said they had "ordinary friendly relations."

Text of Statement Offered

President's Military Aid, at 5-Percenter Inquiry, Describes His Activities.

AUG 30 1949

Washington, Aug. 30 (A. P.).—Following is the text of Major-Gen. Harry H. Vaughan's statement prepared for the Senate 5 percenter investigation today:

I am glad to appear as a witness before this committee and to make a statement on the matters in which I have been mentioned in recent testimony here.

I have the honor of serving as military aid to the President. My association with President Truman covers a period of some thirty years. Since 1941, except for my overseas duty with the Army, I have served him as secretary and later as military aid. By reason of this experience, my duties in serving the President have not been limited to military matters, but have also included other administrative functions.

Inquiries from persons having business with various Government agencies come to my attention in my capacity as a member of the White House staff. The steps taken by me in response to such inquiries have been for the purpose of assisting people in transacting business with the appropriate agencies of their Government. In most such cases the people I assisted were not friends of mine in any way; in a few cases the people involved had been known to me or were old friends.

Explains Practice Of Extending Aid

In all such matters I followed the practice of extending aid whenever that could properly be done. At no time have I tried to cause a Government official to take any action which he did not consider proper and in the best interests of the Government.

In so far as I have given such assistance to any business concerns or their representatives, it has been without any participation by the President in any way, either through approval or any knowledge on his part of the names of specific companies or individuals whose requests for assistance came to me and were given my attention.

Now let me refer to specific matters which have been mentioned before this committee.

This committee has been considering the business activities of James V. Hunt. I have known Mr. Hunt for about five years, having met him when he was with the Quartermaster General and I was assigned to the Truman committee. Our relationship has been friendly. To the best of my recollection, he has never asked and I have never aided him in any matter with a Government agency.

The freezers which have been discussed here were a gift from two old friends of mine. This gift was an expression of friendship and nothing more. There is absolutely no connection between this gift and any assistance I have given these friends. At no time have I taken action as a member of the White House staff in exchange for a gift or other favor.

Gen. Vaughan Takes Up Case of Verley Company

The assistance which I gave to the Verley Company of Chicago was precisely what I would have done for other concerns in comparable circumstances had I been requested to do so. The Verley company desired to send representatives to Europe to prepare for the resumption of business after the war. Such action by American businessmen was urged by the State Department and has been part of this Government's official policy in the post-war years—not only without substantial criticism, so far as I know, but with warm support in Congress and elsewhere. I am sure this committee would know more about that than I do, but that is my understanding.

I have been advised that the following are the facts in connection with the European trips of representatives of the Verley company.

The Verley Company complied with such requirements as the State Department laid down for expediting the business visits of American business men to Europe. Two of the fundamental requirements were that the companies seeking transportation must have maintained pre-war business relations with Europe and that the business to be helped in Europe would aid the rehabilitation of Europe. The Verley Company fitted those requirements; its business dealings with Europe had been known by the Department of State as far back as 1926 and the re-establishment of the production of essential oil in Europe would provide employment for a large number of people. The exportation of this product would improve Europe's dollar position. The priorities for the transportation the Verley Company received from our Government in the post-war period corresponded with similar facilities made available to many American business corporations during the same period of time—among them some of the best known corporations in America.

Denies Business Link

To John Maragon

With respect to John Maragon, I have known him since 1941 when he was employed by a railroad company to assist in obtaining transportation for members of Congress. I have had no business connections with Mr. Maragon. I have never authorized him to represent or speak for me, or the White House, in any matter pertaining to my duties. Upon his request, I have given him assistance in matters when it appeared to be entirely proper to do so.

As for the Tanforan matter, these are the facts as I recall them. William Helis, whom I have known for many years, asked me to make an appointment for Eugene Mori, an associate of his, with the office of the Housing Expediter. I made that appointment and sometime later, Mr. Helis asked me to make an appointment with Tighe Woods, the acting housing expediter, for Mr. Mori. I made this appointment also. When Mr. Mori arrived in Washington, I went to Mr. Woods's office to introduce him to Mr. Woods and left shortly thereafter. At no time did I attempt to influence the decision of these Government officials.

Takes Up Next Case Of Allied Molasses

I come next to the testimony before this committee concerning my alleged intervention with the Department of Agriculture in a matter involving Allied Molasses Company, of which one Harold M. Ross of Perth Amboy, N. J., is said to be president.

I have no recollection of ever having heard of any company by that name. Nor do I have any recollection of knowing or ever meeting a person by the name of Harold M. Ross.

It is, nevertheless, entirely possible that I might have made a telephone call to the Department of Agriculture making an appointment or addressing a routine inquiry in a matter affecting the company. As I made clear earlier, I have made hundreds of such routine calls on behalf of persons whom I did not know. To remember the occasion or the names of more than a small fraction of those for whom I performed these services would be humanly impossible.

I will therefore assume even though I have no recollection of the incident that I spoke by telephone to some representative or representatives of the Department of Agriculture at the instance of a company named Allied Molasses Company. Beyond that however I cannot go. Most emphatically I cannot concede that I made the statements attributed to me by Herbert C. Hathorn who incidentally is unknown to me.

Threat to Get Job Doesn't Make Sense

It just doesn't make sense that I would suggest to Mr. Hathorn or to any Government employee that I would "get his job" if he refused to grant a request which he sincerely regarded as improper or that I would be instrumental in rewarding him for betraying his public trust. I therefore must and do deny that I urged Mr. Hathorn to adopt any particular course of action in the matter of Allied Molasses Company or that I made any threats to him.

I can only say that the Hathorn tale is an out-and-out fantasy in so far as it relates to me. Whether there was a misunderstanding by Hathorn or whether some one impersonated me in a telephone conversation with Hathorn I do not know.

There is nothing to conceal in my record as a public servant. I will answer any question you may wish to ask. I have discharged my duties honestly and to the best of my ability.

AUG 30 1949

TRUMAN'S FORCES IN SENATE AGREE TO ARMS AID CUT

Subcommittee Decides on 160 Million Slash Urged by GOP Leaders

TO REPORT TODAY

All Differences Are Settled Except Policy on China, Senators Say

WASHINGTON, Aug. 30.—(AP) Administration forces in the senate have agreed to the $160,990,000 cut proposed by Republican Senators Vandenberg and Dulles in President Truman's $1,450,000,000 arms aid program, informed senators said tonight.

The senators, who did not want to be quoted by name, said arms aid for European members of the Atlantic Alliance will be cut from $1,160,990,000 to an even $1,000,000,000 under a proposal agreed upon by a bi-partisan senate subcommittee this afternoon.

The subcommittee was appointed by Chairman Connally (D-Tex) of the Foreign Relations Committee in an announced effort to "adjust" differences and assure "overwhelming" bi-partisan support in the senate for the arms aid bill.

Will Report Today

In addition to Connally, the subcommittee consists of Chairman Tydings (D-Md) of the Armed Services Committee and Republican Senators Vandenberg (Mich) and Gurney (SD). They will report to the combined committees on foreign relations and armed services tomorrow.

"We have agreed," Connally told reporters after the subcommittee's meeting. But neither he nor other members of the group would disclose details to newsmen.

Vandenberg was smiling broadly when he emerged from the subcommittee session but told newsmen:

"I'm not saying a word."

Word of the subcommittee's action spread rapidly, however, and other senators said the $160,990,000 cut in arms aid to Western Europe had been agreed upon.

Besides the funds for Atlantic Pact nations, the bill contains money to Greece, Korea, the Phillippines and other nations.

China Issue Still Pending

Some senators said that all differences had been settled except those concerning arms aid to China. Senator Knowland (R-Calif) is demanding that arms for non-communist China be added to the president's program. The administration has offered to accept a fund to be used in the Far East at Mr. Truman's discretion, but Knowland is not satisfied with this.

One senator said that Connally proposed at this morning's meeting of the combined committees to accept the Vandenberg-Dulles cut in European arms aid provided the administration is left free to spend money to stimulate arms production in European countries.

In the past, Senators Vandenberg and Dulles have pointed to the administration's proposed $155,000,000 outlay to stimulate foreign arms production as one of the places where savings could be made. They argued that the decision of "whether and where to develop a permanently expanded munitions industry on the continent" could better be left to a collective judgement by the defense council and defense committee to be set up under the Atlantic Pact.

The original Vandenberg-Dulles amendment to cut European arms aid to $1,000,000,000 did not contain any specific prohibition against using arms aid money to stimulate arms production abroad, however.

Speaking of the new compromise, Connally said:

"I am hopeful that the adjustments suggested will produce a measure that congress can approve, that the country can approve, and that will meet with our obligations under the Atlantic Pact.

"Unity of the arms program is not only of high importance domestically," he continued, "but it is of high importance to the peace of the world. We cannot let our prospective enemies believe there is a serious division in the United States. That is their whole strategy—to create division."

Approval Of Yugoslavia Loan Request Held Certain In Capital

Washington, Aug. 30 (AP)—Marshal Tito of Yugoslavia is considered virtually a cinch to get an American Government loan—provided he stays alive and independent from Moscow.

Top Government officials said Secretary of State Acheson's support for Yugoslavia's application foreshadows a favorable verdict.

Acheson and Ambasador Cavendish Cannon in Belgrade are reported vigorously urging the Export-Import Bank to approve Tito's bid quickly.

Blockade Threat

The Yugoslav dictator is said to be in need of quick economic help from the United States to help him weather the economic blockade now threatening to strangle his country.

Yugoslavia was disclosed last night to have applied for a credit of around $25,000,000 to buy American machinery for its copper, lead and zinc mines.

Tito is reported to have turned to the bank, an American Government agency, because he feels he cannot wait for a credit from the International Bank.

Johnson Okay Seen

This is the first time Yugoslavia has turned to the United States Government for a direct loan since Tito defied Moscow's orders some fifteen months ago and split from the Russian bloc.

Government officials familiar with the Yugoslav application said that there has been no sign of opposition from Secretary of Defense Johnson.

Johnson first opposed and then approved the first big step by the United States to bolster Yugoslavia several weeks ago—a decision to permit the Yugoslavs to buy a steel mill from an American company.

Early Decision Hinted

Export-Import Bank officials said they are giving the loan request "serious consideration" and that a decision should be forthcoming shortly.

But Government officials connected with the National Advisory Council, which guides the bank's activities, said a loan to Yugoslavia would represent a "sound business proposition," besides fitting into current American foreign policy.

Yugoslavia would be able to pay for the credit, they said, by increasing shipments of strategic copper, lead, zinc and chrome ore to the United States.

Advantages Cited

This would have a double advantage for this country:

It would give Tito the dollars necessary to repay the loan on installments, plus additional money to spend in Western markets for essential consumer goods.

And it would increase the stockpile in the United States of strategic minerals.

Officials emphasized that Acheson is under no illusions about Tito.

But both Acheson and President Truman are reported to believe that it is vital to keep Tito's country in fairly good economic shape. In this way Tito can serve as a reminder to other eastern European governments that it is possible to break with Moscow and still exist as an independent nation.

Risk Held Necessary

Western diplomats acknowledge that this policy involves risks but they say such risks are necessary if the Western powers are to win the cold war.

At present they are not worried about reports of Russian troop maneuvers in the Balkans or the recent Cominform meeting in Sofia.

They dismiss them as part of Russia's war of nerves against Tito, pointing out that both events, lacking the usual secrecy, apparently were staged just to worry Tito.

Strategic-Item Scheme Studied To Aid Britain

Washington, Aug. 30 (AP)—The United States is considering a plan to send more dollars Britain's way by increasing purchases of strategic materials from British markets.

Government officials said this country's negotiators are giving a sympathetic hearing to British requests for a speedup in American strategic stockpiling during the next few months.

The British contend that dollars earned during this period will prove of great help to them in charting long-range plans for solving their economic crisis.

Main Items Tin And Rubber

Tin and rubber are the main strategic items Britain has to offer. The United States has been buying limited quantities of these.

Officials said, however, it is doubtful that the Administration will consent to increase British sales by relaxing regulations requiring American rubber manufacturers to use 220,000 tons of synthetic rubber annually in their products.

Any move to amend these rules, officials said, might affect national security since synthetic-rubber plants might be needed in case of war. The Government owns all synthetic plants now.

Discussions Continue

British officials continue outlining their problems to American and Canadian representatives today in meetings at the State Department.

These preliminary "fact-finding" discussions are in their third day. Top Cabinet officials from Britain and Canada are scheduled to arrive over the week end to weld these facts into a three-nation program aimed at checking the British economic slump.

U.S. DEPORTS 'REPENTING' RUSS FLYER

Deserter Can Return To Homeland If He Wishes, Department Says

Washington, Aug. 30 (AP)—The State Department disclosed tonight that a Russian air force deserter who twice tried to change sides in the cold war has been deported and will be given a chance to return to his Soviet homeland.

The department made this announcement tonight after the Soviet Embassy formally complained over the "sudden disappearance" from Washington of former Lieut. Anatoly P. Borzov, 29.

Borzov was one of two Red army officers who stepped from a Russian army plane last October 9 at Horsching, in the United States zone of Austria, and announced that they wanted to renounce their allegiance to the Soviet Union. The other officer was Peter Pirigov.

Taken On Tour Of Virginia

They were brought to this country and shown the sights, including a scenic tour of Virginia, which they had expressed a desire to see.

The Russian Embassy said today that Borzov, whose name has also been spelled variously as Barsov and Barzov, "repented" over his flight from Russia and was given a Soviet passport to return to the U.S.S.R. on July 28.

The State Department cleared up the mystery on what happened to Borzov tonight when a department spokesman said it was discovered that Borzov had been in communication with the Russian Embassy here August 17 and was promptly taken into custody by United States officials.

Flown Back To Europe

A State Department spokesman said that "for security reasons," following his seizure by immigration authorities, Borzov was held at Ellis Island, New York, until August 22 and then flown back to Europe.

Borzov is now in Austria and the spokesman said he is "being given an opportunity freely to determine whether he wishes to return to the Soviet Union or remain under American jurisdiction in Europe."

"If, apparently of his own free will, he desires to return to Russia," the spokesman said, "no difficulties will be put in his way."

The State Department's statement did not say so in explicit words, but it left a clear implication that when Borzov was spotted visiting the Soviet Embassy after he had professed a desire to live in the United States, American officials became suspicious whether he was still a bona fide refugee and promptly clapped him into custody.

Hints Pressure On Family

The department statement also left a clear implication that American authorities believe the Russians "got to Borzov" through his wife and child now in the U.S.S.R. and applied pressure on him to return.

The department said Pirigov has "continued to express a firm desire to remain in the

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...ssian in the United States and the appropriate Government authorities have endorsed his request for an extension of stay."

Department officials said that the two Russian officers, in explaining their motives for fleeing the U.S.S.R., told American officers that the Russian people were "oppressed" by the Stalin regime.

At that time the Russian officers said they were very anxicious to come to the United States and expressed particular interest in visiting the state of Virginia. They said they had heard a lot about Virginia on the Voice of America radio.

They got their wish in February when they were taken on a tour sponsored by the Virginia State and have ben reported living in Washington and New York.

The Soviet embassy said today that Borzov came to its consulate division offices July 28, announced that "he repented of the offense" of deserting, asked for Soviet protection and transportation home. He was given a passport the same day and authorized to return to Russia.

Failed To Return To Embassy

While awaiting transportation, Borzov lived in the Alturas Hotel in Washington, the Embassy said. It related that on August 17 Borzov paid a visit to the embassy and announced that he would return the same evening or the next day to complete preparations for his trip home.

He failed to show up, the statement said, and inquiries showed he had not been seen at the hotel since August 17.

"Disturbed by the sudden disappearance" of Borzov, the embassy asked the State Department to find out what had happened to him and notify the embassy, the statement said.

as last Friday during preparation for a high-altitude missile flight."

[In Washington, a spokesman for the Air Force said no such reports have been received from officers at White Sands. He declined further comment.]

Report Scoffed At

Miles and the other reporter, Clete Roberts, news commentator for Radio Station KFWB here, did not reveal names of the men with whom they talked.

"One officer," Miles wrote, "believes sincerely that the objects seen are space ships and declared that a ballistic formula applied to one observation through a photo theodolite showed the 'ship' was 35 to 40 miles high—an egg-shaped craft of fantastic size and traveling at incredible speeds of 3 to 4 miles a second."

Miles and Roberts both said other officers and engineers at White Sands scoffed at the reports of flying saucers and attributed the observances to imagination, weather balloons, dual images in high-powered optical equipment or possible distant planes reflecting sunlight.

Mountain Telescope Used

Roberts reported: "I was told by a highly regarded senior officer that on several occasions flying discs had been observed, had been carefully tracked and on one occasion had been photographed. Unfortunately the photographs were ruined when the film was spoiled.

"One officer at White Sands told me that astronomical experts using a powerful elevation telescope established on a mountain peak had carefully followed the flight of two flying discs which were following the trail of a V-2 rocket that smashed its way into the area 100 miles or more above the earth.

"I find it hard to believe the tale myself. But the officer who gave me this information is a responsible individual charged with an important assignment in the Government's upper-air research, a man who would not talk lightly."

At White Sands, Brig. Gen. Philip G. Blackmore, commanding general, commented: "So far as I know these reports are simply untrue."

"Nothing of the kind has ever been reported to me and I am sure it would have if it were true," the general said.

He confirmed there is an astronomical instrument located on Mule Peak near the proving grounds and added some flying disc reports may has originated from the weather observation balloons used in research work at the base.

LIE ADMITTED · BY COMMUNIST

Jury Told He Feared Death On Trip To Moscow

New York, Aug. 30 (AP)—A Chicago Communist admitted today he lied under oath in 1935 in seeking a passport for a trip to Moscow.

Max Weiss, former Communist national education director and twenty-eighth defense witness in the 33-week-old conspiracy trial, said under crossexamination that h falsely listed his occupation, the countries he intended to visit and the purpose of his trip.

In explanation, he told the court that he had to pass through Nazi Germany to reach the Soviet Union and that his life "would have been in danger" if he had given his real destination in his passport application.

Went To Moscow

In the application, he said the purpose of the trip was "a vacation," his destination was England and France and his occupation was office clerk.

He testified that his real purpose was to attend the international congress of the Young Communist International in Moscow as an American delegate.

Under direct examination, Weiss denied Government testimony that Chicago Communists were told they might have to wage civil war against the United States.

Budenz Discloses Order

Weiss' statements were in rebuttal to the testimony of Louis F. Budenz, former Communist editor who left the party in 1945.

Budenz, who testified for the Government in March, said Eugene Dennis, general secretary of the party and one of the eleven defendants, addressed a Chicago meeting in December, 1939, after war had begun in Europe.

Dennis said American Communists should be ready to "go underground" if the United States entered the war on the side of Great Britain, Budenz testified. He said also that Dennis told the meeting the war was an imperialist one and that Communists in this country would adopt the slogan, "Turn the imperialist war into civil war," if the United States became involved.

Weiss said Dennis made none of these statements. The witness said the slogan being used by American Communists then was "Keep America out of the imperialist war."

2 Cumberland Witnesses

Two witnesses from Cumberland, Md., followed Weiss to the stand.

They were Arthur Schusterman, 28 Boone street, and William Boyd Coleman, 56 North Mechanic street, both employes of the Celanese Corporation of America in Cumberland.

Schusterman said he joined the Communist party in New York in 1934 and went to Cumberland the next year to work in the Celanese plant. He said he was president of the local union of the CIO Textile Workers there in 1936.

He denied testimony by a Government witness, Charles W. Nicodemus, also of Cumberland, that Schusterman had attended a Communist meeting at the Coleman's home in the Summer of 1945.

Schusterman said he was in the armed forces overseas from 1944 to August 18, 1945, and did not return to Cumberland until September of 1945.

Other Denials Made

Schusterman also denied these points in Nicodemus's previous testimony:

That at another meeting in the Coleman home around Christmas, 1945, the possibility of a revolution in five or six years was discussed.

That Schusterman or Al Lannon, director of the Maryland-District of Columbia district of the party, had said at the meeting that the Red army in Siberia, with the help of airplanes, could invade Alaska, then the United States, and destroy Detroit.

That in 1940 the textile branch of the party in Maryland was broken down into groups of five "for security reasons."

Criticized On Stand

Schusterman also discussed a meeting of union officials at the home of Harry Bartlett on Virginia avenue in Cumberland in January, 1946, on the eve of union elections.

He said at that meeting he criticized Nicodemus for not having taken a clear stand on the questions of Negroes in the plant and the seniority rights of women workers.

Coleman testified he had worked at the Celanese plant since 1932 and joined the Communist party in 1937.

He also denied Nicodemus's testimony that Lannon told a meeting a revolution was possible in America and the Red army might invade the United States through Alaska.

Coleman testified that the meeting in Bartlett's home was a union, not a Communist, meeting.

DRUG TO AID KIN SENT TO MOSCOW FROM STATE

NEW HAVEN, Aug. 30—(AP) A brief message has sent sixty grams of streptomycin on a long errand of mercy—from New Haven to Moscow, Russia.

It's intended for Rose Hendlin, 19-year-old Russian girl, described as "deathly ill," and was mailed yesterday by two West Haven relatives.

But many hours of anxious negotiations preceded the actual mailing. They began Saturday when Israel Hendlin, West Haven merchant, received a message from Moscow, his brother's home for the drug.

White Sands Dishes Out Fantastic Space Ship Tale

Los Angeles, Aug. 30 (AP)—Two newsmen reported today officers at White Sands Proving Grounds, N.M., informed them they had seen flying discs or mysterious flying objects.

Marvin Miles, aviation writer for the Los Angeles *Times*, wrote from the New Mexico upper air research center.

"I talked with three men, two senior officers and an enlisted technician, who report seeing strange objects in the sky, one as recently

Oil Industry Experimenting On Fuels For Jet Aircraft

Lake Success, Aug. 30 (AP)—The oil industry is carrying on a large amount of experimentation to meet the new fuel problems raised by jet planes, an oil expert said today.

The expert, Dr. Gus Egloff, of the Universal Oil Products Company, Chicago, said in a paper here that an early solution to the problem of suitable fuels for jet planes is imperative. He delivered the paper at the fuels and energy section meeting of the United Nations Scientific Conference on the Conservation and Utilization of Resources.

Soviet Absent

Specialists on a wide range of problems are talking them out at the United Nations meeting. The Soviet Union is not represented. No recommendations are planned by the conference, but United Nations officials expect much benefit will result.

"Jet propulsion of aircraft has created new fuel problems," Dr. Egloff said. "The requirements for jet fuels are not completely known and a large amount of experimentation is in progress to develop appropriate fuels. One of the greatest problems is the high fuel consumption of jet planes.

Solution Imperative

"A jet plane uses five times as much fuel as its reciprocating engine counterpart. An early solution to this problem is imperative inasmuch as the range of operation is limited by high consumption and operation is very costly. A satisfactory fuel must burn rapidly and completely, have very high heating value per unit weight and low freezing point because of the low temperatures at extremely high altitudes."

Dr. Egloff predicted "tailor-made hydrocarbons for jet fuels and new processes for making them' would come out of the present welter of research, just as special products and processes were found for making high-quality aviation gasolines.

He said research is being carried on for improved Diesel fuels.

WITH GREEK (A5)

LONDON, WEDNESDAY, AUG.31-(AP)-A TASS DISPATCH FROM SOFIA SAID TODAY THE GREEK REBELS HAVE SENT A MEMORANDUM TO THE UNITED NATIONS ASKING FOR PEACE.

THE OFFICIAL SOVIET NEWS AGENCY GAVE A PRESS AGENCY IN SOFIA AS ITS SOURCE. IT QUOTED THE NOTE, AS SENT TO U.N. SECRETARY GENERAL TRYGVE LIE:

"WE INSIST ON PACIFICATION OF GREECE. WE ALWAYS BELIEVED AND CONTINUE TO BELIEVE THAT PACIFICATION OF GREECE IS NOT ONLY A VITAL NECESSITY FOR THE GREEK PEOPLE AND THE COUNTRY, WHICH IS BEING DEVASTATED BY CIVIL WAR, BUT IT ALSO CONSTITUTES A CONTRIBUTION TO THE CAUSE OF PEACE IN THE ENTIRE WORLD."

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LONDON--FIFTH ADD FIRST LEAD YUGOSLAV X X X CONCERN.

FURTHER THE SOVIET NOTE SAID THE RUSSIAN GOVERNMENT NEVER HAD MADE ANY PROMISE TO BACK YUGOSLAV DEMANDS FOR AUSTRIAN TERRITORY.

THE NOTE DESCRIBED AS "AN INVENTION AND LIE" THE YUGOSLAV CLAIM THAT PRIME MINISTER STALIN IN A LETTER TO AUSTRIAN CHANCELLOR KARL RENNER HAD PROMISED TO GUARANTEE AUSTRIAN FRONTIERS. THE NOTE QUOTED THE LETTER, SENT IN MAY, 1945, TO SHOW THAT NO MENTION WAS MADE OF AUSTRIA'S FRONTIERS, ALTHOUGH STALIN DID PROMISE TO SUPPORT AUSTRIAN INDEPENDENCE.

AS COMPENSATION FOR WAR DAMAGES, YUGOSLAVIA HAS ASKED FOR PART OF AUSTRIAN CARINTHIA, INHABITED LARGELY BY SLOVENES, A SOUTH SLAV PEOPLE.

THE SOVIET NOTE SAID STALIN'S LETTER TO RENNER WAS PROMPTED BY TWO CONSIDERATIONS:

"ON THE ONE HAND, IN CERTAIN BRITISH CIRCLES A PLAN WAS BEING HATCHED FOR THE UNIFICATION OF AUSTRIA, HUNGARY AND PART OF SOUTHERN GERMANY INTO A DANUBIAN MONARCHY. THE SOVIET GOVERNMENT RESOLUTELY OPPOSED THIS PLAN, DECLARING THAT THIS THREATENED AUSTRIA WITH THE LOSS OF INDEPENDENCE, THAT AUSTRIA MUST REMAIN AN INDEPENDENT STATE.

"ON THE OTHER HAND, IN CERTAIN NATIONALIST CIRCLES OF SLAV STATES, INCLUDING YUGOSLAVIA, A PLAN WAS BEING PUT FORWARD FOR THE DIVISION OF AUSTRIA BETWEEN NEIGHBORING STATES.

"THE SOVIET GOVERNMENT LIKEWISE OPPOSED THIS RESOLUTELY, DECLARING THAT THE DIVISION OF AUSTRIA WAS A REACTIONARY MEASURE, CONTRADICTORY TO THE PRINCIPLES OF DEMOCRACY, THAT AUSTRIA MUST REMAIN AN INTEGRAL STATE.

RUSSIA, THE NOTE SAID BELIEVED THAT THE PRINCIPLE OF SELF-DETERMINATION OF NATIONS "SHOULD BE APPLIED TO ALL NATIONS, INCLUDING THE VANQUISHED NATIONS."

BY DEFENDING THE INTEGRITY OF AUSTRIA, THE NOTE SAID, THE SOVIET GOVERNMENT "AT THE SAME TIME DEFENDED THE NECESSITY FOR RECTIFYING THE FRONTIERS OF AUSTRIA IN FAVOR OF YUGOSLAVIA." THE NOTE CONTINUED:

"THERE CANNOT BE ANY DOUBT THAT YUGOSLAVIA WOULD HAVE GOT SLOVENE CARINTHIA HAD NOT THE YUGOSLAV GOVERNMENT TAKEN FRIGHT AND BETRAYED, IN VIEW OF THEIR COWARDICE, THE NATIONAL RIGHTS OF YUGOSLAVIA."

AN EARLIER SOVIET NOTE IN THE EXCHANGE WITH BELGRADE HAD ACCUSED TITO'S GOVERNMENT OF GIVING UP ITSELF ON GETTING AUSTRIAN TERRITORY AND OF TRYING TO PLACE THE RESPONSIBILITY FOR THAT DECISION IN MOSCOW'S LAP.

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PARIS, AUG.30-(AP)-MAURICE PETSCHE, FRENCH MINISTER OF FINANCE, LEFT TODAY FOR WASHINGTON WHERE HE WILL ATTEND MONETARY CONFERENCES.

PETSCHE WILL BE JOINED IN WASHINGTON BY ROBERT SCHUMAN, FRENCH FOREIGN MINISTER, WHO IS SCHEDULED TO LEAVE AROUND SEPT.5.

PETSCHE AND HIS PARTY BOARDED THE ILE DE FRANCE, LEAVING THIS AFTERNOON FROM LE HAVRE. IN HIS PARTY WERE PIERRE MENDES FRANCE, GOVERNOR OF THE INTERNATIONAL MONETARY FUND, AND HERVE ALPHAND, DIRECTOR OF ECONOMIC AFFAIRS AT THE FRENCH FOREIGN OFFICE.

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IF YUGOSLAVIA MANAGES TO SURVIVE AS A KIND OF INDEPENDENT STATE, BOUND NEITHER TO WEST NOR EAST, A MOST IMPORTANT PRECEDENT WILL HAVE BEEN SET FOR OTHER COMMUNIST-LED COUNTRIES IN OR NEAR RUSSIA'S ORBIT.

BUT THE WEST ISN'T SURE TITO CAN MANAGE TO STAND UP TO THE BLASTS FROM THE EAST. IT FEARS ANY ARMS IT WOULD GIVE ULTIMATELY MIGHT FALL INTO THE HANDS OF COMMUNISTS LOYAL TO MOSCOW.

AT THE MOMENT, SAY THE INFORMANTS, THE WESTERN POWERS ARE INCLINED TO TAKE A CHANCE.

THEIR OFFICIALS ARGUE THAT IF TITO ISN'T HELPED QUICKLY HE MAY EASILY SUCCUMB TO OUTSIDE PRESSURE.

NEITHER THE U.S. NOR BRITAIN HAS AN OUTRIGHT BLANKET BAN ON THE SALE OF GOODS OF MILITARY VALUE TO COMMUNIST COUNTRIES. BOTH OPERATE A SYSTEM OF EXPORT LICENSING OF CERTAIN GOODS WHICH COULD HAVE MILITARY USES.

ANY TIME A COMMUNIST COUNTRY WANTS GOODS WHICH APPEAR ON CLEARLY-DEFINED LISTS, THEIR EXPORT IS PROHIBITED SIMPLY BY THE GOVERNMENT'S REFUSAL TO ISSUE LICENSES.

THE INFORMANTS SAID THIS POLICY MAY BE LIBERALIZED FOR YUGOSLAVIA.

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rome, aug. 30 - (AP) - italian communist leaders tonight expressed confidence that the "persecuted" communist party in the u. s. will "arouse and organize the oppressed negro populace."

the expression was contained in a good will message from the italian communist party to the communist party in the u. s. on the latter's 30th anniversary of its founding.

AUG 30 1949

Rotterdam, The Netherlands, Aug. 30 -(ap)- The International Transport Workers Federation (ITF) today rapped communist action "calculated to dislocate trade and thereby frustrate economic recovery in several countries."

The conference of dockers and seafarers attended by 36 delegate

from 13 countries noted " a very marked recurrence of disruptive activities on the part of communist and crypto-communist organizations." the conference

The conference in a resolution issued a "serious warning to the workers of different countries and to the free trade unions to be on their guard against those disruptive activities". It urged members "to meet the challenge by waging an offensive campaign against the communist menace wherever it shows itself."

Another resolution condemned the dockers and seamen's department recently formed within the world federation of trade unions (WFTU), which is charged with being communist dominated.

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AUG 30 1949

rotterdam, the netherlands, aug. 30 - (AP) - the joint dockers and seafarers conference adopted a resolution today stating its willingness to make one final attempt to reach an amicable solution of the problem of panamanian flag shipping.

negotiations would be carried on between representatives of the seafarers and the shipowners concerned, under the auspicies of the panamanian government.

the resolution added the seafarers would agree to a further postponement of the boycott action pending the proposed negotiations.

a three partite conference will be held in geneva on dec. 5.

the international transport workers federation, with which the seafarers are affiliated, has charged that a large number of ships have changed to panamanian registry to escape union working standards. a boycott of all such ships has been threatened for months.

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AUG 30 1949

tromsoe, norway, aug. 30 - (AP) - this northern norway port bid farewell yesterday to 72 survivors of the u. s. submarine cochino which exploded and sank last friday. it was on arctic manuevers.

the u. s. submarine tusk and destroyer samuel m. roberts, carrying the survivors, sailed for home without lt. com. richard m. wright, of san francisco, the cochino's executive officer, who remained for treatment of serious burns in a tromsoe hospital.

for other members of the 77-man crew, less seriously injured, were flown to london headquarters of the u. s. naval forces in the eastern atlantic and mediterranean.

a civilian technician aboard the cochino was [redacted] killed. the submarine tusk, which rescued the entire crew of the cochino lost six of her own men overboard in high seas.

a navy medical corps surgeon, lt. (j. g.) david o'hanlon, of (211 california avenue) providence, r. i. , was flown to [redacted] tromsoe from london to treat lt. com. wright.

a navy spokesman said the four crewmen flown to london suffered only minor burns and "their folks at home have nothing to worry about."

they are lt. richard king branson, quaker hill, waterford, conn.; engineman 1st class william h. payne jr. (314 buckingham st.) oakville, conn.; engineman 3d class charles m. serio (919 U st.) buffalo, n. y., and fireman ralph theodore roseth, edmore, n. d.

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NIGHT LEAD BERLIN (170)

BERLIN, AUG. 30-(AP)-BRITAIN'S TOP OFFICIAL IN GERMANY BELIEVES THE DIVIDED CITY OF BERLIN SOME DAY WILL BECOME THE CAPITAL OF THE GERMAN REPUBLIC.

GEN. SIR BRIAN ROBERTSON, THE BRITISH MILITARY GOVERNOR, TODAY DESCRIBED BERLIN AS "THE FUTURE CAPITAL OF THE REPUBLIC" BUT DECLINED TO PREDICT WHEN IT WOULD COME ABOUT. HE SAID THE NEW WEST GERMAN GOVERNMENT MUST SUPPORT THE FOUR-POWER CITY WITH ECONOMIC AID.

ROBERTSON TOLD A NEWS CONFERENCE "I AM ABSOLUTELY DETERMINED THAT BERLIN, HAVING SURVIVED THE SOVIET BLOCKADE, DOES NOT FALL VICTIM TO ECONOMIC PRESSURE OF ANY OTHER KIND." WEST BERLIN HAS A PROSPECTIVE BUDGET DEFICIT OF NEARLY 1,000,000,000 (B) MARKS ($300,000,000).

THE BRITISH LEADER SAID THE HIGH COMMISSIONERS SOON MAY WARN FORMER NAZI ELEMENTS NOW ENTERING THE NEWSPAPER FIELD IN WESTERN GERMANY THAT THE ALLIES "HAVE THE POWER TO PROTECT THE PRESTIGE AND SECURITY OF THE OCCUPATION FORCES."

ROBERTSON ADMITTED CONCERN OVER PLANS OF FORMER PUBLISHERS IN THE HITLER REICH AGAIN TO CONTROL MANY NEWSPAPERS. HE SAID IF THE GERMAN PEOPLE AND GOVERNMENT FAIL TO OPPOSE UNDESIRABLE PUBLICATIONS "I HAVE NO DOUBT THE HIGH COMMISSCONERS WILL TAKE SUITABLE ACTION.

SUITABLE ACTION."

(ABOVE SLUG "17")

RP408PED

BERLIN, AUG 30-(AP)-U.S. MILITARY GOVERNMENT TODAY ANNOUNCED THE APPOINTMENT OF CAPT. JOHN E. PINCKNEY OF OAKLAND, CALIF., AS AIDE DE CAMP TO MAJ. GEN. GEORGE P. HAYS, DEPUTY MILITARY GOVERNOR IN GERMANY.

CAPTAIN PINCKNEY ARRIVED IN EUROPE JULY 30 FROM THE UNITED STATES, WHERE HE ATTENDED AN ARMORED COURSE FOR OFFICERS AT FORT KNOX, KY. HE SERVED PREVIOUSLY AS AIDE TO GENERAL HAYS.

DURING THE WAR CAPTAIN PINCKNEY SERVED IN CHINA AS LIAISON OFFICER TO A CHINESE COMBAT COMMAND.

HE WEARS THE BRONZE STAR MEDAL AND THE CLOUD AND BANNER MEDAL OF THE CHINESE REPUBLIC.

MK901AED

stuttgart, germany, aug. 30 - (ap) - an american psychiatrist testified today he did NOT believe a u.s. army recruit charged with murdering three germans was insane at the time of the crime.

the soldier, russell s. jones, 22, of fall river, mass., has been on trial for a week before a court martial here. the army charges that he shot a german girl who refused a jeep ride with him and two men after a wild night of drinking last may 1.

dr. frederick c. ridlich of the yale university department of psychiatry testified that he had examined jones and believed that he could "adhere to right."

another american psychiatrist, dr. paul henry hoch of the new york state psychiatric institute, said yesterday he believed jones was unable to tell right from wrong.

AUG 30 1949

BAD MERGENTHEIM, GERMANY, AUG.30-(AP)-A BLONDE, SHAPELY GERMAN GIRL WENT TODAY FOR THE ALLEGED SLAYING OF SGT.HUSTER J. MCGATH OF PAWHUSKA, OKLA.

FRIEDL PELSTERL, 28, HEARD A U.S. MILITARY GOVERNMENT COURT PROSECUTOR CHARGE THAT SHE STABBED MCGATH TO DEATH ON HER BIRTHDAY, JULY 3.

A MEDICAL OFFICER TESTIFIED THAT MCGATH WAS STABBED SIX TIMES. MISS PELSTERL'S LANDLADY SAID HER HUSBAND REMOVED A KNIFE FROM MCGATH'S BACK, AFTER WHICH THE SOLDIER STUMBLED TO HIS AUTOMOBILE.

HERMINE REIBOLD, 22, WHO SAID SHE WAS A FRIEND OF MISS PELSTERL, SAID THE ACCUSED GERMAN TOLD HER ON THE MORNING OF THE MURDER: "I WILL KILL HIM IF HE LEAVES ME."

JA607PED

AUG 30 1949

AMERICAN MILITARY OBSERVERS SAID THE GREEK ARMY COMPLETED THE CRAMPOS OPERATION FAR AHEAD OF SCHEDULE. THE GUERRILLAS NOW HAVE LOST THE GRAMMOS AND THE NEARBY VITSI AREAS AND NO LONGER HAVE AN OPERATING BASE CLOSELY ATTACHED TO SUPPLY AND COMMUNICATION LINES INTO ALBANIA.

SMALL GUERRILLA GROUPS IN CENTRAL GREECE ARE EXPECTED TO BE MOPPED UP WITHOUT MUCH DIFFICULTY. ABOUT 3,000 REBELS ALONG THE BULGARIAN BORDER HAVE BEEN OFFERING NO RESISTANCE BUT HAVE BEEN CROSSING INTO BULGARIA WHEN ATTACKED. GREEK OFFICIALS SAY THEY RETURN TO GREEK TERRITORY WHEN THE GREEK ARMY LEAVES. TO COVER THAT AREA THOROUGHLY WHILE MAJOR OPERATIONS ARE UNDERWAY ELSEWHERE.

FH923AED

FINNISH (220)

HELSINKI, FINLAND, AUG. 30-(AP)-THE COMMUNISTS WILL BE JOINED BY THE AGRARIAN PARTY IN TRYING TO UPSET THE SOCIAL-DEMOCRAT GOVERNMENT OF PREMIER KARL A. FAGERHOLM WHEN PARLIAMENT OPENS THURSDAY.

THE COMMUNISTS ARE CONCENTRATING ON THE GOVERNMENT'S LABOR POLICY IN THE FACE OF MOUNTING STRIKES. THE FARMERS ARE COMPLAINING OVER THE GOVERNMENT'S DECISION TO LOWER THE PRICE OF MILK.

MEANWHILE GOVERNMENT-SUPPORTING TRADE UNIONS AND EMPLOYERS HIT BACK AT COMMUNIST STRIKE INSTIGATORS.

THE EMPLOYERS ASSOCIATIONSIN THE HAD DECIDED TO SUE THE STRIKING UNIONS FOR BREACH OF CONTRACT.

CLEAVAGE IN THE TRADE UNION MOVEMENT BETWEEN COMMUNISTS AND SOCIAL

HAMBURG, GERMANY, AUG. 30-(AP)-THE BRITISH MILITARY TRIBUNAL TRYING FORMER GERMAN FIELD MARSHAL ERICH VON MANSTEIN ON WAR CRIMES CHARGES HAS DECIDED TO ADMIT DIARIES KEPT BY GERMAN OFFICERS AS EVIDENCE.

THE IMMEDIATE EFFECT OF THE RULING IS THAT GENERAL FRANZ HALDER, NOW WRITING A WAR HISTORY FOR THE AMERICAN AUTHORITIES, IS UNLIKELY TO BE CALLED AS A WITNESS AT THIS STAGE.

THE DEFENSE YESTERDAY ARGUED THAT HALDER WAS ALIVE AND SHOULD TESTIFY IN PERSON INSTEAD OF THE COURT MERELY HEARING A TRANSLATION OF HIS SHORTHAND NOTES AT MEETINGS OF GERMAN WAR LEADERS. HALDER, A KEEN DIARIST, WAS FORMERLY CHIEF OF STAFF OF THE GERMAN ARMY.

TODAY THE COURT CONTINUED HEARING DOCUMENTARY EVIDENCE, INCLUDING EXTRACTS FROM THE DIARY OF A GERMAN INTELLIGENCE OFFICER WHO TOURED THE POLISH FRONT IN SEPTEMBER 1939.

VON MANSTEIN HAS PLEADED INNOCENT TO 17 WAR CRIMES CHARGES CONNECTED WITH HIS HIGH COMMANDS IN THE GERMAN CAMPAIGNS AGAINST POLAND AND RUSSIA.

EZ917AED

AUG 30 1949

DEMOCRAT SUPPORTERS WAS WIDENING. AFTER THE FIRST STRIKE IN THE METAL INDUSTRY BEGAN YESTERDAY, NEW UNION LOCALS WERE ORGANIZED UNDER COMMUNIST LEADERSHIP. THE METAL WORKERS UNION HAS ORDERED THE STRIKING LOCALS BACK TO WORK. THE COMMUNIST LEADERS ARE URGING WIDESPREAD STRIKES.

THE COMMUNISTS SUFFERED A DEFEAT LAST NIGHT WHEN WORKERS AT THE STROEMBERG ELECTRIC PLANT IN HELSINKI TOOK A STAND AGAINST THE STRIKERS. THEY WERE ALL ON THEIR JOBS THIS MORNING.

THE METALS INDUSTRY IS SUPPLYING RUSSIA WITH WAR REPARATIONS. PRIME MINISTER FAGERHOLM HAS CHARGED THE METAL WORKERS STRIKE IS AN EFFORT TO EMBARRASS THE GOVERNMENT IN ITS FOREIGN RELATIONS.

EMPLOYERS ESTIMATED 25,000 MEN ARE ON STRIKE THROUGHOUT THE COUNTRY. THE COMMUNISTS CLAIMED 60,000 MEN ARE IDLE.

FH930AED AUG 30 1949

PRAGUE--SECOND ADD CZECH X X X ~~IN CONTACT~~ counter-action."

THE ANNOUNCEMENT SAID THE GROUP WAS ATTEMPTING TO "PREPARE AN ARMED CONSPIRACY AIMED AT CRUSHING THE PEOPLE'S DEMOCRATIC REGIME."

IT ADDED THAT THOSE ARRESTED WERE "THE LAST PARTICIPANTS OF A HIGHLY TREASONABLE UNDERGROUND MOVEMENT" WHICH POLICE HAD BEEN TRACKING FOR SOME TIME.

THIS WAS THE SECOND OFFICIAL ANNOUNCEMENT IN FOUR DAYS ABOUT THE CRUSHING OF A GROUP DENOUNCED AS ANTI-GOVERNMENT TERRORISTS.

ON SATURDAY, THE GOVERNMENT SAID NINE MEN ACCUSED OF TRYING TO OVERTHROW THE COMMUNIST-LED GOVERNMENT HAD BEEN CONVICTED OF HIGH TREASON BY A STATE COURT AT MELNIK, NORTH OF PRAGUE. THIS GROUP ALSO HAD BEEN CHARGED WITH SEEKING TO CONTACT FOREIGN POWERS.

THE OFFICIAL STORY ABOUT THE PRAGUE GROUP SAID THEY HAD "SET THE DAY AND HOUR FOR THEIR ARMED REVOLT" BUT POLICE WHO HAD BEEN WAITING FOR THEM CAUGHT THEM RED-HANDED.

THIS ACCOUNT ALSO SAID THE GROUP HAD CONTACT WITH "TREACHEROUS" CZECHOSLOVAK EXILES THROUGH "THE HELP OF AN EMPLOYE OF THE PRAGUE EMBASSY OF A WESTERN POWER."

THE WESTERN POWER WAS NOT NAMED.

THE PLOTTERS ALSO WERE SAID TO HAVE "LEFT A COPY OF THEIR PLAN FOR AN UPRISING IN THIS WESTERN EMBASSY."

A SPOKESMAN AT THE AMERICAN EMBASSY SAID "WE DON'T KNOW ANYTHING ABOUT THIS. IT IS JUST AS MUCH NEWS TO US AS TO EVERYBODY ELSE."

THE GOVERNMENT'S ACCOUNT OF THE PLAN FOR REVOLUTION SAID THE CONSPIRATORS HAD BEEN ASSIGNED DEFINITE TASKS, HAD ARMED THEMSELVES AND WERE READY TO ACT.

THEY WERE THEN TO BEGIN A SERIES OF ATTACKS AGAINST KEY POINTS IN THE CITY, SEIZE PUBLIC OFFICES AND "WIPE OUT CERTAIN PERSONS," THE ACCOUNT SAID.

"THEN THE ATTACKS WERE TO BE DEPLOYED INTO THE COUNTRY. THERE THE POPULATION WAS TO BE CONFUSED WITH FAKED PROCLAMATIONS WHICH WOULD ATTEMPT TO GIVE THE IMPRESSION OF LEGALITY TO THIS REVOLT AND INTIMIDATE THE PEOPLE WITH BLOODSHED OR THREATS OF BLOODSHED."

THE OFFICIAL ANNOUNCEMENT NAMED AS THE POLITICAL LEADER OF THE PLANNED PUTSCH DR. JAROSLAV BORKOVEC, IDENTIFIED ONLY AS A "FORMER CAPITALIST LAWYER." -IT WAS CHARGED THAT HE PLANNED TO "MAKE A RADIO ADDRESS TO THE NATION AND LATER BECOME AN IMPORTANT STATE OFFICIAL."

THE GOVERNMENT CLAIMED THAT THE PLOTTERS INCLUDED SOME WOMEN WHO "WERE SEDUCING YOUNG MEMBERS OF THE BOY SCOUTS IN ORDER TO USE THEM LATER IN THE GANG'S ARMED ACTION."

THE GOVERNMENT'S ACCOUNT, PRODUCED AFTER A POLICE INVESTIGATION AND A SECRET TRIAL, CLAIMED THE SEIZED COPIES OF THE REVOLUTIONARY PLAN SHOWED THE PLOTTERS AIMED TO "DECLARE MARTIAL LAW, DISMISS THE NATIONAL PARLIAMENT, XXX BAN PUBLIC MEETINGS.

THEY ALSO PLANNED TO SUPPRESS ALL NEWSPAPERS, TO DISBAND THE WORKERS' MILITIA AND SECURITY POLICE. THEY INTENDED TO RETURN ALL NATIONALIZED FACTORIES AND OTHER ENTERPRISES TO THE ORIGINAL PRIVATE OWNERS."

IT WAS FURTHER CHARGED THE GROUP HAD RAIDED A PRISON AT LITOMERICE, NORTH OF PRAGUE, LAST MAY 12 IN AN ATTEMPT TO FREE THE PRISONERS BY BLOWING UP THE JAIL. A PRISON GUARD WAS REPORTED SERIOUSLY WOUNDED IN THE RAID.

THE GOVERNMENT SAID MEMBERS OF THE GROUP WERE CAUGHT AS THEY WERE GOING TO THEIR APPOINTED STATIONS FOR THE START OF THE REVOLT.

"THIS IS FURTHER PROOF," THE OFFICIAL ACCOUNT SAID, "OF THE STRENGTH OF THE CZECHOSLOVAK PEOPLE AND HOW IT IS CAPABLE OF SMASHING ALL WHO ATTEMPT A COUP D'ETAT. IT IS ALSO TESTIMONY OF THE RELIABILITY OF THE PEOPLE'S DEMOCRATIC APPARATUS, OF ITS VIGILANCE AND ENERGY WHICH ASSURES IN ADVANCE THAT ANY ATTEMPT AT HIGH TREASON SHALL FAIL."

THE GOVERNMENT STORY DID NOT INDICATE WHETHER THE ARMY WAS INVOLVED NOR HOW MUCH THE NATION'S BOY SCOUT MOVEMENT HAD TO DO WITH THE PURPORTED CONSPIRACY.

DEATH SENTENCES WERE HANDED DOWN IN THE CASES OF BORKOVEC; KVETOSLAV PROKES, DESCRIBED AS HAVING BEEN FIRED FROM THE CZECH ARMY AS "UNRELIABLE;" EMANUAL CANCIK; VRATISLAV POLESNY, JOSEF CHARVAT AND VRATISLAV JANDA.

MK/GH539AED AUG 30 1949

CHINA (240)

CANTON, AUG.30-(AP)-THE COMMUNIST THREAT TO CANTO MOUNTED TODAY.

JUCHENG, 170 MILES NORTH OF CANTON, WAS LOST TO A RED FORCE, NEWS DISPATCHES SAID. THE VICTORIOUS COMMUNISTS STRUCK WESTWARD IN AN APPARENT ATTEMPT TO CUT THE CANTON-HANKOW RAILROAD AND NATIONALIST SUPPLY LINES.

THE MINISTRY OF NATIONAL DEFENSE REPORTED A NEW COMMUNIST DRIVE FROM KIANGSI PROVINCE AIMED AT LUNGCHUAN, A CITY WELL INSIDE KWANGTUNG PROVINCE. THE MINISTRY DID NOT SAY WHETHER THE REDS HAD CROSSED THE BORDER.

LUNGCHUAN IS 145 MILES EAST NORTHEAST OF CANTON AND 115 MILES NORTHEAST OF THE BRITISH CROWN COLONY OF HONG KONG.

THE MINISTRYOF NATIONAL DEFENSE SAID A COLUMN OF COMMUNIST IRERGULARS, STRENGTHENED BY REGULARS, WAS ADVANCING TOWARD LUNGCHUAN FROM HSUNWU, 65 MILES NORTHWARD IN KIANGSI PROVINCE.

THE LOSS OF JUCHENG, IN SOUTHEASTERN HUNAN PROVINCE, CAUSED MORE IMMEDIATE CONCERN HERE IN THE NATIONALIST PROVISIONAL CAPITAL. THE NATIONALISTS IMMEDIATELY REINFORCED THEIR POSITIONS ON THE KWANGTUNG-HUNAN BORDER TO TRY TO HOLD KUKONG, THE NORTHERN GATEWAY TO CANTON.

LARGE NUMBERS OF CIVILIANS WERE FLEEING SOUTHWARD FROM KUKONG, WHICH IS 125 MILES NORTH OF CANTON.

LARGE NUMBERS OF CIVILIANS WERE FLEEING SOUTHWARD FROM KUKONG, WHICK IS 125 MILES NORTH OF CANTON.

THERE WERE REPORTS HERE THAT REINFORCEMENTS FROM HAINAN ISLAND WERE BEING RUSHED TO CANTON FOR DISPATCH NORTHWARD TO MEET THE NEW THREAT.

TOP NATIONALIST LEADERS CONFERRED HERE ON PLANS T DEFEND KWANGTUNG. CHIANG KAI-SHEK, HOWEVER, REMAINED IN CHUNGKING, WHERE HE IS TRYING TO RECONCILE DIFFERENCES BETWEEEN SZECHWAN WARLORDS AND THE COMMANDER OF THE SOUTHWEST, GEN. CHANG CHUNG, FORMER PREMIER.

MEANWHILE IN THE FAR NORTHWEST, SINING, CAPITAL OF TSINGHAI PROVINCE, APPEARED IN GRAVE DANGER. A COMMERCIAL AIRLINE PILOT SAID HE WAS FORCED TO TURN BACK FROM THE AIRFIELD THERE YESTERDAY BY NATIONALIST DEFENDERS WHO SAID THE DIELD WAS NOT SAFE.

AL325APS AUG 30 1949

30.24- 5363

SECOND NIGHT LEAD CHINESE

BY SPENCER MOOSA

CANTON,WEDNESDAY,AUG.31-(AP)-COMMUNIST IRREGULARS HAVE PUSHED INTO THE NORTHEASTERN CORNER OF KWANGTUNG PROVINCE, HOME OF THE NATIONALIST CAPITAL OF CANTON, PRESS REPORTS SAID TODAY.

THE IRREGULARS, REPORTED TO HAVE BEEN RE-EQUIPPED BY COMMUNIST GEN.LIU PO-CHENG, CAPTURED PINGYUN IN THE DASH ACROSS THE BORDER FROM KIANGSI PROVINCE, THE DISPATCHES SAID. PINGYUN IS 210 MILES NORTHEAST OF CANTON.

THE KWANGTUNG INVASION WAS REPORTED AFTER RED ARMIES NORTH OF CANTON THRUST WITHIN 30 MILES OF THE CANTON-HANKOW RAILWAY, LIFELINE FOR THE MAIN NATIONALIST FORCES DEFENDING NORTH CHINA.

THE REDS X X X SECOND GRAF NL .

VR1149PCS

SHANGHAI,AUG 30 (AP)-THE COMMUNIST MILITARY CONTROL COMMISSION ANNOUNCED TODAY ALL FOREIGN NEWS AGENCIES MUST CEASE THE DISTRIBUTION OF NEWS IN SHANGHAI TOMORROW.

THE ORDER AFFECTS ONLY THE ASSOCIATED PRESS AND THE BRITISH CHAMBER OF COMMERCE WHICH HAD TAKEN OVER THE DISTRIBUTION FOR THE REUTERS NEWS AGENCY.

THE UNITED PRESS AND AGENCE FRANCE PRESSE CEASED DISTRIBUTING NEWS SHORTLY AFTER THE REDS TOOK OVER. TASS, THE RUSSIAN NEWS AGENCY, ANNOUNCED CLOSURE OF ITS DISTRIBUTION SERVICE IMMEDIATELY AFTER THE RED OCCUPATION BEGAN, SOME TASS NEWS HAS BEEN DISTRIBUTED RECENTLY THROUGH THE SINO-COMMUNIST NEWS SERVICE.

THE ASSOCIATED PRESS HAD BEEN ABLE TO CONTINUE NEWS DISTRIBUTION IN SHANGHAI BY PLACING ITS REPORT WITH A LARGE NUMBER OF FOREIGNERS WHO SUBSCRIBED PRIVATELY BECAUSE OF THE SCARCITY OF WORLD NEWS APPEARING IN SHANGHAI NEWSPAPERS.

THE ONLY NEWSPAPER SUBSCRIBING TO THE ASSOCIATED PRESS REPORT AT THE TIME OF THE CLOSURE ORDER WAS THE BRITISH OWNED NORTH CHINA DAILY NEWS, WHICH STEERED CLEAR OF NEWS WHICH MIGHT ANTAGONIZE THE COMMUNISTS. AT ONE TIME AFTER V-J DAY MORE THAN 40 NEWSPAPERS IN SHANGHAI SUBSCRIBED TO THE ASSOCIATED PRESS REPORT. ALL BUT A HANDFUL OF THOSE NEWSPAPERS DISAPPEARED AFTER THE COMMUNISTS TOOK THE CITY.

CH1228PCS NH

SHANGHAI,AUG. 30-(AP)-BRITISH CONSUL GENERAL ROBERT URQUHART FORCIBLY WAS PREVENTED FROM LEAVING THE BRITISH COMPOUND YESTERDAY BY TWELVE DRIVERS. THEY JUST HAD BEEN DISMISSED WHEN THE CONSULATE REDUCED ITS NUMBER OF AUTOMOBILES.

THE VICE CONSUL TOOK UP THE DISPUTE WITH THE COMMUNIST FOREIGN AFFAIRS BUREAU WHICH SENT A VERBAL ORDER TO THE DRIVERS NOT TO RESORT TO FORCE.

HOWEVER, WHEN URQUHART TRIED TO LEAVE THE COMPOUND HE WAS BARRICADED BY DRIVERS WHO SAID:

"WE DON'T CARE ABOUT THE FOREIGN AFFAIRS BUREAU OR ANY OTHER BUREAU. WE WANT MONEY."

POLICE WERE CALLED AND THE DRIVERS WERE FORCED TO TAKE UP THE CASE WITH THE COMMUNIST LABOR BUREAU.

THE CONSULATE OFFERED SEVERANCE PAY ACCORDING TO THE COMMUNIST FORMULA BUT THE DRIVERS DEMANDED SEVERAL MONTHS ADDITIONAL PAY.

SO FAR AUTHORITIES HAVE NOT ALWAYS ENFORCED THE MAXIMUM, PARTICULARLY IN CASES INVOLVING FOREIGNERS.

(THIS DISPATCH WAS DELAYED MANY HOURS IN REACHING SAN FRANCISCO, APPARENTLY BY COMMUNIST CENSORSHIP THROUGH WHICH DISPATCHES FILED IN SHANGHAI MUST PASS.)

FJ848PCS

AUG 30 1949

TOKYO, AUG. 30-(AP)-A COUPLE OF JAPANESE GUESTS ON THE WORLD TOURING "AMERICA'S TOWN MEETING OF THE AIR" AGREED TONIGHT IT IS TIME JAPAN TRIED TO BECOME SELF-SUPPORTING.

AKITA KODAKI, ADMINISTRATOR OF INTERNATIONAL TRADE FOR THE JAPANESE GOVERNMENT, SAID IT COULD BE DONE IF JAPAN USED ITS VAST MANPOWER OF SKILLED LABOR, REBUILT ITS MERCHANT MARINE AND CONCENTRATED ON TRADE IN THE ORIENT.

PRESIDENT KIICHIRO SATO OF THE TEIKOKU BANK OF TOKYO SAID BIRTH CONTROL AND AN INCREASE IN JAPAN'S FISHING AREA ALSO WOULD HELP.

JAPANESE IN THE AUDIENCE ASKED MANY QUESTIONS, PARTICULARLY ABOUT BIRTH CONTROL AND HOW PEOPLE OF OTHER COUNTRIES NOW REGARD THEM.

FJ1114PCS

SINGAPORE, AUG.30-(AP)-MALCOLM MACDONALD, BRITISH COMMISSIONER GENERAL FOR SOUTHEAST ASIA, WILL LEAVE SINGAPORE TOMORROW FOR A VISIT TO JAPAN.

WHILE IN TOKYO MACDONALD WILL EXCHANGE VIEWS WITH GEN.DOUGLAS MACARTHUR ON MATTERS OF MUTUAL INTEREST, AN OFFICIAL ANNOUNCEMENT SAID. HE ALSO WILL MEET WITH JAPANESE LEADERS.

JA858PED

WASHINGTON,AUG 30-(AP)-SENATOR KEM (R-MO) TODAY DEMANDED TO KNOW WHETHER PRESIDENT TRUMAN'S SPEECH BEFORE THE AMERICAN LEGION CONVENTION AT PHILADELPHIA WAS A "TRIAL BALLOON" FOR SOCIALISM.

IN AN ADDRESS TO THE SENATE, KEM SHARPLY CRITICIZED BRITAIN'S ECONOMIC SYSTEM. HE SAID "THE PRESENT GOVERNMENT OF GREAT BRITAIN IS COMMITTED TO THE PRINCIPLES OF KARL MARX," INCLUDING THE ABOLITION OF PRIVATE PROPERTY.

THEN HE LASHED OUT AT MR.TRUMAN'S OUTLINE OF THE PRINCIPLES THAT SHOULD GOVERN FORTHCOMING U. S. ECONOMIC TALKS WITH BRITISH OFFICIALS.

KEM QUOTED THE FOLLOWING FROM THE PRESIDENT'S SPEECH AT PHILADELPHIA YESTERDAY:

"WE RECOGNIZE THAT EACH NATION HAS ITS OWN POLITICAL PROBLEMS AND THAT IT USES DIFFERENT POLITICAL LABELS AND DIFFERENT SLOGANS FROM THOSE WE USE AT HOME. IN THE SAME WAY, NATIONS HAVE DIFFERENT BUSINESS PRACTICES AND DIFFERENT GOVERNMENTAL DEVICES FOR ACHIEVING THE SAME ECONOMIC ENDS."

KEM SAID THIS RAISES THE QUESTION WHETHER THE GOVERNMENTS OF BRITAIN AND THE U. S. ARE TRYING TO ACHIEVE "THE SAME ECONOMIC ENDS."

HE ASKED THE SENATORS: "DOES THIS MEAN THAT THE PRESIDENT HAS COMMITTED HIMSELF TO WORK TOWARD THE SAME ECONOMIC END AS SOCIALIST GREAT BRITAIN? IS MR.TRUMAN'S STATEMENT A TRIAL BALLOON?"

HY1015PED

Tel Aviv, Israel, Aug. 30--(ap)--Three members of the National Conference of Christians and Jews in America will go to Jerusalem today to meet with top ranking Jewish educationalists, including philosopher Martin Bauber.

The American interfaith visitors arrived in Israel by plane yesterday. They are the Rev. Edward Cardinal, head of the Bishop Shiel Social Services school in Chicago, and Mr. and Mrs. George B. McKibbin.

McKibbin, a Chicago attorney and former Illinois director of finance, told a reporter that the problems of Israel "are so different from problems in most other parts of the world, but yet we hope to be able to obtain and give useful suggestions during our 10 days visit here. The Americans are on a good will tour of the Holy Land and Western Europe.

AUG 30 1949

apr/gottgetreus 0930s/tho/930a

NIGHT LEAD BURMESE (190)

BY DOUGLAS LACKERSTEEN

RANGOON, BURMA, AUG. 30-(AP)-A BURMESE ARMY SPOKESMAN SAID TODAY A PACT BETWEEN KAREN REBELS AND KACHIN TRIBESMEN HAS BEEN DISSOLVED.

KACHINS WERE IDENTIFIED AS THE REBELS WHO NOW HOLD LASHIO, THE CAPITAL OF THE NORTHERN SHAN STATES. THEY SEIZED IT ON SUNDAY. TAUNGGYI, THE SOUTHERN SHAN STATES CAPITAL, IS IN KAREN HANDS.

THE ARMY SPOKESMAN SAID THE KACHINS WHO ENTERED LASHIO ARE TRYING TO RETURN TO THEIR NATIVE MYITKYINA STATE IN NORTH BURMA. THEY HELPED THE KARENS STORM TAUNGGYI BUT SOON AFTERWARD BROKE RANKS AND HEADED BACK NORTH. TAUNGGYI LIES 100 MILES SOUTHEAST OF MANDALAY AND LASHIO IS 160 MILES NORTH OF TAUNGGYI.

MEANWHILE, RANGOON AUTHORITIES AWAITED THE RETURN OF A FIVE-NATION DIPLOMATIC MISSION FROM TAUNGGYI WHERE IT SOUGHT TO NEGOTIATE THE LIBERATION OF AN ESTIMATED 12,000 FOREIGNERS TRAPPED BY CIVIL WAR BATTLES. ALL 18 AMERICANS IN THE REBEL-HELD TOWN REPORTEDLY ARE SAFE.

SOURCES IN CONTACT WITH THE MISSION SAID THERE HAD BEEN NO FIGHTING IN TAUNGGYI SINCE THE DIPLOMATS ARRIVED THERE ON SATURDAY.

BURMESE PRESS REPORTS SAID, HOWEVER, HEAVY FIGHTING WAS IN PROGRESS YESTERDAY IN LASHIO, ONE-TIME WESTERN TERMINUS OF THE OLD BURMA ROAD TO CHINA.

THE DIPLOMATS LEFT TAUNGGYI LAST NIGHT EN ROUTE BACK TO RANGOON.

THE KARENS ARE ONE OF SEVERAL TRIBAL GROUPS IN THE BURMA UNION. THEY WANT A SEPARATE STATE. MACHINS ARE A TRIBAL GROUP FROM BURMA'S FAR NORTH.

JA601PED

AUG 30 1949

Wash Cold war dimension

SENATORS WHO ASKED NOT TO BE QUOTED BY NAME SAID THE TRUMAN ADMINISTRATION HAS ESTIMATED THAT A TOTAL OF $155,000,000 WOULD BE USED TO STIMULATE ARMS PRODUCTION ABROAD, INCLUDING $36,000,000 FOR RETOOLING ARMS PLANTS.

COMMITTEE MEMBERS SAID THE $155,000,000 INCLUDES APPROXIMATELY $7,000,000 FOR STEEL, $16,000,000 FOR COPPER, $7,000,000 FOR ALUMINUM, $55,000,000 FOR OTHER MATERIALS, $12,000,000 FOR PACKING AND SHIPPING, AND $14,000,000 FOR "COMPENSATION FOR LOSS OF DOLLAR EARNINGS." THE LAST ITEM WAS NOT EXPLAINED.

A15WX

THE FIGURES ARE ROUND NUMBERS AND DO NOT ADD UP TO THE FULL $155,000,000.

CONNALLY SAID THE COMPROMISE DOES NOT TOUCH ON THE CONTROVERSIAL SUBJECT OF ARMS FOR NON-COMMUNIST CHINA. SENATOR KNOWLAND (R-CALIF) HAS DEMANDED THAT AID TO CHINA BE MADE A PART OF THE PROGRAM.

HOWEVER, SECRETARY OF STATE ACHESON HAS TOLD CONGRESS THAT THE ADMINISTRATION DOES NOT FEEL JUSTIFIED IN ASKING MORE ARMS FOR CHINA. ACHESON SAID A FUND AVAILABLE FOR USE IN NON-COMMUNIST SECTIONS OF THE FAR EAST AT THE PRESIDENT'S DISCRETION WOULD BE HELPFUL.

SENATORS SAID THE CONNALLY PROPOSAL APPEARS TO BE AIMED PRIMARILY AT WINNING AGREEMENT FROM SENATORS VANDENBERG AND DULLES (R-NY) AND SUPPORTERS OF THEIR DEMANDS THAT THE ARMS PROGRAM BE HEAVILY TRIMMED.

IN THE FOREFRONT OF THE ECONOMY DRIVE, SENATO

IN THE FOREFRONT OF THE ECONOMY DRIVE, SENATOR BYRD (D-VA) PREDICTED THE SENATE MAY CUT THE PROGRAM BY AS MUCH AS $360,000,000, AS PROPOSED BY SENATOR GEORGE (D-GA).

VANDENBERG WANTS TO LIMIT ARMS AID FOR THE ATLANTIC TREATY NATIONS TO A FLAT $1,000,000,000, INSTEAD OF THE $1,160,900,000 ASKED BY PRESIDENT TRUMAN. PROPOSED ALLOTMENTS TO OTHER NON-COMMUNIST COUNTRIES OUTSIDE THE PACT MAKE UP THE BALANCE OF MR.TRUMAN'S TOTAL $1,450,000,000 REQUEST.

GG456PED

AUG 30 19

A22WX

VAUGHAN SAID THEY HAD "ORDINARY FRIENDLY RELATIONS."

HE SAID HE WAS SURPRISED WHEN HE LEARNED THAT MAJ.GEN.ALDEN WAITT, NOW SUSPENDED AS CHIEF OF THE CHEMICAL CORPS, HAD USED HUNT'S OFFICE IN WHICH TO WRITE MEMORANDA THAT VAUGHAN WANTED.

THESE WERE THE MEMOS IN WHICH WAITT FOUND SOMETHING WRONG IN EACH OF THE SEVEN MEN WHO MIGHT BE PICKED TO SUCCEED HIM.

THESE WERE THE MEMOS IN WHICH WAITT FOUND SOMETHING WRONG IN EACH OF THE SEVEN MEN WHO MIGHT BE PICKED TO SUCCEED HIM.

VAUGHAN SAID HE NEEDED THE INFORMATION, TO HELP MR.TRUMAN MAKE A DECISION WHEN THE TIME CAME TO CHOOSE WAITT'S SUCCESSOR. BUT--

"IT NEVER OCCURRED TO ME THAT WAITT WOULD WRITE ANY PLACE EXCEPT IN HIS OFFICE OR IN HIS OWN HOME."

THE INVESTIGATIONS SUBCOMMITTEE IS LOOKING INTO THE ACTIVITIES OF FIVE PERCENTERS, MEN WHO TRY TO GET GOVERNMENT CONTRACTS FOR BUSINESS MEN IN RETURN FOR A FEE.

IT ESPECIALLY WANTS TO KNOW WHAT INFLUENCE, IF ANY, THESE MEN HAVE ON GOVERNMENT OFFICIALS.

THE COMMITTEE LEARNED THAT THERE REALLY ARE THREE GENERAL VAUGHANS.

THERE IS THE GENERAL VAUGHAN WHO IS ARMY AIDE. HE SHOWS UP AT CORNERSTONE LAYINGS AND OTHER PUBLIC FUNCTIONS.

THERE IS THE GENERAL VAUGHAN WHO IS COORDINATOR OF VETERANS' AFFAIRS. HE TRIES TO GET THE VARIOUS AGENCIES INTERESTED IN VETERANS' AFFAIRS TO WORK HARMONIOUSLY.

AND THERE IS THE GENERAL VAUGHAN WHO PERFORMS "OTHER ADMINISTRATIVE FUNCTIONS."

IT WAS IN THIS CAPACITY, VAUGHAN SAID, THAT HE TRIED TO ASSIST PEOPLE WHO WANTED TO DO BUSINESS WITH THE GOVERNMENT. THIS IS THE JOB, TOO, THAT MOST INTERESTED THE COMMITTEE.

VAUGHAN SAID THAT WHILE MR.TRUMAN DIDN'T KEEP UP WITH THE DETAILS, THE PRESIDENT DID KNOW THAT VAUGHAN WAS TRYING TO AID BUSINESS MEN.

"I WAS PERFORMING ACCORDING TO INSTRUCTIONS GIVEN ME BEFORE," HE SAID OF HIS ACTIVITIES. HE SAID MR.TRUMAN WOULD BE THE FIRST TO TELL HIM IF HE DIDN'T LIKE THE WAY HE WAS DOING HIS JOB.

AT ONE POINT, SENATOR MCCARTHY (R-WIS) ASKED:

"I WANT TO ASK YOU A QUESTION, MR.VAUGHAN, AND I WISH YOU WOULD GIVE IT CONSIDERABLE THOUGHT BEFORE YOU ANSWER: WILL YOU TELL US WHETHER OR NOT MARAGON AT ANY TIME GAVE YOU MONEY THAT HE CLAIMED WAS FROM FRANKIE COSTELLO?"

"WHO?" SAID VAUGHAN.

THERE WAS CONSIDERABLE JOCKEYING BACK AND FORTH BEFORE VAUGHAN BROKE IN WITH: "OH, THE NEW YORK GANGSTER?"

HE SAID, NO, MARAGON NEVER AT ANY TIME MENTIONED THAT HE GOT ANY CAMPAIGN FUNDS FROM FRANKIE COSTELLO.

MCCARTHY POINTED OUT THAT VAUGHAN HAD WRITTEN A LETTER OF RECOMMENDATION FOR MARAGON, TO HELP HIM LAND A JOB WITH AN AMERICAN MISSION TO GREECE.

HE WANTED TO KNOW IF VAUGHAN HAD KNOWN THAT MARAGON ONCE TRIED TO DECLARE EXPENSIVE PERFUME AS CHAMPAGNE WHEN HE RETURNED FROM A EUROPEAN TRIP.

A7WX.

A73WX.

VAUGHAN SAID, YES, MARAGON HAD TOLD HIM ABOUT IT, MAYBE A YEAR LATER. "HE TOLD ME IT WAS ALL FIXED UP, AND CUSTOMS WAS SATISFIED," VAUGHAN SAID.

MCCARTHY WANTED TO KNOW IF VAUGHAN HAD CHECKED WITH THE JUSTICE DEPARTMENT ON MARAGON'S RECORD BEFORE HE RECOMMENDED HIM.

"NO, SIR," HE SAID.

MCCARTHY TRIED REPEATEDLY--AND FAILED--TO GET VAUGHAN TO ADMIT HE MADE A SERIOUS MISTAKE IN RECOMMENDING MARAGON.

AT LAST MCCARTHY SAID:

"HAS IT BEEN PROVEN TO YOUR SATISFACTION, GENERAL, THAT YOU SHOULD NOT HAVE RECOMMENDED MARAGON FOR THIS JOB?"

"NO, SIR," REPLIED VAUGHAN, "IT HAS NOT."

"AS OF TODAY YOU WOULD STILL RECOMMEND HIM?"

"UNLESS I KNEW SOMETHING TO THE CONTRARY," SAID VAUGHAN.

IN CONNECTION WITH THE TANFORAN RACE TRACK, MCCARTHY ASKED:

"DO YOU NOW THINK IT WAS PROPER TO INTERCEDE FOR THESE TRACK OWNERS AND DIVERT SCARCE BUILDING MATERIAL TO THE CONSTRUCTION OF A RACE TRACK?"

VAUGHAN: "IF MR.HELIS CAME TO ME TOMORROW AND ASKED ME TO MAKE AN APPOINTMENT FOR SOMEBODY THAT HE WOULD VOUCH FOR, AND I HAD EVERY CONFIDENCE THAT THE GOVERNMENT OFFICIAL WHO WAS GOING TO CONSIDER THIS MATTER WAS COMPETENT AND ABLE TO JUDGE, AT LEAST AS TO HIS OWN BUSINESS, I CERTAINLY WOULD MAKE THE APPOINTMENT. IT WOULD BE THE COURTEOUS THING TO DO."

A MOMENT LATER, MCCARTHY WAS HAMMERING AWAY ON THE SAME POINT.

"DO YOU THINK THAT YOUR INTERCESSION ON BEHALF OF THE RACE TRACK OWNERS WAS PROPER?" HE ASKED. "IN OTHER WORDS, WOULD YOU DO IT OVER AGAIN TODAY?"

"YES," SAID VAUGHAN. "I DON'T CONCEDE I WENT TO ANY IMPROPER LENGTHS."

VAUGHAN SAID PEOPLE ALWAYS ARE WRITING OR PHONING THE WHITE HOUSE, SEEKING HELP.

THAT MAY BE ONE REASON, HE SAID, WHY HE HAD TROUBLE RECALLING THE MOLASSES INCIDENT.

HE SAID HE DOESN'T EVEN REMEMBER THAT HE EVER HEARD OF THE COMPANY, BUT SAID THAT HE HAD MADE "HUNDREDS OF SUCH ROUTINE CALLS" FOR PEOPLE WHO WANTED HELP.

A74WX.

VAUGHAN SAID HE WAS SURE HE HADN'T SAID, "WE DEMOCRATS MUST STICK TOGETHER." HE SAID HE USED THE PHRASE OFTEN, BUT THAT HE WOULDN'T USE IT WITH HATHORN BECAUSE HE WOULD HAVE NO WAY OF KNOWING WHAT HATHORN'S POLITICS WERE.

AS FOR THREATS--

"I MUST AND DO DENY THAT I MADE ANY THREATS TO HIM."

IN ANSWER TO A QUESTION, VAUGHAN SAID, NO, HE COULDN'T THINK OF ANY REASON WHY HATHORN WOULD THINK UP A STORY SIMPLY TO MALIGN HIM.

VAUGHAN ALSO SAID THAT THE PENCILLED NOTATION THAT APPEARED ON A LETTER ASKING FOR A PASSPORT FOR MARAGON WAS WRONG. THIS IS THE NOTATION THAT SAID THAT VAUGHAN HAD SAID MR.TRUMAN PERSONAL

TATION THAT SAID THAT VAUGHAN HAD SAID MR.TRUMAN WAS "PERSONALLY INTERESTED" IN A TRIP MARAGON WANTED TO MAKE TO ITALY FOR THE PERFUME COMPANY.

"THE PRESIDENT NEVER HEARD OF THIS," VAUGHAN SAID. "THE PRESIDENT WAS NOT INTERESTED IN ANY TRIP THAT JOHN MARAGON WOULD TAKE OR, IN FACT, THE PRESIDENT WASN'T INTERESTED IN ANY DETAIL OF MARAGON'S BUSINESS OR LIFE OR ANYTHING."

"DID HE KNOW ANYTHING ABOUT IT?" ASKED SENATOR O'CONOR.

"OH, NO," SAID VAUGHAN, "HE KNEW NOTHING ABOUT IT."

AT STILL ANOTHER TIME MCCARTHY WONDERED IF VAUGHAN HAD CHECKED ON

continued on next page, second column

SAN FRANCISCO, AUG. 30-(AP)-A NAVY VETERAN TESTIFIED AT THE TOKYO ROSE TREASON TRIAL TODAY THAT HE ACCEPTED RADIO TOKYO'S WARTIME "HELLO BONEHEADS" AND SUCH CHATTER AS "FACETIOUS"--NOT TREASONABLE.

SAM STANLEY, WARTIME NAVY SEABEE BAKER, WAS ONE OF THREE FORMER SERVICE MEN WHO TESTIFIED FOR THE DEFENSE. THEY WERE CALLED TO CONTRADICT TESTIMONY OF OTHER EX-SERVICE MEN WHO TESTIFIED FOR THE GOVERNMENT THAT THE WARTIME BROADCASTS OF IVA TOGURI D'AQUINO WERE TREASONABLE.

ALL THREE SAID THEY AND THEIR COMRADES FOUND RADIO TOKYO'S ZERO HOUR AND ORPHAN ANN ENTERTAINING; THEY NEVER HEARD ANN DISCUSS SHIP LOSSES, CASUALTIES OR OBSCENE SUBJECTS. ORPHAN ANN WAS THE NOM DE RADIO OF MISS TOGURI, 33, A NATIVE OF LOS ANGELES.

STANLEY, OF BERKELEY, CALIF., SAID ANN "IN A LILTING, TYPICALLY AMERICAN VOICE" HELLOED "YOU HONORABLE BONEHEADS" AND INTRODUCED HERSELF AS "'ORPHAN ANN---THIS IS YOUR ENEMY' IN A FACETIOUS MANNER. IT DIDN'T SOUND VERY VICIOUS." MOSTLY, HE REMEMBERED JUST THE PROGRAM'S MUSIC.

"I KEPT HOPING TO HEAR THE TOKYO ROSE WHO WAS SUPPOSED TO BE VERY WITTY AND SMUTTY, BUT I NEVER HEARD ANYTHING LIKE THAT. WE ALWAYS REGARDED HER (ANN) AS A KIND OF A FRIEND," STANLEY SAID.

FJ1056PCS

A130KX (WEST OUT) (300)

KELSO, WASH., AUG. 30-(AP)-LIBBY ALDRICH, COMELY 19-YEAR-OLD MISS WASHINGTON, IS SINGING TONIGHT FOR THE CLOTHES ON HER SHAPELY BACK.

THE CLOTHES, THAT IS, WITH WHICH SHE HOPES TO ADORN HERSELF WHEN AND IF SHE HITS BOARDWALK AT ATLANTIC CITY'S MISS AMERICA PAGEANT NEXT MONTH.

LIBBY, THE DAUGHTER OF A LOGGER, WAS SELECTED AS MISS WASHINGTON AT A FINANCIALLY FROSTY STATE PAGEANT STAGED IN SEATTLE IN LATE MAY.

SHE CONTENDS THE PAGEANT PROMOTERS TOLD HER THEY WOULD PROVIDE A $5,000 WARDROBE AND ROUND-TRIP TRANSPORTATION FOR HERSELF AND A CHAPERONE.

HER DILEMMA STIRRED UP A FIRST CLASS DISPUTE BETWEEN THE BIG-CITY SEATTLE PROMOTERS AND THE LITTLE-CITY KELSO CHAMBER OF COMMERCE.

SO TONIGHT THE CHAMBER IS THROWING A BIG FUNCTION AT WHICH LIBBY IS SCHEDULED TO SING AND AT WHICH SECRETARY JIM BOLIN OF THE CHAMBER HOPES THE NECESSARY $1,800 WILL BE RAISED SO LIBBY CAN GO TO ATLANTIC CITY IN THE MANNER TO WHICH KELSO THINKS SHE SHOULD BE ACCUSTOMED. AND COSTUMED.

MEANWHILE A SEATTLE BUSINESS MAN, C. F. LLOYD-YOUNG, REPORTEDLY WAS HOLDING A MEETING THERE TO DECIDE WHAT'S TO BE DONE. LLOYD-YOUNG HAS SAID HE POURED $6,000 INTO THE PAGEANT PROGRAM ALTHOUGH NOT LEGALLY BOUND TO DO SO, BECAUSE "SOMEBODY IN SEATTLE SHOULD GET BEHIND THIS SORT OF THING."

THE DRAIN ON THE LLOYD-YOUNG WALLET STARTED WHEN THE PAGEANT FLOPPED FINANCIALLY. HE SAID HE WAS WILLING TO PAY LIBBY'S TRANSPORTATION, BUT THAT ATLANTIC CITY HAD TOLD HIM NO CHAPERONE WAS REQUIRED ENROUTE AND THAT ONE WOULD BE PROVIDED AFTER SHE GOT THERE.

HE ALSO PUT UP AN UNDISCLOSED AMOUNT FOR WARDROBE, BUT KELSONIANS AND LIBBY TOOK A DIM VIEW OF IT AS BEING LACKING IN THE NECESSARY CHIC, KLAN, ECLAT AND ETC.

LLOYD-YOUNG WAS SECRETIVE ABOUT THE MEETING INSEATTLE, BUT IT APPEARED A JURISDICTIONAL DISPUTE WAS ABOUT TO FLARE.

THE STATE PAGEANT PEOPLE SAID IT WAS THEIR BABY, AND THAT WENT FOR LIBBY TOO, AND KELSO WAS BEHAVING LIKE AN UPSTART. KELSO CONSIDERS THAT SEATTLE BOOTED THE BALL AND THAT IT'S UP TO KELSO TO MAKE GOOD ON THE PROMISES TO LIBBY SO SHE CAN MAKE A GOOD SHOWING IN THE EAST.

SO TONIGHT LIBBY IS SINGING.

FJ1103PCS NM

MARAGON'S BACKGROUND.

"NO," SAID VAUGHAN. "I THOUGHT I KNEW MR.MARAGON'S BACKGROUND. I MEAN, I DIDN'T--WELL, I DIDN'T KNOW MR.MARAGON HAD A BACKGROUND. IT NEVER OCCURRED TO ME."

SAID THE GENERAL OF MARAGON:

"HE WAS A SENATE OFFICE BUILDING CHARACTER."

VX917PED

AUG 30 1949

NEW YORK, AUG.30-(AP)-THE MOST REV. WILLIAM O.BRADY, ROMAN CATHOLIC BISHOP OF SIOUX FALLS, S.D., RETURNED FROM EUROPE TODAY AND SAID HE FOUND CONDITIONS "GENERALLY BETTER THAN I EXPECTED."

"THE ECONOMIC SITUATION IN CITIES IS STILL BAD," HE SAID. "UNEMPLOYMENT IN LARGE CITIES IS TERRIFIC."

BUT, HE ADDED, "WHILE COMMUNISM IS STILL STRONG, IT IS DEFINITELY ON THE DOWNGRADE IN ITALY."

HE RETURNED ABOARD THE LINER SATURNIA AFTER VISITING THE VATICAN, SWITZERLAND AND FRANCE.

HA1124PED

AUG 30 1949

NIGHT LEAD ROBESON (525)

NEW YORK, AUG.30-(AP)-PAUL ROBESON TOLD A HARLEM RALLY CROWD TONIGHT THAT SATURDAY NIGHT'S PEEKSKILL, N.Y., CONCERT RIOT "MEANS THAT FROM NOW ON OUT WE TAKE THE OFFENSIVE."

THE RALLY WS CALLED TO PROTEST THE RIOT WHICH OCCURRED BETWEEN PERSONS GATHERED TO ATTEND A ROBESON OUTDOOR CONCERT AND AMERICAN LEGIONNAIRES AND OTHER VETERANS' GROUPS MARCHING TO PROTEST THE CONCERT.

"I WANT TO WARN THE LEGION THAT I HAVE BEEN TO MEMPHIS, TENN., AND FLORIDA," THE NEGRO SINGER TOLD TONIGHT'S RALLY. "AND I'LL BE IN PEEKSKILL AGAIN."

REFERRING TO THE ATTENDANCE AT THE RALLY--2,000 IN THE HALL AND 1,00 MORE OUTSIDE--ROBESON SAID:

"THEY'VE GOT THEIR ANSWER HERE TONIGHT. I DON'T SEE ANY LEGION HERE TONIGHT.

"WE'LL HAVE OUR MEETINGS AND OUR CONCERTS ALL OVER THE UNITED STATES. THE SURE WAY TO GET POLICE PROTECTION IS TO MAKE IT CLEAR WE WILL PROTECT OURSELVES."

CITY COUNCILMAN BENJAMIN DAVIS, A NEGRO, ONE OF THE 11 COMMUNIST LEADERS NOW ON TRIAL, SAID OF THE PEEKSKILL RIOT:

"IF ADVOCATING DEFEAT OF THIS FASCIST VIOLENCE IS OVERTHROWING GOVERNMENT, THEN, BY GOD, THE GOVERNMENT IS GOING TO BE OVERTHROWN."

THE COMMUNIST LEADERS ARE CHARGED WITH ADVOCATING VIOLENT OVERTHROW OF THE U.S. GOVERNMENT.

REP.VITO MARCANTONIO (ALP-NY) TOLD THE RALLY THE RESPONSIBILITY FOR THE RIOT RESTS "ON THE SUPREME COURT" AND ON FORMER ATTORNEY GENERAL TOM CLARK, RECENTLY APPOINTED SUPREME COURT JUSTICE.

CLARK ISSUED THE "SUBVERSIVE" LIST WHICH INCLUDED THE CIVIL RIGHTS CONGRESS, WHICH SPONSORED THE PEEKSKILL CONCERT.

REFERRING TO GOV.THOMAS E.DEWEY'S ORDER THAT COUNTY OFFICIALS INVESTIGATE THE RIOT, MARCANTONIO SAID:

"IT CAME WITH ILL GRACE THAT THE GOVERNOR ASKED THAT AN INVESTIGATION BE CONDUCTED BY MEN WHO ARE PREPARED TO WHITEWASH THE WHOLE INCIDENT AND SHIFT THE RESPONSIBILITY TO THE INNOCENT."

A128

THE SATURDAY RIOT, INVOLVING SOME 500 VETERAN MARCHERS AND THOUSANDS OF WOULD-BE CONCERTGOERS, SENT EIGHT PERSONS TO THE HOSPITAL, ONE IN A CRITICAL CONDITION.

ROBESON, INTERCEPTED BY FRIENDS, DID NOT REACH THE PEEKSKILL

AUG 30 1949

PICNIC GROVE CONCERT SITE, WHERE BURNING OF A CROSS ACCOMPANIED STONE-THROWING, STABBINGS AND OVERTURNING OF CARS.

CHARGES THAT WESTCHESTER COUNTY OFFICIALS AND STATE POLICE FAILED TO TAKE STEPS TO PREVENT THE VIOLENCE HAVE BEEN MADE BY ROBESON SUPPORTERS.

GOV.THOMAS E.DEWEY HAS ASKED A REPORT FROM THE COUNTY OFFICIALS.

JOINING IN TONIGHT'S PROTEST WAS CHARLES LEVY, EXECUTIVE SECRETARY OF THE NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE, WHO CALLED THE SATURDAY INCIDENT "THE MOST VICIOUS SCANDAL IN THE ANNALS OF NEW YORK STATE."

THE NAACP RECENTLY TOOK ISSUE WITH ROBESON'S STATEMENT, AT A PARIS CONFERENCE, THAT NEGROES WOULD NOT FIGHT IN A WAR AGAINST RUSSIA.

THE NAACP OFFICIALS SAID THE SINGER DID NOT REPRESENT THE AMERICAN NEGRO PEOPLE'S THINKING.

BUT LEVY DECLARED TONIGHT THAT "WHAT HAPPENED AT PEEKSKILL CAN HAPPEN AT ANY MEETING--RELIGIOUS OR CIVIL--IF RIGHT-MINDED PEOPLE DO NOT PROTEST."

NOVELIST HOWARD FAST TOLD TONIGHT'S RALLY THAT THE RIOT, IN WHICH HE WAS INVOLVED, WAS FOMENTED DELIBERATELY BY COUNTY OFFICIALS, AND THAT THE VETERANS INVOLVED "SET OUT TO LYNCH ONE MAN."

THE NEW YORK STATE COUNCIL OF THE ARTS, SCIENCES AND PROFESSIONS SAID OLIN DOWNES, NEW YORK TIMES MUSIC CRITIC, AND MILLARD LAMPELL, NOVELIST AND DRAMATIST, WILL SPEAK AT A MIDNIGHT RALLY HERE THURSDAY TO PROTEST THE RIOT.

VS1253AED

LAKE SUCCESS, AUG. 30-(AP)-THE UNITED NATIONS INTERNATIONAL CHILDRENS'S EMERGENCY FUND (UNICEF) REPORTED TODAY IT HAD SPENT $63,575,000 (M) ON RELIEF OPERATIONS UP TO DEC. 31, 1948.

THE RELIEF AGENCY TOLD THE GENERAL ASSEMBLY IT HAD ACTUALLY DISTRIBUTED $28,295,000 WORTH OF SUPPLIES AND HAD PURCHASED ADDITIONAL SUPPLIES AMOUNTING TO $33,270,000. ANOTHER $2,000,000 WAS CONTRIBUTED BY UNICEF TO SPECIAL RELIEF PROGRAMS SUCH AS THE VACCINATION CAMPAIGN AGAINST TUBERCULOSIS.

ON THE OTHER HAND, CONTRIBUTIONS ENTERED ON UNICEF'S BOOKS UP TO THE END OF 1948 TOTAL $90,820,000. TWENTY-FIVE GOVERNMENTS CONTRIBUTED $61,045,000 OF THIS. ANOTHER $23,270,000 CAME FROM UNRRA AND $5,305,000 FROM THE U.N. APPEAL FOR CHILDREN.

HERE IS WHERE THE UNICEF SUPPLIES WERE DISTRIBUTED:

ALBANIA $137,939.37, AUSTRIA $2,316,582.09, BULGARIA $1,441,619.99, CHINA $368,285.88, CZECHOSLOVAKIA $1,505,959.53, FINLAND $680,069.44, FRANCE $878,394.64, GREECE $1,847,814.07 HUNGARY $917,488.49, ITALY $4,635,577.04, MIDDLE EAST $355,726.67, POLAND $7,095,039.84, ROMANIA $2,623,910.56 AND YUGOSLAVIA $3,491,232.07.

VS1107PED

BY FRANCIS W.CARPENTER

LAKE SUCCESS, AUG. 30-(AP)-A SHARP WARNING TO UNDERDEVELOPED COUNTRIES THAT UNCLE SAM IS NOT GIVING HANDOUTS JUST FOR FUN STARTLED A UNITED NATIONS CONFERENCE YESTERDAY. IT WAS THE BLUNTEST TALK ON PRESIDENT TRUMAN'S PROGRAM FOR AIDING UNDEVELOPED AREAS YET HEARD AT THE U.N.

JOHN ABBINK, A CONSULTANT ON THE FOREIGN TECHNICAL ASSISTANCE PROGRAM WITH THE UNITED STATES MISSION TO THE U.N., CALLED FOR SENSIBLE PLANNING. HE SAID ONE FOREIGN BUSINESSMAN, NOT NAMED, WAS "STUPID" FOR EXPECTING THE UNITED STATES TO BUY ANY PRODUCTS LEFT OVER FROM A PROPOSED AMERICAN-BUILT INDUSTRIALIZATION SCHEME.

ABBINK SPOKE AT A GENERAL MEETING OF THE U.N. SCIENTIFIC CONFERENCE ON THE CONSERVATION AND UTILIZATION OF RESOURCES. THIS CONFERENCE HAS HEARD MANY SPEAKERS TALK ABOUT THE UNDERDEVELOPED COUNTRIES AND THERE HAS BEEN CONSIDERABLE TALK IN THE U.N. CORRIDORS ABOUT WHAT THESE AREAS CAN EXPECT FROM UNCLE SAM IN THE WAY OF CASH.

ABBINK SAID HE WAS STARTLED AT A HAVANA TRADE CONFERENCE TO HEAR ONE DELEGATE ASSERT THE U.S. MIGHT ASSIST THE REST OF THE WORLD TO ATTAIN ECONOMIC EQUALITY BEFORE PLANNING TO FURTHER ITS OWN MATERIAL PROGRESS.

HE SAID THIS DOCTRINE OF ECONOMIC DEVELOPMENT HAS BEEN EXPLODED MANY TIMES IN MANY COUNTRIES "AND IS EVEN NOW BEING BITTERLY DISPROVEN IN UNHAPPY BRITAIN."

"THE MOST DIFFICULT SINGLE PROBLEM WHICH FACES LEADERS IN UNDERDEVELOPED COUNTRIES IS THAT OF CONVINCING THEIR PEOPLES THAT ECONOMIC PROGRESS COMES FROM WITHIN: THAT IT CANNOT BE IMPOSED FROM WITHOUT, OR EVEN GREATLY ADVANCED UNLESS THERE EXISTS A WIDE-SPREAD DESIRE FOR NATIONAL IMPROVEMENT SO STRONG THAT THE NECESSARY TEMPORARY SACRIFICES WILL SEEM WORTH WHILE TO ALL WHO WILL BE AFFECTED," ABBINK SAID.

BUT, HE SAID, FEW OF THE COUNTRIES ARE READY FOR THE DEGREE OF INDUSTRIALIZATION TO WHICH THEY SEEM TO ASPIRE.

HE SAID PRESIDENT TRUMAN'S PROGRAM, IN WHICH THE PRESIDENT CALLED FOR HELP FOR THE UNDERDEVELOPED AREAS, WAS WIDELY HAILED BECAUSE IT CONTAINED A REFERENCE TO FINANCING.

"ACTUALLY IT STRESSED MUCH MORE EMPHATICALLY THE NEED FOR PLANNING SUCH AS I HAVE SUGGESTED HERE," HE SAID. "THE PEOPLE OF THE UNITED STATES HAVE PROVEN THAT THEY ARE WILLING TO HELP TO THE LIMIT OF THEIR ABILITIES, BUT THEY WILL BE LITTLE INCLINED TO PROVIDE FUNDS MERELY BECAUSE SOME COUNTRY WANTS THEM. THERE IS TOO GREAT NEED AT HOME FOR CAPITAL."

THE CONFERENCE CONTINUES TODAY WITH SECTION MEETINGS ON MINERALS, FUELS AND ENERGY, WATER, AND LAND AND A GENERAL MEETING ON EDUCATION FOR CONSERVATION.

GH749AED

STRASBOURG, FRANCE, AUG. 30-(AP)-A WRANGLE OVER FREE TRADING IN EUROPEAN MONIES WAS REPORTED TODAY TO HAVE DEVELOPED IN THE EUROPEAN CONSULTATIVE ASSEMBLY'S ECONOMIC COMMITTEE.

BRITAIN WAS UNOFFICIALLY REPORTED TO BE OPPOSING ANY CLEAR-CUT COMMITTEE RECOMMENDATION THAT EUROPEAN CURRENCIES SHOULD BE MADE FREELY INTERCHANGEABLE. THERE ARE TWO LABORITES AND ONE BRITISH CONSERVATIVE ON THE COMMITTEE.

LABORITE FREDERICK LEE WAS REPORTED BY AN INFORMED SOURCE TO BE LEADING OPPOSITION TO COMMITTEE ACTION. IT WAS NOT KNOWN IF DAVID ECCLES, CONSERVATIVE, AGREED WITH LEE.

BELGIUM'S ROGER MOTZ WAS SAID TO BE URGING A DEFINITE COMMITTEE STAND IN FAVOR OF FREE CONVERTIBILITY OF CURRENCY. THE COMMITTEE HAS BEFORE IT PROPOSALS FOR FREE CONVERTIBILITY FOR A SINGLE EUROPEAN BANK AND A EUROPEAN FEDERAL RESERVE BANKING CHAIN AND EVEN FOR A SINGLE EUROPEAN CURRENCY.

AUG 30 1949

THE BRITISH LABORITE OBJECTION TO CONVERTIBILITY, A MEMBER OF THE ECONOMIC COMMITTEE TOLD NEWSMEN WAS THAT "THE MATTER IS THE SUBJECT OF NEGOTIATIONS BETWEEN GOVERNMENTS."

THIS MAY MEAN THE BRITISH WANT TO HOLD OFF ANY ACTION ON CONVERTIBILITY OF EUROPEAN MONIES UNTIL THE WASHINGTON ECONOMIC TALKS, BEGINNING SEPT. 7, ARE ENDED. THAT WOULD BE TOO LATE FOR THIS SESSION OF THE CONSULTATIVE ASSEMBLY SCHEDULED TO CLOSE UP SHOP SEPT. 10.

FH1223PED

NEW YORK, AUG. 30-(AP)-SPYROS P.SKOURAS, PRESIDENT OF TWENTIETH CENTURY-FOX FILMS, SAYS HIS COMPANY PLANS TO BUILD FOUR THEATERS IN ISRAEL AND ONE IN ALEXANDRIA, EGYPT.

HE MADE THE ANNOUNCEMENT AT A NEWS CONFERENCE HERE FOLLOWING HIS RETURN FROM A SURVEY TRIP TO EUROPE. INSTEAD OF PRODUCING ABROAD, TWENTIETH CENTURY-FOX INTENDS TO HELP FOREIGN PRODUCERS DEVELOP THEIR OWN INDUSTRIES.

AUG 30 1949

"BY HELPING FOREIGN PRODUCERS DEVELOP THEIR OWN INDUSTRIES WE STAND TO GAIN THROUGH THE INCREASED VOLUME OF PATRONAGE GENERATED FOR MOTION PICTURES SINCE PEOPLE THROUGHOUT THE WORLD STILL PREFER THE AMERICAN PRODUCT," SKOURAS SAID.

HE REPORTED HIS COMPANY ALREADY HAS AGREEMENTS WITH PAUL GRAETZ OF FRANCE AND FREDERICO ARIZA OF SPAIN. THE AMERICAN COMPANY PROVIDES 75 PER CENT OF THE FINANCIAL BACKING BUT SHARES IN THE PROFITS ON A 50-50 BASIS. GRAETZ WILL MAKE TWO PICTURES THIS YEAR AND ARIZA, FOUR.

HE SAID THE COMPANY IS VITALLY INTERESTED IN DEVELOPING WORLD TRADE AND IS ANXIOUS TO DO BUSINESS WHEREVER ARRANGEMENTS CAN BE MADE TO CONVERT PROFITS INTO DOLLARS.

OF ALL COUNTRIES IN EUROPE, SKOURAS SAID HE WAS MOST IMPRESSED BY ISRAEL. THIS COUNTRY, HE SAID, WITH FORMER RESIDENTS OF LONDON, PARIS, NEW YORK, ROME, BERLIN, WILL SERVE AS A SPRINGBOARD FOR BRINGING CIVILIZATION AND HIGH LIVING STANDARDS TO ALL THE MIDDLE EAST.

AUG 30 1949

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Ed Aug. 30, 1949

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Belgrade Calm; Troop Moves Unconfirmed

Belgrade, Yugoslavi Aug. 31 (AP)—Spreading rumors of Soviet Army troop concentrations near Yugoslavia's frontier attended speculation today over the new Russian denunciation of Premier Marshal Tito.

[Diplomatic officials in London said British and United States restrictions on the sales of military equipment to Yugoslavia may be eased to bolster Tito's regime.]

Officially there was no confirmation of troop movements nor of talk that Yugoslavia may seek United Nations intervention in her blossoming dispute with Russia.

No Concern Shown

But it should be emphasized that the Yugoslavs themselves are showing no concern over the possibility that the propaganda and economic struggle between this country and her Communist neighbors will turn into a shooting war.

There was no immediate Yugoslav response to the Soviet note, announced yesterday, blasting the Tito Government as an ally of the Western powers.

In the current temperate weather, the hottest places to pick up headlines about crises are a few legations which claim inside knowledge of the situation but decline to disclose the source of their information.

Showdown Not Expected

By contrast, the United States Embassy was taking things calmly and showing scant signs of anticipating a showdown now in the Yugoslav-Russian dispute.

One of the top United States diplomats here is planning a vacation within a few days. The acting military attaché had workmen busy on plans for repairs to his rented house.

American Steel Company representatives, who usually have an ear to the ground for rumors of trouble, pressed long-range projects for development of Yugoslavia's raw ore resources.

Troops Not Called In

While Tito troops remain alert, there was little public sign they are expecting war. In the Adriatic resort of Dubrovnik, for example, there were a number of army officers on vacation while the rumors were flying ten days ago.

If a genuine crisis was anticipated, they would have been recalled to their posts just as they were in June, 1948, after the Moscow-directed Cominform (Communist International Information Bureau) expelled Tito for being too independent. AP

YUGOS HIT REDS' PRESSURE TACTICS

Charge Russians Use Force to Place Nation in Subdued Position

BELGRADE, Yugoslavia, (Thursday), Sept. 1. — (AP) Yugoslavia accused Russia today of using force to place this country in an "unequal and subdued position."

The charge was made in an editorial in the communist newspaper Borba, official voice of the government of Premier Marshal Tito. The editorial was released by the Ministry of Information in advance of publication.

It came amid a flood of unconfirmed rumors about Soviet troop movements hard by Yugoslavia's borders. Thus far Yugoslavia has denied officially any "unusual" troop movements on her part, but Tito has cautioned his fighting men to remain on the alert.

The Borba editorial listed a number of charges against Russia and the Soviet-dominated satellite states in the Balkans' cold war of nerves.

They included organization of an economic blockade against Yugoslavia, provocation of border incidents, sending spies into the country and threats against the government.

Borba charged Russia with attempting to "force upon our socialist country controls necessary to bring her into an unequal and subdued position."

This has been the basis of the row between the Russians and the Yugoslavs. Tito has demanded an "equal voice" with Moscow in determining the affairs of communist-ruled countries. So far the demand has been spurned by Russia. AP

Reports of Red Troop Movements On Borders Don't Frighten Yugos

(Secretary of State Dean Acheson says reports of Soviet troop movements on the Yugoslav border appear to be part of a war of nerves. Here is a roundup of the latest developments in that nerve war, based on a survey by Associated Press bureaus in Europe.)

LONDON, Aug. 31—(AP) Newspapers throughout western Europe splurged reports today of Russian troop movements along the borders of Yugoslavia. But British and American diplomatic sources here said they had heard nothing to indicate the reports were anything but rumors.

The reports were that five Russian divisions were grouped in Romania and Hungary near the Balkan nation which Moscow has labelled an enemy of the Soviet Union.

There was nothing official in Belgrade on the reports. The people in the Yugoslav capital apparently were taking calmly the possibility of a shooting war with the communist countries.

Yugos Issue Statement

The Yugoslavs themselves contributed an official announcement amidst the flood of rumors. They denied reports that Tito is concentrating his troops in Macedonia (southern Yugoslavia).

A feeling of confidence was reported by Joza Vilfan, the UN representative for Yugoslavia. Vilfan, en route to Lake Success after two weeks in Belgrade, was asked by London newsmen how he felt about Soviet threats against Yugoslavia.

"There is always a feeling of confidence in Yugoslavia," he said.

He said his visit to Belgrade had no political significance.

The reports of troop movements followed a flood of bitter notes between the two one-time allies. The notes complained of treachery and bad faith.

In Washington Secretary of State Dean Acheson, referring to the rumors, said the reports of troop movements appeared to be part of a war of nerves. They are taking place, he added, with a sort of calculated publicity.

Queries from London to news correspondents in Bucharest and Sofia concerning the Soviet troop reports had brought no response tonight.

U. S. Sources Confident

American diplomatic sources in London said they had seen nothing to indicate any concentration of Soviet armed forces along the Yugoslav borders.

A spokesman said the British foreign office also had nothing to show there were any Soviet troop movements in Romania and Hungary.

United States Army circles in Vienna were skeptical of the reports of Red army troop movements near the Yugoslav border. While there was no official comment, qualified Army sources were inclined to believe the reports originated with the Russians themselves.

These informants said the Soviet purpose probably was to increase pressure in the Kremlin's war of nerves with Tito.

Austrian security officials reported there had been no sign of any unusual Soviet troop movements in their occupied country.

Some British officials said the government of Premier Marshal Tito had been asked whether it planned to accuse Russia before the United Nations Security Council of threatening the peace of the world.

These officials said presumably Yugoslavia has been asked to pass along any proof of rumors of Red Army movements. AP

Rumors Hit Stocks

London, Aug. 31 (AP)—Rumors of Russian troop movements on the Yugoslav border gave the London Stock Market the jitters today.

Although the reports were not confirmed by any official source, British Government bonds and industrial shares both skidded.

Some Government issues declined as much as 10 shillings ($2).

SEP 1 1949

Cripps, Bevin, 13 Aides Sail For Dollar Talks

Southampton, England, Aug. 31 (AP)—Sir Stafford Cripps, Chancellor of the Exchequer, and Foreign Secretary Bevin sailed on the Mauretania today for their dollar talks in Washington.

Bevin told reporters it is "probably one of the most important missions in history."

"Unless we can find the right answer to the financial and economic problems," he said, "we shall not have laid a sound foundation for the future peace of the world."

Hopes For Co-Operation

He said he welcomed President Truman's speech in Philadelphia Monday promising to help Britain grapple with her economic problems.

"They won't be solved by talking at each other," Bevin said. "They will be solved by talking with one another."

With Bevin and Cripps are thirteen aides and experts—six from the Treasury and seven from the Foreign Office.

In the party is Sir Edwin Plowden, chairman of the Government's economic planning board. He also is chief planning officer of the Treasury.

Bringing 20,000-Word Brief

The two Cabinet members carry a 20,000-word brief—the case for the British-banked sterling area—which they will present to United States and Canadian officials at the conference starting September 7.

Bevin, whose health was poor earlier in the summer, told newsmen:

"I am feeling very good indeed. I am just off for five weeks' hard work; that is all."

The brief carried by the two Ministers has been approved by Prime Minister Attlee and his Cabinet.

Likely Proposals Listed

It is said to propose in broad terms that:

1. Britain will cut Government spending, try to increase factory output without raising export prices and make a more aggressive bid for American customers.

2. Britain will ask that America lower tariff barriers and guarantee the sterling area a market for dollar-earning raw materials—such as rubber and tin—for a fixed period at fixed prices.

3. Formation of an Anglo-American Economic Council. One of its big jobs would be to see that Britain produces the kind of goods which will sell for dollars.

May Ask Common Currency

Bevin also is believed to be nursing a project of his own—some sort of "integration" of the currencies of America and the sterling area.

British newspapers have speculated that he has in mind a common currency for Britain, fellow members of the Commonwealth, the United States and Canada.

The best information is that Cripps is against this. He is said to feel that Britain and the Commonwealth should insist on their economic independence. AP

BRITISH ENVOYS LEAVE FOR MONEY, ECONOMIC TALKS

SOUTHAMPTON, Eng., Aug. 31—(AP)—Britain's dollar mission sailed aboard the Mauretania today for the Anglo-American monetary and economic talks opening Sept. 7 in Washington.

Foreign Secretary Ernest Bevin and Sir Stafford Cripps, chancelor of the exchequer, were waved away by a quayside crowd calling "good luck" and "bring us back some dollars."

Bevin told reporters on shipboard the parleys with United States officials on Britain's financial straits would be historic in importance.

"Unless we can find the right answer to the financial and economic problems we shall not have laid a sound foundation for the future peace of the world," Bevin said.

Cites Truman Speech

Bevin said he welcomed President Truman's American legion speech, made in Philadelphia Monday, promising help for Britain in coping with her economic problems.

"They won't be solved by talking

at each other," Bevin said. "They will be solved by talking with one another."

Although Bevin did not mention it, the single-purpose mission may digress from money matters to secret talks on the Russian-Yugoslav situation.

A report from London diplomatic circles said Britain and the U. S. might relax restrictions on arms shipments to Yugoslavia and Bevin may close the deal with Secretary of State Acheson in Washington.

Review Balkan Situation

Acheson told his weekly news conference he had heard of no such plans—but the money conference would offer the two top diplomats the opportunity to go over the Balkan situation.

Bevin and economic czar Cripps have with them 13 aides and experts and the 20,000-word basis of the plans they will lay before American officials.

Although it has not been made public, authoritative sources said the plan provides that:

1—Britain will cut government spending, try to increase factory production without raising export prices and make a more aggressive bid for dollar customers.

2—Britain will ask in return that America lower tariffs and guarantee the sterling area a market for dollar-earning raw materials—such as rubber and tin—for a fixed period at fixed prices.

3—Formation of an Anglo-American Economic Council. A sort of high command of finance and trade it would see that Britain produces the kinds of goods that will sell for dollars.

JEWISH CONGRESS ALOOF

World Body Backs Neutrality in East-West Conflict

LONDON, Aug. 31 (AP)—The World Jewish Congress, meeting in Paris this week, has decided to keep a neutral position in the conflict between communism and the West, a member of the executive council said today.

The member, Dr. Ricardo Dubrovsky of Argentina, said that the congress declared itself in favor of peace but against getting entangled in political arguments between East and West.

Jewish communities throughout the world, except for those in Communist-dominated countries sent delegations, Dr. Dubrovsky said.

The congress also decided, he reported, to try to solve the problems of many Jews in Western Germany, some of whom want to stay there.

It decided to start an educational program in technical crafts for those European Jews who want to go to Israel.

Dr. Dubrovsky said he came to London yesterday to see Lord Reading, chairman of the Jewish Colonization Association.

Say Greek Rebels Are Seeking Peace

London, Aug. 31 (A. P.).—A Tass dispatch from Sofia said today the Greek rebels have sent a memorandum to the United Nations asking for peace.

The official Soviet news agency gave a press agency in Sofia as its source.

CUT IN U. S. TARIFF URGED IN EUROPE

Strasbourg Committee Asks for Reduction to Help Unite Nations' Economies

STRASBOURG, France, Aug. 31 (AP)—The Economic Committee of the European Consultative Assembly called today for lower United States tariffs to help Europe unite its economies and avoid economic disaster.

The committee also called upon European nations to make their currencies interchangeable. It asked that the twelve member nations combine into one preferential tariff area.

The announcement of the committee decisions was made by former Premier Paul Reynaud of France, Chairman of the Economic Affairs Committee, backstopped by David Eccles, British Conservative party representative on the committee.

The committee report closely followed the main features of a resolution on European economic unity submitted to the committee by members of Winston Churchill's European Movement.

It was announced yesterday that the assembly would begin debating the committee recommendations Friday.

M. Reynaud said the committee had been divided when the report had been voted upon item by item, but that in the end it had adopted the report unanimously. This would mean that the two British Laborite members had given their approval—possibly with the reservation they could submit amendments from the floors of the Assembly.

Vatican Renews Plea For Jerusalem Opening

Vatican City, Aug. 31 (AP)—The Catholic Church today renewed its plea for international control of the entire region of Jerusalem.

The official Vatican radio asked that the United Nations Assembly set up such a control soon.

The radio said internationalization of the area would help avoid future conflicts between Jews and Arabs and would safeguard the Holy places.

REDS STILL SEEK TO RULE GERMANY, HOWLEY ASSERTS

BERLIN, Aug. 31 — (AP) Brig. Gen. Frank L. Howley looked back today at the Russians he dealt with for four years and warned them they would get nowhere with continuing trickery in Germany.

Their persisting aim, he said, is to drive the western powers out and tear Germany apart.

Retiring as U. S. commandant of Berlin and preparing to go home next week, the former Philadelphia advertising executive told 100 allied and German reporters at a news conference:

"They will keep trying tricks and pressure as long as they think they can get away with it.

"My guess is that they won't get away with it and I would advise them not to try."

The lessons Howley learned in trying to do business with the Russians were reviewed at the conference and in his four-year report.

Howley said the United States is not willing to let bygones be bygones and added: "We will not forget the lessons we have learned."

Howley, who rose to general rank out of civilian life, is being succeeded in the Berlin command by Maj.-Gen. Maxwell D. Taylor, former commandant of the U. S. Military Academy at West Point. Howley, who asked to be relieved so he could return to civilian life, has been mentioned as a possible candidate for mayor of Philadelphia.

Addressing himself to the German people, Howley said: "Your city will one day be the capital of a united Germany. I cannot say when that will be because there is no way of predicting when the Russians will stop their pressure to tear the country apart."

Howley said that if the Russians try to strangle Berlin again with a blockade he could not guarantee that the American people would counter it as they did the last one—with an airlift.

He did not reply to a reporter's question: "What other solutions would there be?"

Howley told of western efforts to "get along with our great wartime friend" after his forces got into Soviet-occupied Berlin July 1, 1945, and the worsening of relations from there on.

"Since our arrival in Berlin the impact of western military government policies has been tremendous," he said. Among the accomplishments, he listed school reforms, a city constitution, city-wide elections under four-power supervision, and removal of Nazis from "all levels of public influence."

'More Russ Tricks' In Berlin Seen

Berlin, Aug. 31 (AP)—Brig. Gen. Frank L. Howley predicted today that Russia would try more tricks to oust the western allies from Berlin.

The retiring United States commandant of Berlin told a news conference "they will keep trying tricks and pressure as long as they think they can get away with it."

"My guess is that they won't get away with it and I would advise them not to try."

"We Will Not Forget"

Howley, who published today an 80,000 word report on his four years as American chief in Berlin, said America "is not willing to let bygones be bygones and forget everything that has happened here in the past. We will not forget the lessons we have learned."

At his final news conference before sailing for home next week, Howley paid a long, earnest tribute to the people of Berlin and predicted "your city will one day be the capital of a united Germany. I cannot say when that will be because there is no way of predicting when the Russians will stop their pressure to tear the country apart."

Blamed For Friction

In his own summary to the detailed report of United States occupation in Berlin, Howley blamed Russian efforts to seize the entire city for the friction between the four powers.

REDS REPLACE GUARDS ON GERMAN BORDERS

HAMBURG, Germany, Aug. 31 (AP)—German border guards in the Soviet zone are being replaced by veteran communist-trained police to halt large-scale desertions, western police said today.

They said many Soviet zone guards had fled to the west because they feared being drafted for service in the Balkans.

Russian Flyer Who Fled Returns Voluntarily

Vienna, Austria, Aug. 31 (AP)—Soviet Pilot Anatole Barsov voluntarily returned today to the Red Army from which he fled as a political refugee last October.

In a brief ceremony at the zonal demarcation line, American authories handed him over to a group of Russian officers.

The transfer was made on the bridge linking Linz in the United States zone with Urfahr in the Russian zone. The transfer took place only a few miles from the American airbase where Barsov and two other Russian airmen crash-landed in a twin-engined bomber last October 9.

Chance To Change Mind

Before formally turning Barsov over to the Russians, the Americans gave him a final chance to change his mind. The Russian flyer stuck to the decision he had made July 28, when he told the Soviet Embassy in Washington he "repented" his desertion and wanted to go back to Russia.

Barsov was flown here from the United States on August 24. This morning American Army authorities received instructions from the State Department to return Barsov to the proper Russian authorities.

Planned Over Year

Barsov and his navigator, Piotr Pirogov, flew their bomber from an airbase in the western Ukraine after what they said was more than a year of planning. They were accompanied by a Russian sergeant who was handed back to Soviet authorities at his own request.

The two officers were taken to the United States last February.

In a news conference at Linz after the plane crashed here, Barsov said he was opposed to the Communist ideology although he had been a candidate for party membership. He said all Russian officers must apply for membership or face serious investigation.

No Word From Keyes

Lieut. Gen. Geoffrey Keyes, American high commissioner to Austria, declined to make any statement on the incident.

One army spokesman said today the State Department acted "with more haste than judgment" in authorizing Barsov's release.

The spokesman, who declined to be quoted by name, said his opinion was unofficial but probably general in this headquarters.

Americans Missing

"There are at least three Americans missing in the Russian zone of Austria and at least two Americans missing in the Russian zone of Germany," he said.

"We did not even try to bargain Barsov's return for the return of our own people," he said.

American circles in Vienna speculated on Barsov's probable fate.

It was noted that Russia's latest note to Yugoslavia contained a bitter denunciation of deserters.

"It must be noted that the Soviet people and the Soviet public do not respect deserters," that note to Russia's one-time ally said. "Even less so can they harbor anything resembling love. Furthermore, it is generally known that the Soviet people and the Soviet public despise deserters."

Czech-Austrian Border Open

VIENNA, Aug. 31 (AP)—Officials of the Austrian Ministry of the Interior said tonight that they had no knowledge of reports that Czechoslovakia had closed her border with Austria.

Austrian customs officials at the border station of Haugsdorf said tonight that border traffic between Austria and Czechoslovakia had been normal.

30.24- 5371

'Repenting' Flyer Put Back In Soviet Custody

Vienna, Aug. 31 (AP)—A Russian air force officer who deserted last year and offered to fight for the United States was handed back to Soviet authorities here today.

He is Lieut. Anatole Barsov, who chose the role of a political refugee and then repented his action after a lengthy visit in the United States.

American Army officials, acting under State Department orders, placed Barsov in Soviet custody this morning only a few miles from the United States airbase where he crash-landed his Russian bomber last October 9.

Barsov, 29, and his navigator, Piotr Pirogov, flew their plane from the western Ukraine after what they said was more than a year of planning. They were taken to the United States last February.

Flew From Ukraine

A Russian sergeant who accompanied them on their escape flight was returned immediately to Soviet authorities at his own request.

An American spokesman here said United States willingness to return Barsov to his homeland was based on two principles: "Freedom of choice of the individual, and honesty of information by the United States Government." ADD

CZECH REDS OPEN NEW SUPPRESSION OF UNDERGROUND

PRAGUE, Czechoslovakia, Aug. 31—(AP) Communist-run Czechoslovakia warned today that all underground activity will be ruthlessly suppressed.

The controlled press issued the warning on the heels of Prague's announcement yesterday that an armed revolt aimed at overthrowing the government had been crushed.

The press also published a rash of new attacks on the western powers. It accused them of supporting and directing the underground in Czechoslovakia.

Theater Jail Terms

Through its press, the communist regime warned that jail terms await any citizen who knows about anti-government plotting and fails to tell police about it promptly.

"We should remember," the newspaper Obrana Lidu said, "that our law No. 35 provides prison terms of one to five years for failure to report such activities."

This paper and the newspaper, Lidova Noviny, accused certain unnamed western diplomats in Prague of promising that "clouds of parachutists" would be sent to support a revolution in Czechoslovakia.

The whole Czech press sought to convince the Czech people that informing on their fellow-citizens, even their friends, was not a shameful practice if state security is involved.

"We must not be sentimental or ashamed about being an informer where the welfare of the State is concerned," Obrana Lidu said.

Six Sentenced to Death

The government's announcement yesterday disclosing the smashing of an armed uprising said six accused persons were sentenced to death. Ten, including three women, got life jail terms, and an unspecified number drew prison sentences ranging from one to 25 years. The others were acquitted.

The government's version said sentences were imposed by the Prague state court. Unofficial but informed sources, however, gave other versions.

These were that there actually were five trials, all secret, conducted over a period of about six weeks. Some reportedly were before state courts, some before military tribunals.

A reliable source reported today what he called another secret trial—that of five former Czech air cadets accused of trying to fly into exile in a stolen plane. One was sentenced to life, three to 30 years each and one to a one-year term.

The informant said seven cadets tried to flee, but their flight ended in a crash just short of the border. The cadets survived the crash, but in a gunfight with pursuing police two were killed. Five escaped but were later hunted down and taken into custody.

Czech Reds Set Ruthless Drive On Underground

Prague, Czechoslovakia, Aug. 31 (AP)—Czechoslovakia's Communist-led Government, through the controlled press, today threatened ruthless suppression to all underground activity.

It warned that prison awaits all persons who knew about anti-government plotting and fail to inform the police promptly.

The press loosed the warning following the Government's announcement yesterday that it had crushed an armed revolt aimed at overthrowing the regime and returning Czechoslovakia to non-Communist rule.

Rash Of Attacks On West

This was accompanied by a rash of new attacks upon the Western powers, who were accused of supporting and directing Czechoslovakia's underground.

The newspapers *Obrana Lidu* and *Lidova Noviny* even accused certain unnamed Western diplomats here of promising that "clouds of parachutists" would be sent to support a revolution in Czechoslovakia.

The Government announcement had said that six of the accused were sentenced to death; ten, including three women, to life imprisonment and an unspecified number to prison terms of one to 25 years. Ten were reported acquitted.

Several Versions Given

According to the Government's account, the sentences were imposed by the Prague state court.

However, unofficial but informed sources gave other versions. These said there were actually five trials—all secret—conducted over a period of about six weeks; some were before state courts and some before military tribunals.

These sources also said that whereas the Government reported only one armed raid on a prison—at Litomerice, north of Prague, on May 12—there were actually two. The second was said to have been staged at a prison at Cheb, in western Bohemia.

Press Hails Informers

The entire press sought to persuade the Czech people that informing on their fellow citizens, even their friends, was not shameful.

Obrana Lidu said: "We must not be sentimental or ashamed about being an informer where the welfare of the state is concerned. Just as we shouldn't hesitate to report to the health authorities an outbreak of cholera in our neighborhood, so we should not hesitate to tell the security police that we know about plans for espionage or revolt.

"And we should remember that our law No. 35 provides prison terms of one to five years for failure to report such activities."

New Russ Blast At Tito Held Of Major Import

Moscow, Aug. 31 (AP)—Russia's latest verbal blast at Marshal Tito was regarded by foreign diplomats here today as of major import.

All Moscow papers carried page-long accounts of the note sent Yugoslavia yesterday, which denounced Tito's Government as a deserter from socialism and an ally of the Western powers.

Fireign diplomats who interpret developments here for their home governments sharpened their pencils and began interpreting all over again.

Troop Movement Reported

This dispatch, which passed through Soviet censorship, gave no indication as to what changes in Russian policy—if any—may be indicated. There have been unconfirmed rumors in Belgrade of Soviet Army troop movements in Hungary and Romania near the Yugoslav border.

Representatives of Russia and six other Communist countries of Eastern Europe—all opposed to Tito—met last week in Sofia. The Moscow radio described the meeting as a conference of the Economic Council of Mutual Assistance (E.C.M.A.) and reported that "necessary decisions" had been taken.

Double Cross Denied

The latest Russian note denied Yugoslav charges that the Soviet Unon had double-crossed Yugoslavia by abandoning Tito's claims to a section of southern Austria. In caustic terms, it accused Tito himself of giving up his Austrian claims and trying to put the blame on Russia.

Under a cartoon captioned "One More Fascist Groveler," the trade-union organ *Trud* pictured Tito as a hog gulping dollars out of a Wall Street swill trough. Ranged alongside Tito in the cartoon were Spanish Generalissimo Franco and Greek Foreign Minister Constantin Tsaldaris.

Moscow newspapers published the Soviet note without editorial comment.

"But," one observer commented, "is any editorial necessary?"

CZECHS IN MOSCOW

MOSCOW, Aug. 31—(AP) A Czech trade delegation arrived today for detailed talks on exchanges of Czech manufactured goods for Russian raw materials, including iron ore and synthetic rubber.

Envoys In Nanking Called Home, Report Says

Nanking, Aug. 31 (AP)—Many foreign diplomats, an authoritative source said, were ordered home today by governments tired of trying to do business with the Communists in this Red-occupied city.

The list, this source said, is headed by French Ambassador Jacques Meyrier, dean of the Nanking diplomatic corps.

Embassies, legations and staffs will be trimmed to consular or caretaker size as soon as transportation becomes available for the diplomats.

Many plan to leave on the American liner General Gordon when it calls at Shanghai next month.

French Ship Due

Meyrier is expected to leave aboard the French ship Marechal Joffre, which is due in Shanghai in mid-October to take out French nationals and other foreigners.

Others leaving Nanking, this source said, are the Dutch Ambassador, Baron F. C. Van Aerssen, Canadian Ambassador T. C. Davis, Siamese Ambassador Phya Abhibal Rajamaitri, British Minister L. H. Lamb and Counselor John Wesley Jones, chief of the American Embassy office in Nanking.

British Ambassador Sir Ralph Stevenson reportedly will remain in Nanking.

May Leave If Canton Falls

The fall of Canton may signal his departure with other Commonwealth ambassadors such as the Indian and Australian.

The American Embassy office is being cut sharply. Its staff will be headed by Leonard L. Bacon, second secretary. The embassy itself is based in the British crown colony of Hong Kong. Staff members commute daily to Canton by air and are expected to go to Chungking if the Nationalist Government flees there from Canton.

United States Ambassador J. Leighton Stuart left here early in August. He is now in Washington.

Stuart and other diplomats remained here when the Nationalists fled to Canton in January in the hope they could come to an understanding with the Reds.

Still Not Recognized

In the months that followed the Communists steadfastly refused to recognize the diplomatic status of the embassies and legations or the diplomats attached to them. The Communists also avoided the customary *de facto* recognition of consular offices.

The question of diplomatic recognition of the Communist regime probably will be raised early this fall when the Reds proclaim a "coalition government" in Peking (Peiping).

The steadily worsening relations between the United States and the Chinese Communists has almost nullified any chance of quick recognition of the Reds by the United States, observers here think.

DIPLOMATS PLAN TO QUIT NANKING

NANKING, (Occupied Communist China), Aug. 31. — (AP) France today reportedly led western governments, weary of trying to do business with Chinese Reds, in recalling many diplomats.

An authoritative source said an order that would result in an exodus of most foreign diplomats when transportation becomes available was received during the day.

French Ambassador Jacques Meyrier, dean of the Diplomatic corps here in the former nationalist capital, reportedly heads the

list.

U. S. Aide to Leave

Others assertedly recalled are Baron F. C. Van Aerssen, the Dutch ambassador; Canadian Ambassador T. C. Davis, Siamese Ambassador Phya Abhibal Rajamaitri, British Minister L. H. Lamb, and U. S. Counsellor John Wesley Jones.

British ambassador Sir Ralph Stevenson likely will remain for the time being.

This source said embassies, legations and staffs would be trimmed sharply, many to the level of consulates and even to the caretaker stage.

Most diplomats are expected to leave on the American liner General Gordon. It is due in Shanghai late this month.

U. S. Staff Cut

The French, this source said, will wait for the transport Marechal Joffre due in Shanghai late in October.

The American embassy staff here is being reduced considerably. Second Secretary Leonard L. Bacon will head the remaining Americans here.

The embassy at present is in the British crown colony of Hong Kong. Staff members commute daily by air to communist-threatened Canton.

U. S. Ambassador J. Leighton Stuart flew back to Washington early this month.

Desertions Cited By Pilot

Nanking (Communist-Occupied China), Aug. 31 (AP)—A Nationalist C-47 transport pilot who deserted to the Communists Thursday, said today many Chinese airmen were contemplating joining the Reds.

The pilot, who flew for the Nationalist Government-owned China National Aviation Corporation, had been assigned to evacuate officials from Canton.

He said he evaded two Nationalist fighter planes on his flight here from Canton.

Pilots' Families Held

The pilot, who was not named in interviews published by pro-Communist newspapers here, said the Nationalists were holding the families of pilots on Formosa to be sure they would not desert during flights over Red territory.

The newspapers Hsin Min Pao said there had been more than twenty cases of air desertions by Nationalist plane crews in the past year. The newspaper said about 300 former Nationalist air-force personel already were registered for duty with the Communist in Shanghai and Nanking.

A group of 291 students, the newspaper added, recently passed entrance examinations to the newly established Communist air training school in Peiping.

Threat To Canton Gains, Pingyun Is Captured

Canton, Aug. 31 (AP)—Chinese Communist irregulars invaded Kwangtung province today. The Red threat to Canton gained force along an arc north of the Nationalist capital eastward to the sea.

Press dispatches said Red irregulars, equipped by Gen. Liu Po-cheng in Communist-held Kiangsi province, had entered northeastern Kwangtung and taken Pingyun, 210 miles northeast of Canton. They were reported moving southward.

Whether this was the same new Red drive the Ministry of National Defense said was threatening Lungchun was not clear. Lungheun is 145 miles from Canton and 65 miles southwest of Pingyun.

Crossing Not Admitted

The ministry did not say whether the threat to Lungchun was by Red regular or irregular troops. Neither did it admit the Kwangtung border had been crossed.

Liu was apparently trying to force the Nationalists to divert part of their strength to northeastern Kwangtung to make full-scale invasion easier for his regular armies.

He has large concentrations in the Kiennan-Lungnan-Tingnan triangle 140 miles north-northeast of Canton. Canton is the Kwantung provincial capital.

Other forces from Liu's armies have overrun Jucheng, 170 miles north of Canton, and pushed on to within 30 miles of the Canton-Hankow railway.

NATIONALIST SHIFT TO CHUNGKING SET

Ex-Capital Is Already Viewed as Administrative Hub, With Canton the Political Base

CANTON, China, Aug. 31 (AP)—Chungking, capital of wartime China, already has become the Government's administrative center, an official spokesman said today.

Canton, the refugee capital, remains the political center and formal seat of government, an official spokesman, Pao Ching-an, told The Associated Press.

The foreign diplomatic corps is awaiting the signal from the foreign office to move to Chungking. Chungking will succeed Canton as the formal capital when the Communists reach this southern city.

Generalissimo Chiang Kai-shek now is in Chungking conferring with Nationalist generals and warlords.

Quiet prevailed on most of the front north and northeast of Canton. Military observers felt this was a lull before the storm of a new Communist offensive.

Communist irregulars, armed by the regular Communist army, were carrying on harassing operations inside Kwantung Province. They now are reported active south of Lungnan, 140 miles northeast of Canton.

It was east of Lungnan that irregulars moved ten miles inside Kwangtung and captured Pingyun. Pingyun is 210 miles northeast of Canton.

Meanwhile, the Executive Yuan (Cabinet) decided to open Anning, in Kwangsi, and Megtze, in Yunnan, to international air traffic. The two southwestern cities are far from the area threatened by the southward advance of the Communists.

The Yuan also appointed Gen. Liang, last Nationalist Mayor of Shanghai, to the position of Vice Minister of National Defense.

PRESIDENT URGES INDIA, PAKISTAN SETTLE DISPUTE

NEW DELHI, Aug. 31 (AP)—President Truman has urged India and Pakistan to make peace in their fight over princely Kashmir state, a Himalayan neighbor of Soviet Asia.

(In Washington, Secretary of State Acheson told reporters the United States has a great interest in the peace and stability of the Indian subcontenent and feels the only benefactors of strife in Asia are the communists. He said it would be a mistake to view the president's move as the first step in a new American policy in Asia and added that the U. S. has been urging a settlement for Kashmir the last two years.)

UN Commission at Work

Mr. Truman's message was delivered by Ambassador Loy Henderson to Prime Minister Jawaharlal Nehru as two representatives of the United Nations Kashmir commission were trying to bring the two dominions into agreement there.

Talks have been practically deadlocked since a cease-fire went into effect last January, and relations between India and Pakistan have worsened in recent weeks.

Official sources refused to disclose the contents of Mr. Truman's message but said he emphasized the importance of international peace and good will. They added the letter made no direct reference to communism in Asia.

Nehru to Visit U. S.

Nehru is scheduled to visit Washington next month.

India and Pakistan have been fighting over posession of Kashmir since Britain's withdrawal from India Aug. 15, 1947, set them up as independent dominions.

The UN commission hopes eventually to supervise a plebiscite to determine whether a majority of the Kashmiri people want to join Moslem Pakistan or Hindu-majority India. Most Kashmiris are Moslems who were ruled by a Hindu Maharajah until he ceded his state to India by imperial authority.

Israelis Ambushed, One Killed

TEL AVIV, Israel, Aug. 31 (AP)—One Israeli soldier was killed, several wounded and two reported missing when an Israeli Army truck was ambushed yesterday, an army spokesman said today. The incident occurred near Gharandal Vadi Araba (Araba Valley) at the midsouthern end of the Dead Sea. The attackers were reported to have escaped across the Israeli border to Hashemite Jordan. It was the first Israel-Jordan violence in several months.

AUSTRALIA MAY BUY SOVIET OIL

Sydney, Aug. 31 (A. P.).—Government men in Canberra are examining an application by electronic Industries, Limited, of Melbourne, to import Russian petrol.

Indications in Canberra are that if Russian petrol shipments are small they will be accepted without question. If a large quantity is involved, Australia will consult the British Treasury.

A. G. Warner, managing director of Electronic Industries told a reporter that Russian trade officials had offered to supply an unlimited quantity of petrol to his company. Russia is prepared to accept payment in sterling or Australian wool or wheat, Warner said.

Australia faces a grave shortage of petrol because imports today are below the rate consumption. The Federal Government no longer has the power to ration petrol.

Acheson Hits Russia For Holding Students

Washington, Aug. 31 (AP)—Secretary of State Acheson today denounced Russia's holding of two American students in eastern Germany as outrageous, illegal and improper.

Acheson told a news conference the Americans wandered into the Russian zone illegally but said they were doing no harm and should be released promptly.

The students he referred to are Peter Sellers, 18, of Radnor, Pa., and Warren Oelsner, 21, of Oyster Bay, N.Y. They have been missing since July 29.

Didn't Have Credentials

The Secretary acknowledged that the youths did not have credentials permitting them to enter the Russian zone. But, he said, no one accuses them of being spies.

Acheson reminded that the United States does not engage in the practice of holding people who have committed no crimes.

Because of that principle, he said, a hostage for trading purposes a Russian flyer who deserted the Soviet Air Force and then wanted to return to his homeland.

Answer To Spokesman

He made that statement when told by a reporter that an unnamed army spokesman in Vienna had said the State Department acted with more haste than judgment in deciding to let the Russian go back to the Soviet Union.

The flyer, Anatole Barsov, was taken to Austria and turned over today to the Red Army. American authorities in Vienna indicated they would have liked to trade him to the Russians for some half dozen Americans being held by Soviet authorities.

Not U.S. Policy

The United States does not engage in that sort of thing, Acheson said emphatically.

On other matters, Acheson said: Russia is trying to impose impossible burdens on Austria in writing a peace treaty for that country. British-Russian-American discussions on the treaty are now being held in London by the Foreign Ministers' deputies. The negotiations have made some progress, but a big difficulty is that Russia is trying to put impossible burdens on the Austrian Government whereas the Western powers are trying to assure Austria's existence as a free

SEP 1 1949

30.24 · 5373

and independent nation.

Comment On Greeks

The Greeks, by their recent Grammos Mountain military victory, appear to be on the road to solving the problem of the Communist guerrilla revolt. He said the Greek Army has made excellent and highly gratifying progress.

Developments on the Yugoslav border appear to be part of a war of nerves, but the United States is keeping a close watch on the situation.

President Truman has asked India and Pakistan to accept proposals by a United Nations commission for a truce in their dispute over the province of Kasmir.

of the war of nerves which has been going on for some time.

As to whether the U. S., Britain and France are "doing anything positive about the Yugoslav situation" he replied that the three ambassadors in Belgrade are continually in consultation but said this did not go beyond what is normal.

The students detained by the Russians are Peter Sellers, 18, Radnor, Pa., and Warren Oelsner, 21, Oyster Bay, New York. They have been missing since July 29. Acheson declared their continued detention by the Russians is illegal, outrageous and improper. He said it is true they had no passports and were improperly in the zone but

Red Threat of Attack on Tito, 'War of Nerves' Acheson Says

WASHINGTON, Aug. 31—(AP) Secretary of State Acheson said today reports that Russia and the Soviet bloc are threatening Yugoslavia with military moves are part of the war of nerves against Marshal Tito.

But he said the United States is watching very closely current developments in the feud between Tito and the Cominform.

At his news conference, Acheson also:

1. Assailed the Russian detention of two American students who strayed into the Soviet occupation zone of Germany.

2. Said Moscow is trying to place impossible burdens on Austria in the treaty the big four powers are trying to draft.

3. Announced that President Truman has appealed directly to India and Pakistan to accept a truce on terms proposed by a United Nations Commission for settlement of their two-year old dispute over the State of Kashmir. Only the communists, he said, profit from turmoil resulting from such disputes as those over the future status of Kashmir and of Indonesia.

Eyes Russian Moves

Acheson was asked whether he would give his views on Yugoslav developments, such as the reported shifting of Soviet armored units toward the frontier. He replied that we are watching those developments very closely and added that some of them appear to be taking place with a sort of calculated publicity. He went on to say that the whole business appears to be part

they are young people who are doing no harm.

Students Not Spies

The secretary said nobody accuses them of being spies and therefore they should have been put over the border into the American zone.

He was commenting on a suggestion by an army spokesman in Vienna that the United States should have used a Russian flier, Lt. Anatole Barsov, as hostage pawn and traded him for release of the Americans. Barsov instead was released voluntarily to the Russians today.

This government, Acheson declared, does not engage in that sort of thing. We do not engage in holding people and trading them off against other people who have also committed no crime, he said.

The negotiations for an Austrian treaty, in progress at London, reach a deadline tomorrow. Without voicing an opinion of whether the long deadlock with Russia over terms might still be broken, Acheson said that the difference between the Soviet position and ours seems to be the difference between putting impossible burdens on Austria and having a treaty under which Austria can develop as an independent country.

President Truman's appeals to India and Pakistan was delivered yesterday by Acheson to the ambassadors of the two countries. The text was not published.

President Is Seeking Easier Entry Of British Goods Into U.S.

Washington, Aug. 31 (AP)—The Administration wants to make it easier for British and other foreign goods to enter the United States so Britain can earn more of the dollars she badly needs.

Government officials who reported this today said Administration attorneys are already drafting legislation to simplify and modernize customs regulations.

The present plan is for President Truman to ask Congress for these changes just as soon as it acts on United States membership in the proposed international trade organization.

Customs Letup Asked

The British Government has requested a change in American customs procedures to encourage British manufacturers to ship their goods to this country.

British officials attending the current British-American-Canadian financial talks are reported to have said present American customs involve more red tape than those of any other nation.

Government officials familiar with the problem agree that simplified customs practices could attract more British exports and thus help Britain in its present economic slump.

Tariff Act In Way

Treasury Department experts who administer customs have been looking into the regulations for the past two years and have already put some changes into effect by Executive order.

However, many other amendments involve changes in the Tariff Act of 1930, the basis for American customs procedures which Congress liberalized somewhat in 1938.

British and American officials agree that customs shakeup would not solve Britain's economic problem, but they say it would help.

Hoffman Backs Move

Paul Hoffman, the Economic Co-Operation Administrator, is reported vigorously supporting the customs project as a possible source of benefit to the Marshall plan countries.

Government officials working on the problem said the revisions they have in mind would be technical, but would make possible swifter and more economical handling of imports.

The British-American-Canadian financial discussions went into their fourth day today with all three sides still examining the reasons for the British crisis. Government officials said there has been good progress but that no decisions have been reached yet.

TREATY COUNCIL TO MEET SEPT. 17

Washington Talks Will Be First Step in Setting Up United Defense

WASHINGTON, Aug. 31—(AP) The State department tonight signalled the first step toward creation of the long-awaited North Atlantic Defense Council to bind together the common defenses of the United States, Canada and 10 western European nations.

The department said it has been agreed that the first session of the General Council established by the North Atlantic Treaty will convene in Washington Sept. 17.

"It is expected that the foreign ministers of all the treaty nations will attend," the brief announcement said.

The agreement marks the first move to build up the actual machinery of the defense alliance and put it into operation.

President Truman formally put the treaty into effect a week ago at a simple White House ceremony.

The State department gave no details as to the General Council's agenda, but it is regarded as certain that top priority will go to these major points:

1. Establishment of a Military Defense Council and selection of a single commander to work out a common defense strategy for the 12 treaty nations.

2. Plans for dividing upwards of $1,000,000,000 in American arms aid which President Truman has asked Congress to approve for western Europe.

Eye Russian Situation

In addition, the foreign ministers are expected to discuss the latest hostile rumblings from Moscow, particularly Russia's angry blasts against Marshal Tito's Yugoslavia.

Specifically, the treaty calls for the signatory nations to "maintain and develop their individual and collective capacity to resist armed attack" through "continuous and effective self-help and mutual aid."

Korea Sees Peril, Asks Speedy Aid

Washington, Aug. 31 (AP)—The Ambassador of Korea appealed to President Truman today for military aid to help meet any possible attack by the Russians.

Declaring that "we are right on the spot," the Ambassador, Dr. John Myun Chang, said an attack on the new republic "appears most likely."

"We need very quick action by the United States," he said after a fifteen-minute conference with Mr. Truman

Arms Needed Quickly

He also said he had conveyed a message from his President requesting arms and ammunition as quickly as possible.

"We feel that there might be some imminent danger of attack from the north and we should be well prepared for it," the Ambassador added. [Communists control northern Korea.]

"We have very high expectations of the passage of the military-aid bill (now pending in the Senate). We want quick action on the part of the United States in supplying us arms and ammunition to the maximum degree of allocation. We feel we are right on the spot and entitled to prime consideration. There is no time to waste."

He said Korea felt that President Truman is "doing his utmost to get all these things done and comply with our request."

GENERAL CLEARED BY FBI IN PROBE OF TAX CASE FIX

Military Aide Stands Firm on Contention He Did Nothing Dishonest

ENDS TESTIMONY

Tells Senators He Did Many Favors But Says None Were Improper

WASHINGTON, Aug. 31 (AP)—Maj. Gen. Harry Vaughan acknowledged today that he got campaign money from a lawyer who sought a presidential pardon for his client, but he vigorously denied that the contribution was in any way a payoff for favors.

The Senate committee looking into Washington's "influence industry" also heard that Vaughan, who is President Truman's Army aide, was once investigated—and cleared—by the FBI.

This investigation was started, it was said, after a rumor had gone around that Vaughan had taken a $10,000 bribe to fix an income tax case.

Though Senator McCarthy (R-Wis) tried his hardest, he got nowhere on his suggestions that the FBI also had investigated Vaughan in connection with a study of the liquor industry.

"Never heard of it," said Vaugh-

an.

Vaughan Ends Testimony

With today's testimony, the Senate investigations subcommittee finished its cross-examination of Vaughan. And although the general spent five questioned-filled hours on the stand, he remained unshaken in his contention:

That he has done favors for many a friend, and many a stranger, but that never has he done anything improper or dishonest.

As for the pardon case, Vaughan said it was this way:

William H. Neblett had come to him to see about a pardon for Robert Gould of Cincinnati. Gould had been convicted of black market liquor dealings and sentenced to six years in the federal penitentiary.

Vaughan said he made an appointment with the Justice department for Neblett. Later, he said, Gould was let out. But Vaughan thought that was a full year later, and that Gould didn't get a presidential pardon, but a parole.

McCarthy said Gould got out late in 1948 or early 1949, and that Neblett made his contribution in the 1948 campaign.

Was there some link? McCarthy wondered.

Denies Any Link

"I don't think that had a thing to do with it, Senator," said Vaughan.

Vaughan said Neblett's contribution didn't amount to much. "I don't think it could have been over a couple of hundred dollars," he said.

At Cincinnati, Gould, who was paroled after serving two years of a six-year sentence for black market whiskey dealings, said he had no knowledge of campaign contributions made by Neblett.

In a prepared statement, Gould said Neblett was one of several attorneys retained for him but "was retained for only a short time, beginning in November 1947, and terminating in March, 1948."

"To my knowledge," Gould said, "the name of Gen. Vaughan or of any other person mentioned in the current Senate inquiry, did not enter into the matters for which Mr. Neblett was retained.

"I have no knowledge whatever of any campaign contributions to any political party made by Mr. Neblett, nor of any of the other matters to which reference has been made in the investigation."

Gould was paroled last December. He had been convicted by a jury in U. S. district court at Covington, Ky., in May 1945. He was fined $240,000 and a similar fine was levied against the Dowling Bros. distillery, in which he was principal stockholder.

The U. S. Supreme court turned down Gould's petition for a rehearing on Oct. 14, 1946, and he went to the Ashland, Ky., reformatory a short time later to begin serving sentence.

The information on the FBI investigation was supplied by Vaughan's assistant, Col. C. J. Mara, an Army man for 32 years.

Attacks Pearson

He said that columnist Drew Pearson had carried on a "vicious campaign" against "my boss."

Ford told him, Mara said, that Vaughan was "completely exonerated." Ford is the top ranking assistant attorney general.

Asked who had brought the charge against Vaughan, Mara said:

"I do not know definitely."

He gave no details on the alleged bribe.

Vaughan was relaxed and easy again today, from time to time turning his head ceiling-ward to emit large gusts of cigar smoke.

But not so with his assistant.

Mara Nervous

Mara was obviously nervous, said "these columns" as if they were naughty words, and, when the committee had finished with him, he turned around and sat for a time with his back directly to the senators.

The committee also heard these other developments:

1. Vaughan once helped a friend get a new car, and 10 days later the car turned up on what Senator McCarthy called the "black market."

Vaughan said that in 1947 Mrs. Morris Cavanaugh of Spring Green, Wis., had called to tell him she needed a new car badly in her lumber business, and would Vaughan help her? Vaughan would.

McCarthy said the car an Oldsmobile, was for sale 10 days later in Iowa for $3,500, although its list price was but $2,300. McCarthy said Mrs. Cavanaugh not only admitted selling the car, but he said she also black-marketed a Buick the same month.

Vaughan said he was surprised to hear it, that when he lived in Milwaukee she had a prospering lumber business, and he couldn't see why she would be reselling cars.

(Although McCarthy used the term black market, there was no law in 1947 against selling automobiles above the list price.)

McCarthy would have pursued the subject farther, but Chairman Hoey (D-NC) persuaded him to drop it.

"I think we're getting into chicken feed now," said Hoey.

2. Vaughan insisted he never collected campaign money, or knew anyone else who collected campaign money, from Frankie Costello, previously identified by the committee as a New York gambler.

Denies Knowing Costello

McCarthy kept insisting that some of the money must have come from Costello, who, he said, was a partner in a liquor business with William Helis.

Helis is a race horse figure from New Orleans who, Vaughan testified yesterday, was an excellent collector of Democratic campaign money.

Vaughan said he didn't know that Helis had Costello for a partner, and that so far as he knew, Costello had never contributed anything to the fund. Furthermore, he said, he didn't know Helis was in the liquor business.

Vaughan said he collected around $12,000 in the 1946 and 1948 campaigns, but he said he took only what someone passed on to him and in turn passed it along to party headquarters.

"I was only a messenger," Vaughan said. "I never solicited funds in my life."

3. Yesterday McCarthy said that he had the feeling all along—and still felt—that Vaughan had never profited personally from the aid he gave to business men.

But today McCarthy said:

"I am going to ask that the last half of that statement be stricken from the record—that part in which I said that still was my opinion."

He did not elaborate.

Abandons Maragon

Although the committee failed to shake Vaughan's main contentions, it did get him to make one switch.

Vaughan finally gave up his old friend John Maragon.

Maragon, previous testimony has shown, bustled around town on errands that dealt with everything from perfume to molasses. And on many of these errands, witnesses said, he left the impression he was speaking for Vaughan.

Only yesterday Vaughan had said that, on the basis of what he had heard so far, he still would recommend Maragon for an American mission to Greece.

Today, after hearing more readbacks from earlier testimony, he changed his mind.

He said Maragon should be "washed up, fumigated."

And when Vaughan was asked if there wasn't some way to keep Maragon out of the White House, he replied:

"It's not only possible, but it's probable."

World War II Anniversary

Washington, Aug. 31 (AP)—Ten years ago tomorrow Germany hurled her armed might against Poland. That act touched off World War II—the bloodiest, most destructive conflict in human history.

For the next six years millions of men fought, with old weapons and new. Air armadas clashed in the skies. Ground troops pushed through shattered ports, ruined cities, deserts, jungles, mountain ranges and frozen arctic wastes. The fighting spread to the far reaches of the world's oceans.

World War II absorbed an older struggle — the Chinese-Japanese war which began with a clash at the Marco Polo bridge outside Peiping on July 7, 1937.

No Estimate Of Suffering

Estimates have been made of what World War II cost in human lives and wealth, but mankind has no instrument to measure the amount of suffering and sorrow it provoked. Economic dislocations of the war have not yet been completely erased.

Military and civilian dead in the war are believed to total 22,060,000. The number of wounded is estimated at 34,400,000.

Total cost of the war has been put at $1,116,991,463,084 and property damage at $230,900,000,000. Those figures do not include the cost and damage of the eight-year war in China, for which no estimates are available.

Big Improvement In Weapons

World War II brought with it a great improvement in the efficiency of old weapons and some new engines of destruction of its own. It also brought revisions in military techniques.

Among the new and improved weapons were atomic bomb, blockbuster bombs, flying bombs, rocket weapons, rapid-firing types of artillery, jet-propelled aircraft and giant bombers.

Complex techniques for moving large ground striking forces by air and for conducting amphibious operations were developed. The airplane, which was used to considerable extent in World War I, became a major weapon in World War II. It added a new dimension to the fighting. The tank also played a key role.

War Innovations Revealed

Some of the innovations of World War II were revealed in the Germans' opening campaign. Hitler's bombers, tanks and motorized units advanced at will against the poorly equipped Polish Army. For the Germans that first dash down the roads toward Warsaw had almost the aspect of a training maneuver. It was history's first *Blitzkrieg* or lightning war.

Thanks in large measure to American industry capacity, it was the Allies and not the Germans and Japanese who had the heavy preponderance of war machines on their side at the end.

V-E day, marking the end of the fighting in Europe, came on May 8, 1945. Japan stopped fighting on August 14 and signed articles of surrender September 2.

The work of repairing the damage still goes on.

SENATORS PRAISE POLISH PEOPLE

WASHINGTON, Aug. 31 — (AP) With words of praise for the Polish people, senators today recalled that Hitler invaded Poland ten years ago tomorrow in an offensive that launched World War II.

They also recalled that the Russian army invaded Poland from the other side 17 days later.

Senator Ives (R.-N. Y.) said in a Senate speech: "let us extend to the people of Poland a message of faith and courage on this historic anniversary."

He said that today "the people of Poland are once more struggling for freedom from totalitarian domination. The battle that was begun with the now historic defense of Warsaw, continued on the battlefields of Tobruk and Arnheim, now rages fiercely in thousands of Polish hearts as they rebel against Communist domination."

Meantime Joseph Winiewicz, ambassador from the Communist-dominated Polish government, issued an anniversary statement criticizing those nations which "encourage armaments and tolerate warmongering."

Winiewicz mentioned no names but obviously was referring to the western powers, including the U. S.

FRANCE AND ITALY GET COTTON FUNDS

Washington, Aug. 31 (A. P.).—The Economic Co-operation Administration today granted $17,000,000 to France and Italy for the purchase of United States cotton.

The action was included in new Marshall plan aid grants to six European countries, Western Germany and Trieste.

France's allocation totaled $11,321,000, of which $10,000,000 is earmarked for raw cotton. The remainder includes $750,000 to buy flue-cured tobacco in the United States and miscellaneous industrial and farm commodities.

Italy's grant totaled $8,654,000, of which $7,000,000 is for cotton. The remaining funds will go for industrial machinery from this country.

The other allocations included:

Austria, $2,160,000 for corn from the United States; the United Kingdom, $950,000 worth of United States lumber and saw mill products and motor vehicles.

The Netherlands, $260,000 for United States textile products; Ireland, $150,000 worth of United States iron and steel manufactures; Western Germany, $126,000 to buy ferro-alloys in Japan; Trieste, $9,000 worth of United States machine tools.

The latest transactions bring total Marshall plan commitments to $6,478,388,000.

Top Secret Aerial Photo Found On Wall of Washington Night Club

WASHINGTON, Aug. 31. — (AP) A high-level aerial photograph of the Washington area, plainly showing all military installations and withheld from general publication, was found today on the walls of a downtown nightclub and restaurant.

George Bomze, proprietor of the "400" restaurant near the Treasury, said the picture was found in the cafe three weeks ago. It apparently had been left by some Navy man.

Liking the scene, Bomze said he had it enlarged and mounted prominently in his display of photo-murals of points of interest around the capitol.

It attracted attention at once.

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Two admirals laughed heartily when they spotted it, Bomze told a reporter, but other Navy officials demanded its removal.

Bomze said he refused, on grounds that any possible damage to security already had been committed.

The Navy consistently has refused to permit publication of the picture.

Made From Record Height

The photograph was made from a navy Banshee fighter plane, a twin-jet aircraft, from an altitude of 48,846 feet. Some Navy officials believed this was a new record for high-altitude photography.

The camera used was a newly developed instrument, details of which are still secret. Within the single picture is embraced the entire city of Washington and its surrounding area, individual buildings showing in sharp detail.

Why the picture was not released for publication was unclear. Security restrictions had been removed, releasing it for publication, but attempts by newspapers to obtain prints from the Navy were unsuccessful. One report was that it had been held up for possible use in connection with the House Armed Services committee investigation of the B36 bomber.

KOREA URGES U. S. TO RUSH HELP NOW

Washington, Aug. 31 (A. P.). —The Ambassador of Korea appealed to President Truman today for military aid to help meet any possible Russian attack. Declaring "we are right on the spot," the Ambassador, Dr. John Myun Chang, warned that an attack on the new republic "appears most likely."

"We need very quick action by the United States," he said after a fifteen-minute conference with Mr. Truman. He told reporters that he had conveyed a message asking arms and ammunition as quickly as possible.

"We feel that there might be some imminent danger of attack from the north, and we should be well prepared for it," the Ambassador went on. "We feel there is no time to waste."

"He said that Korea felt President Truman is "doing his utmost to get things done, and comply with our request."

Barsov Faces Trial in Russia, Buddy Claims

NEW YORK, Aug. 31. — (AP) Soviet Lt. Peter Pirogov said today that the Soviet embassy in Washington tried both threats and bribe offers to persuade him to return to Russia with Anataly Barsov.

Pirogov and Barsov were the two Russian fliers who deserted the Soviet Air Force last Oct. 9 in the U. S. zone of Austria.

Barsov was returned to the Soviets in Austria at his own request today.

Pirogov is living in the New York area, writing a book about his experiences.

Pirogov described a conversation he had with his fellow Russian flier in New York during the last week in July. He said they talked at a west side Manhattan bar at which "I'm quite certain a Soviet agent was listening and watching us."

Pirogov said Barsov attempted to persuade him not to write a book, indicating the Soviet embassy was prepared to reimburse him for the advance he got on the book if he promised not to write it.

Pirogov made his statements at a news conference in the offices of his publishers, Duell, Sloan and Pearce, Inc.

Barsov was the guest last June and July of Mr. and Mrs. Boris Labensky of 5895 Main street, Stratford. Mrs. Labensky said yesterday that the news Barsov had been deported 'simply stuns me.' She said that during his stay here the former Red flier had worked hard at becoming a real American. 'It seems to us that he was determined to stay here,' Mrs. Labensky said.

He quoted Barsov as saying:

"The Soviet embassy told me that if I returned to the Soviet Union alone I would perhaps be put on trial. If we both return and tell, through the Soviet Press, of our disillusionment with America then there will be no trials or reprisals from the government."

Rejected Offer

Pirogov said he rejected the offer and called Barsov "an S.O.B. and a swine."

He said he told the other Russian that "if we meet again we'll meet as bitter enemies."

Barsov replied that the Soviet embassy had told him:

"It doesn't make any difference, whether it's five years or ten years, Pirogov will be back in the Soviet Union."

According to the 28-year-old Russian flier who remained behind, Barsov also said, "I will be watching you swing in the air on Red square in Moscow."

Pirogov spoke Russian at the news conference at which his remarks were translated. He was asked if he knew why Barsov wanted to return to Russia. He answered:

"Frankly, I don't know. Perhaps he's lonesome for his family. I am certain he never was a Soviet agent because our flight from the Soviet Union was all on my initiative and on my preparations.

If they had planted a man, they would have chosen somebody less stupid."

Pirogov said he's certain that if the Russians could lay their hands on him now "they would tear me to pieces."

He said he is a bachelor and the family he left behind in Russia consists of three sisters and one brother. He was asked if he feared for the safety of his family and answered:

"What I have done and am doing is more important than the welfare of my family. Since my family had no part in this, I hope that perhaps the Russian government will leave them alone. The USSR constitution says the children should not be held responsible for the sins of their parents, and vice versa, let alone more distant relatives."

Last February in an interview here, Pirogov was asked what would happen if he and Barsov returned to Russia. Pirogov replied:

"First, we would be used as weapons of propaganda to write reports of the United States, showing all the bad things. After a few months of freedom, we would be transplanted to Siberia."

Working on Book.

Stratford, Conn., Aug. 31 (A. P.).—Former Lieut. Anatole P. Barsov of the Russian air force lived for about two months this summer at the home of a Stratford couple. Mr. and Mrs. Boris Labensky said last night that Barsov came to their home early in June and left on July 22 for New York.

While living with the Labenskys, Barsov worked with another former Russian air force officer, Piotr Pirigov, on a book which they were writing jointly. Mrs. Labensky said that the book, which concerned life in Russia, had been contracted for by a publishing firm.

Two weeks after he left the Labensky home, Barsov returned to pick up some belongings. Mrs. Labensky quoted Barsov as saying that he was employed in a New York clothing factory.

MRS. FDR WOULD ATTEND CONCERT BY ROBESON

NEW YORK, Aug. 31—(AP) Mrs. Franklin D. Roosevelt said today "I disagree violently with Paul Robeson" but added she would attend one of his concerts if he did not use "his art for political propaganda."

Former first lady said the rioting which prevented Robeson from appearing last Saturday night at a Peekskill, N. Y., meeting was "horrible."

Mrs. Roosevelt was asked about the Robeson affair aboard the liner Stavangerfjord.

She had boarded the ship at the request of Mordecai Johnson, president of Howard university, to represent the college at the departure of 31 students and three faculty members.

SEP 1 1949

SEP 1 1949

BY ARTHUR GAVSHON

LONDON, AUG. 31-(AP)-RESTRICTIONS ON THE SALE OF MILITARY EQUIPMENT TO YUGOSLAVIA MAY BE EASED SHORTLY BY THE U. S. AND BRITAIN, ACCORDING TO DIPLOMATIC OFFICIALS.

THEY SAID YESTERDAY A DECISION IN THE MATTER IS EXPECTED WHEN FOREIGN SECRETARY ERNEST BEVIN MEETS WITH SECRETARY OF STATE DEAN ACHESON IN WASHINGTON SOON.

BRITISH OFFICIALS HAVE BEEN STUDYING HOW THEY CAN QUIETLY SUPPORT PREMIER MARSHAL TITO'S GOVERNMENT IN ITS QUARREL WITH RUSSIA AND HER SATELLITES.

THIS DUAL LOOK OF SUPPORT FOR TITO COMES AT THE TIME OF RUSSIA'S LATEST BLAST AGAINST TITO. IN A NOTE YESTERDAY THE RUSSIANS ACCUSED THE YUGOSLAV LEADER AND HIS LIEUTENANTS OF BEING DESERTERS, DOUBLE-DEALERS AND STOOGES OF "WESTERN MASTERS."

ONE WAY THE WESTERN POWERS COULD BACK UP TITO'S FEUD WITH RUSSIA WOULD BE THE SHIPMENT OF NEEDED ARMS TO YUGOSLAVIA. THE SHIPMENT OF SUCH SUPPLIES TO YUGOSLAVIA HAS BEEN HALTED BY THE COUNTRIES OF THE COMMUNIST INTERNATIONAL INFORMATION BUREAU (COMINFORM).

YUGOSLAVIA, IT IS BELIEVED, HAS ASKED THE WESTERN POWERS FOR VEHICLES, LIGHT ARMOR AND SMALL ARMS. INFORMANTS SAID THE WESTERN POWERS WOULD LIKE TO HELP TITO DEFY THE COMINFORM.

IF YUGOSLAVIA CAN SURVIVE AS AN INDEPENDENT STATE WITHOUT TIES TO THE EAST OR WEST, THE INFORMANTS POINT OUT, AN IMPORTANT PRECEDENT WILL HAVE BEEN SET FOR OTHER COMMUNIST-LED COUNTRIES.

ON THE OTHER HAND, THE WESTERN POWERS, IT IS SAID, ARE NOT SURE TITO CAN STAND UP TO THE BLASTS FROM THE EAST, AND THEY FEAR THAT IF ARMS WERE GIVEN YUGOSLAVIA THEY MIGHT ULTIMATELY FALL INTO THE HANDS OF COMMUNISTS LOYAL TO MOSCOW.

BUT AT THE MOMENT, THE INFORMANTS SAY, THE WESTERN POWERS ARE

INCLINED TO TAKE A CHANCE. WESTERN OFFICIALS HOLD THAT IF TITO IS NOT AIDED QUICKLY HE MAY SUCCUMB TO OUTSIDE PRESSURE.

THERE IS NO BLANKET BAN BY BRITAIN OR THE U. S. ON THE SALE OF MILITARY GOODS TO COMMUNIST COUNTRIES. BUT BOTH COUNTRIES HAVE A SYSTEM OF EXPORT LICENSING OF EQUIPMENT WHICH COULD HAVE MILITARY USES. SUCH EXPORTS COULD BE PROHIBITED BY THE GOVERNMENT'S REFUSAL TO ISSUE THE LICENSES.

THE INFORMANTS SAY THIS POLICY MAY BE LIBERALIZED FOR YUGOSLAVIA.

JT322AED

A66 LONDON, Add x x x independence.

BEVIN AND CRIPPS ALSO ARE BELIEVED TO BE SLIGHTLY AT ODDS ON THE QUESTION OF WHETHER THE POUND SHOULD BE DEVALUED TO STIMULATE EXPORTS BY LOWERING PRICES.

CRIPPS HAS SAID TIME AND AGAIN THAT HE IS NOT GOING TO CUT THE VALUE OF THE POUND FROM THE PRESENT OFFICIA

LY-PEGGED $4.03.

BEVIN IS REPORTED TO FEEL THAT SOME DEVALUATION WOULD NOT BE TOO HIGH A PRICE TO PAY FOR CONTINUED U.S. COOPERATION AND AID.

THE BRITISH PRESS GAVE THE MINISTERS A MIXED SEND-OFF.

"WISH THEM WELL?" ASKED LORD BEAVERBROOK'S EMPIRE-CONSCIOUS DAILY EXPRESS." YES, YES. AND WHAT IS 'WELL'?

"THAT THEY SHOULD COME HOME EPTY HANDED (WITHOUT DOLLARS). THAT THEY SHOULD FIND NO OPPORTUNITY FOR DISPOSING OF ANY BITS AND PIECES OF THE EMPIRE. THAT THEY SHOULD RETURN TO BRITAIN DETERMINED TO SEEK THE SALVATION OF THIS GREAT HERITAGE THROUGH THE COURAGE OF THEIR OWN PEOPLE.

"THEN (WOULD COME) THE OPPORTUNITY TO UNITE THE PEOPLE IN THE TASK OF BUILDING THE FOURTH BRITISH EMPIRE."

THE DAILY EXPRESS, WHICH OPPOSED THE 1945 AMERICAN LOAN TO BRITAIN, SAID "THE AMERICANS ARE EAGER TO SPEED THE DAY WHEN THEY COMMAND FREE ACCESS TO ALL COMMONWEALTH MARKETS ON EQUAL TERMS WITH THE BRITISH."

THE TIMES SAID BEVIN AND CRIPPS "WILL DO WELL TO BEAR IN MIND FROM THE OUTSET THAT THEIR PROPER CONTRIBUTION TO THE WASHINGTON TALKS WILL BE TO SET OUT NOT THE AMERICAN BUT THE BRITISH CURE FOR THE NEWEST (ECONOMIC) DISORDERS."

"NOT ONLY OUR HOPES BUT OUR PRAYERS SHOULD ACCOMPANY" THEM, SAID THE CONSERVATIVE DAILY MAIL.

"THE BULK OF THE BRITISH PEOPLE STILL DO NOT REALIZE HOW MUCH DEPENDS UPON THIS MISSION. SUCCESS OR FAILURE WILL SPELL THE DIFFERENCE BETWEEN EASE AND HARDSHIP FOR US ALL IN THE NOT DISTANT FUTURE."

THE CONSERVATIVE DAILY TELEGRAPH SAID THE MISSION WAS "AS ANXIOUS AS ANY EVER UNDERTAKEN BY BRITISH MINISTERS."

AS CRIPPS AND BEVIN WALKED ABOARD, THE QUAYSIDE CROWD FLUTTERED HANDKERCHIEFS. THERE WERE SHOUTS OF "GOOD LUCK" AND "BRING US BACK SOME DOLLARS."

CRIPPS DECLINED TO MAKE ANY STATEMENT. HE TOLD REPORTERS BEVIN IS THE SENIOR MINISTER ON THE TRIP AS WELL AS THE LEADER FTQE DELEGATION, AND WOULD DO ALL THE TALKING.

BEVIN STOOD WITH HIS ARMS AROUND CRIPPS WHILE PHOTOGRAPHERS TOOK LAST MINUTE PICTURES. HE REELED HIS STATEMENT OFF THE CUFF:

"WE ARE ABOUT TO PROCEED TO THE UNITED STATES OF AMERICA TO MEET BOTH OUR CANADIAN AND AMERICAN FRIENDS ON PROBABLY ONE OF THE MOST IMPORTANT MISSIONS IN HISTORY.

"THEREFORE, ON THIS OCCASION, WE ARE PROCEEDING TO DISCUSS THE PROBLEM NOT ONLY IN THE NARROW LIMITS OF FINANCE OR TRADE, BUT IN ITS RELATION TO THE WHOLE PROBLEM OF THE FUTURE SAFETY AND SECURITY OF THE WORLD.

"FOR THAT REASON, AND OTHERS, TOO, WE WELCOME VERY MUCH THE SPEECH MADE BY PRESIDENT TRUMAN IN PHILADELPHIA THE OTHER DAY WHICH SHOWED THERE WAS UNDERSTANDING, AND A DETERMINATION TO TRY AND GRAPPLE WITH THESE GREAT PROBLEMS THAT HAVE BEEN LEFT TO US AS A RESULT OF THE WAR.

"THEY WON'T BEHOLVED BY TALKING AT EACH OTHER. THEY WILL BE SOLVED BY TALKING WITH ONE ANOTHER AND BY TRYING TO UNDERSTAND ALL THE PROBLEMS THAT ARE INVOLVED.

"I WOULD ASK THE PUBLIC NOT TO EXPECT TO FIND THE SOLUTION IN A MOMENT.

"THIS IS A TASK LIKE OTHERS THAT WE HAVE, AND WE MUST GO ON DAY BY DAY AND WEEK BY WEEK BUILDING UP TRUST, CONFIDENCE, TRADE, EXCHANGE AND SECURITY.

"EVER SINCE THE CLOSE OF THE WAR WE HAVE BEEN STRIVING WITH THEM TO BUILD UP A SOUND WORLD PEACE. HOWEVER MUCH WE MAY ACHIEVE SUCCESS IN POLITICAL UNDERSTANDING AND IN THE DEVISING OF METHODS AND TREATIES TO ACHIEVE THAT END, UNLESS WE CAN FIND THE RIGHT ANSWER TO THE FINANCIAL AND ECONOMIC PROBLEMS WE SHALL NOT HAVE LAID A SOUND FOUNDATION FOR THE FUTURE PEACE OF THE WORLD.

"IN THAT SPIRIT BOTH SIR STAFFORD AND I ARE LEAVING THESE SHORES AS A TEAM REPRESENTING A UNITED GOVERNMENT--I BELIEVE REPRESENTING A UNITED NATION--TO TRY AND ACHIEVE A SOLUTION WHICH WILL GIVE TO ALL PEOPLES PEACE AND PROSPERITY."

R[illegible]P OF AMERICAN PASSENGERS ON THE G

SEP 1 1949

PEOPLES PEACE AND PROSPERITY."

A LITTLE GROUP OF AMERICAN PASSENGERS ON THE DECK APPLAUDED.

N1016AED

LONDON, AUG.31-(AP)-FIFTY NEWSMEN FROM 13 COUNTRIES OF WESTERN EUROPE WILL LEAVE BY AIR MONDAY TO "DISCOVER AMERICA."

AMERICAN OVERSEAS AIRLINES, WHICH ROMOTED THE TRIP, SAID THE IDEA IS TO GIVE THE EUROPEAN NEWSMEN A CHANCE TO SEE A COAST-TO-COAST CROSS SECTION OF THE U.S.

THEY WILL TRAVEL BY STRATOCRUISER LEAVING SHANNON AIRPORT IN IRELAND MONDAY. THEY WILL HAVE BREAKFAST IN NEW YORK TUESDAY MORNING AND DINNER THAT NIGHT IN SAN FRANCISCO--6,000 MILES FROM THEIR STARTING POINT.

THE TOUR WILL COVER THE NAVY BASE AT SAN DIEGO, THE U.S.AIR FORCE'S CARSWELL FIELD AT FT.WORTH, TEX., MOVIE STUDIOS IN HOLLYWOOD; AUTOMOBILE PLANTS IN DETROIT, AND PORT AND HARBOR INSTALLATIONS OF NEW YORK.

THE NEWSMEN WILL MEET GOVERNMENT OFFICIALS AT A DINNER IN WASHINGTON AND WILL BE GUESTS OF FORT WORTH PUBLISHER AMON G.CARTER AT A BARBECUE.

THEY WILL LEAVE NEW YORK ON THE RETURN TRIP SEPT.18.

COUNTRIES REPRESENTED ARE BRITAIN, IRELAND, THE NETHERLANDS, BELGIUM, LUXEMBOURG, FRANCE, GERMANY, ITALY, NORWY, SWEDEN, DENMARK, FINLAND AND SWITZERLAND.

PS900PED

Other british officials said the government of Premier Marshal Tito had been asked whether it planned to accuse Russia before the United Nations security council of threatening the peace of the world.

These officials said Yugoslavia has presumably been asked to pass along any proof of nearby Red army movements.

A dispatch from Belgrade said there was "NO direct reference to security council action." WhenBritish ambassador Sir Charles Peake talked with Yugoslav foreign minister Ales Bebler Sunday. The Belgrade dispatch, however, was NOT a direct denial of the London report.

Reliable informants at the United nations headquarters at Lake Success believe any talk of presenting the Yugoslav-Russian dispute to the security council is a "little eager--a little premature" to say the least.

United States army circles in Vienna were skeptical of the reports of red army troop movements near the Yugoslav border. While there was NO official comment qualified army sources were inclined to believe the reports originated with the Russians themselves.

These informants said the soviet purpose probabl

The Yugoslavs themselves contributed an official announcement amidst the flood of rumors. They denied reports that Tito is concentrating his troops in Macedonia (southern Yugoslavia.).

The many rumors gave the London stock market a bad case of jitters. British government bonds and industrial shares dropped someas much as ten shillings ($2).

was to increase pressure of the Kremlin's war of nerves with Tito.

Austrian security officials reported there had been NO sign of any unusual soviet troop movements in their occupied country.

Vienna's a communist press ignored the story today all although all the city's other afternoon papersfromtraged it with banner headlines.

BY HARVEY HUDSON
PARIS, AUG.31-(AP)-THE COUNCIL OF THE ORGANIZATION FOR EUROPEAN ECONOMIC COOPERATION (OEEC) TONIGHT ADOPTED A REPORT CALLING FOR THE DIVISION OF ABOUT $3,$70,000,000 (B) AMONG 19 AREAS TAKING PART IN THE OEEC.
THE COUNCIL THUS AGREED TO ACCEPT THE LATEST RECOMMENDATIONS FOR SHARING MARSHALL AID FOR THE FISCAL YEAR 1949-50.
THE DIVISION PROBLEMS CAUSED MANY BITTER ARGUMENTS IN THE OEEC, AS EACH COUNTRY TRIED TO JUSTIFY ITS NEEDS FOR ADDITIONAL ALLOCATIONS. THE COUNCIL FINALLY ASKED ROBERT MARJOLIN, SECRETARY-GENERAL OF THE OEEC, AND BARON SNOY OF BELGIUM TO DRAW UP A PLAN.
IT WAS THE MARJOLIN-SNOY PLAN WHICH WAS ACCEPTED TONIGHT. THE REPORT WILL BE SUBMITTED TO THE AMERICAN ECONOMIC COOPERATION ADMINISTRATION (ECA).
UNDER THE PLAN, BRITAIN IS ALLOTTED $962,000,000. IT IS CONSIDERABLY LESS THAN THE $1,518,000,000 DEFICIT BRITAIN ESTIMATED FOR HERSELF, BUT $118,00,000 MORE THAN WAS ORIGINALLY ALLOTTED.
SIR EDMUND HALL-PATCH, BRITISH REPRESENTATIVE ON THE COUNCIL, SAID HIS GOVERNMENT WOULD ACCEPT THE NEW FIGURE. HE FLATLY REFUSED A PREVIOUS ALLOCATION.
ALMOST ALL THE SPEAKERS EXPRESSED RESERVATIONS ABOUT ACCEPTING THEIR SHARE, EXCEPT BELGIUM WHOSE CASE WAS WORKED OUT SEVERAL MONTHS AGO.
GREECE SAID HER SHARE OF THE INTRA-EUROPEAN AID SHOULD BE INCREASED, OR THE PRESENT FIGURE OF $163,000,000 SHOULD NOT BE REDUCED.
FRANCE SAID SHE ALSO COULD STAND NO FURTHER CUTS.

A34
THESE ARE THE APPROXIMATE DOLLAR AMOUNTS ALLOTTED EACH COUNTRY, WITH COMPARATIVE FIGURES FOR LAST YEAR:

	1949-50	1948-49
AUSTRIA	174,000,000	215,200,000
BELGIUM-LUXEMBOURG	312,000,000	247,900,000
DENMARK	91,000,000	109,100,000
FRANCE	704,000,000	980,900,000
GERMAN-TRI-ZONE	348,000,000	509,800,000
GREECE	163,000,000	144,800,000
IRELAND	47,000,000	78,300,000
ICELAND	7,000,000	5,200,000
ITALY	407,000,000	555,500,000
NETHERLANDS	309,000,000	469,600,000
NORWAY	94,000,000,00083,300,000	
PORTUGAL	33,000,000	NONE
SWEDEN	48,000,000	46,600,000
TURKEY	61,000,000	39,700,000
TRIESTE	17,000,000	17,800,000
UNITED KINGDOM		

SEP 1 1949

NORWAY 94,000,000,0

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NORWAY	94,000,000	83,300,000
PORTUGAL	33,000,000	NONE
SWEDEN	48,000,000	46,600,000
TURKEY	61,000,000	39,700,000
TRIESTE	17,000,000	17,800,000
UNITED KINGDOM	962,000,000	1,239,000,000

SWITZERLAND IS A MEMBER OF THE OEEC BUT NEVER RECEIVED DOLLAR AID.
EXACT FIGURES HAVE NOT YET BEEN RELEASED BY THE OEEC.
JM920PED

night lead european council

strasbourg, france, aug. 31--(AP)--reliable sources said tonight the European council will be asked to hold a special session next year to deal with the question of membership for western Germany and the Saar.

These sources said the political committee of the consultative assembly had decided to ask for a special session to consider admission of "new members."

It was generally believed the assembly would approve such a resolution. the actual call for a special session must be issued by the committee of ministers--the council's upper house.

Winston Churchill has advocated early consideration of germany's membership. France has been pressing for admission of the Saar. Both areas were expected to considered for associate memberships only.

Meanwhile the assembly's economic committee adopted a report

today ~~wd~~ urging prompt establishment of free ~~the~~ currency exchanges in member states. The report is expected to stir up a fight when it reaches the floor.

The proposal was drafted by David Eccles, a british conservative. ~~David Eccles.~~ Brit sh laborites, who opposed it in committee, are expected to line up at least a third of the ~~assembly~~ assembly's membership ~~to~~ in an attempt to block passage when the report is presented on Friday.

~~apl sec 2240 mb/830p~~ SEP 1 1949

The ~~european~~ economic report als asked the united states to lower its tariffs on European goods and at the same time consent to ~~creation of~~ a preferential tariff system for member states of the European council and their overseas areas. ~~This would mean changes in america's most favored nation tariff treaties.~~

apl sec 2240 mb/833p

STRASBOURG -FIRST ~~ASSEMBLY~~ ASSEMBLY (ECE) X X X THE ASSEMBLY.
ECCLES, SPEAKING AFTER REYNAUD, SAID:
"WE HOPE THAT THE UNITED STATES WILL UNDERSTAND WHEN WE SAY THAT WE WANT TO EXTEND EUROPEAN PREFERENTIAL TARIFF SYSTEMS TO ALL THE MEMBER STATES AS A BLOC, AND IN THE SAME BREATH ASK THE UNITED STATES TO LOWER THEIR TARIFFS.
"WE REALIZE THIS WILL EXCITE CONSIDERABLE CONTROVERSY, AND THE DECISION WAS TAKEN IN A SPIRIT OF COURAGE. WHAT WE ARE DOING, REALLY, IS TO ASK FOR THE CREATION IN EUROPE OF A LARGE, UNIFIED PREFERENTIAL TRADE SYSTEM LIKE THAT WITHIN THE UNITED STATES, AS A FIRST STEP TOWARD EUROPEAN ECONOMIC UNITY.
"THIS WOULD CREATE THE SINGLE MULTILATERAL TRADING SYSTEM WHICH THE UNITED STATES DESIRES AND WE MUST DO IT IN THE SAME WAY THE U.S. BUILT ITS SINGLE UNIT--WITH A UNIFIED TARIFF."
IF THE ASSEMBLY APPROVES THE COMMITTEE RECOMMENDATIONS IT WILL GO TO THE COUNCIL OF EUROPE'S UPPER CHAMBER, COMPOSED OF THE FOREIGN MINISTERS OF THE MEMBER NATIONS. THE MINISTERIAL COMMITTEE WILL PLACE IT BEFORE MEMBER GOVERNMENTS FOR ACTION IF IT APPROVES. THE MINISTERS WILL MEET IN OCTOBER TO TAKE ACTION ON ASSEMBLY RESOLUTIONS.
A PREAMBLE OF THE ECONOMIC REPORT WARNS EUROPE THAT IT IS TEETERING ON THE BRINK OF ECONOMIC COLLAPSE, DECLARES THAT EFFORTS "ON BOTH SIDES OF THE ATLANTIC" TO RIGHT EUROPE'S ECONOMY HAVE BEEN INSUFFICIENT. IT CALLS UPON THE UNITED STATES TO CONTRIBUTE BY LOWERING ITS TARIFFS AND UPON EUROPE TO WORK HARDER AND MORE RAPIDLY TOWARD UNITY.

N1026AED

ROME, AUG. 31-(AP)-THE ITALIAN LIRA SLUMPED TO A SUMMERTIME LOW IN THE FREE MARKET TODAY AS FINANCIAL CIRCLES FREELY PREDICTED REVALUATION OF MOST WESTERN EUROPEAN CURRENCIES.

THE LIRA WAS QUOTED AT 640 TO THE DOLLAR IN ROME FREE EXCHANGES AFTER HOLDING STEADY AT 600 TO 610 FOR THE PAST THREE MONTHS.

EXCHANGE OPERATORS PREDICTED IT WOULD GO TO 660 OR HIGHER AND THEN LEVEL OFF SOMEWHERE NEAR 650. LEGAL RATE OF EXCHANGE IS 575 O THE DOLLAR

SEP 1 1949

LEVEL OFF SOMEWHERE NEAR 650. LEGAL RATE OF EXCHANGE IS 575 TO THE DOLLAR.

ITALIAN MONEY CIRCLES EXPRESSED THE ALMOST UNANIMOUS OPINION THAT THE FORTHCOMING WASHINGTON FINANCIAL TALKS WILL RESULT IN DEVALUATION OF THE BRITISH POUND. THIS, THEY FEEL, WILL BE FOLLOWED BY REVALUATIONS IN OTHER EUROPEAN CURRENCIES, INCLUDING THE LIRA, THE FRENCH FRANC AND SWEDISH CROWN. THEY ATTRIBUTED THE CURRENT SLUMP IN DOLLAR VALUE OF THE LIRA TO THIS GROWING SENTIMENT.

WD1018AED

-17-

BERLIN, AUG. 31-(AP)-THE BRITISH MILITARY GOVERNMENT SAID TONIGHT TWO WARTIME GERMAN GENERALS ARE TRAINING GERMAN POLICE IN THE SOVIET ZONE "ON PURELY MILITARY LINES."

FOUR OTHER GERMAN GENERALS HAVE BEEN RELEASED FROM SOVIET PRISON CAMPS FOR PROBABLE ASSIGNMENT TO BUILDING UP A COMBAT CORPS OF EAST GERMAN POLICE, A BRITISH STATEMENT SAID.

THE STATEMENT SAID SEVERAL POLICE UNITS MAY NOW HAVE SOVIET-MADE TANKS, BUT THIS INFORMATION HAS NOT BEEN FINALLY CONFIRMED.

"THE EMPHASIS OF TRAINING CLEARLY SHIFTED FROM POLICE TO MILITARY TRAINING" LAST APRIL, THE STATEMENT SAID. IT DID NOT SPECULATE ON WHY A SOVIET-SPONSORED POLICE ARMY IS BEING BUILT UP IN THE EASTERN ZONE.

ANTI-COMMUNIST GERMANS, HOWEVER, HAVE ASSERTED THAT THE POLICE WILL ATTEMPT TO PERPETUATE COMMUNIST DOMINATION IN CASE THE SOVIET ARMY WITHDRAWS FROM EAST GERMAN SOIL.

THE BRITISH STATEMENT GAVE NO ESTIMATE OF THE CURRENT SIZE OF SOVIET ZONE POLICE FORCES, BUT AMERICAN INTELLIGENCE REPORTED THEM TO BE 80,000 LAST SPRING.

AN INTENSIVE DRIVE TO RECRUIT POLICE IS NOW UNDERWAY, THE STATEMENT ASSERTED. EMPLOYMENT AGENCIES HAVE DIRECTED JOBLESS YOUTHS TO APPLY. FACTORIES REPORTEDLY HAVE BEEN REQUESTEDEAND A SHARE
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STATEMENT ASSERTE

STATEMENT ASSERTED. EMPLOYMENT AGENCIES HAVE DIRECTED JOBLESS YOUTHS TO APPLY. FACTORIES REPORTEDLY HAVE BEEN REQUESTED TO SEND A SHARE OF THEIR STAFFS AS "VOLUNTEERS."

THE STATEMENT SAID THE POLICE ARE ORGANIZED AS COMPANIES (BEREITSCHAFTEN), EACH HAVING A TOTAL STRENGTH OF 250 MEN, WITH ONE MAJOR AS COMMANDER AND ANOTHER MAJOR AS POLITICAL LEADER. IN EACH COMPANY, ONE PLATOON IS REPORTED ARMED WITH MACHINEGUNS, A SECOND WITH MACHINE PISTOLS, AND THE REMAINDER WITH RIFLES. THE WEAPONS ARE MOSTLY OF GERMAN MANUFACTURE.

BUT ONE COMPANY, NAMED FOR ERNST THAELMANN, DECEASED GERMAN COMMUNIST HERO, IS SAID TO HAVE 30 ANTI-TANK RIFLES.

THE BRITISH STATEMENT SAID THE ERNST THAELMANN COMPANY WAS COMPOSED ENTIRELY OF RECRUITS AGED 17 TO 2-

GH419PED

"WE HAVE SUCCEEDED IN REVIVING THE SOCIAL AND POLITICAL LIFE OF THE CITY. WE HAVE GUIDED THE BERLIN GERMANS TO A CONCEPT OF DEMOCRACY SIMILAR TO OUR OWN. WE HAVE NOT SUCCEEDED IN REACHING AGREEMENTS IN THOSE FUNDAMENTAL CONFLICTS BETWEEN RUSSIAN COMMUNISM AND WESTERN DEMOCRACY."

THE OUTSPOKEN AMERICAN COMMANDANT, WHO HAS BEEN INVOLVED IN DOZENS OF HEATED VOCAL BATTLES WITHTHE RUSSIANS, ESTIMATED HE HAD SPENT 2,000 HOURS WITH RUSSIAN, BRITISH AND FRENCH OCCUPATION AUTHORITIES IN THE PAST FOUR YEARS.

HOWLEY, A FORMER PHILADELPHIA ADVERTISING EXECUTIVE, SAID:

"IN BERLIN, AS ELSEWHERE IN THE WORLD, THE AIMS OF THE COMMUNIST PARTY HAVE BEEN TO GET COMPLETE CONTROL OF THE ECONOMIC AND POLITICAL LIFE OF THE CITY. THE GERMAN COMMUNIST PARTY IN THIS STRUGGLE HAS BEEN AIDED, ADVISED, DIRECTED AND SUPPORTED BY THE RUSSIAN OCCUPYING TROOPS AND THE RUSSIAN MILITARY ADMINISTRATION. IT IS IMPRACTICAL TO SEPARATE THE MISSIONS OF THE SOVIET MILITARY ADMINISTRATION AND THE COMMUNIST PARTY."

HOWLEY NOTED BERLINERS HAD REBUFFED THE COMMUNISTS IN LOCAL ELECTIONS AND SAID ECONOMIC AND POLITICAL CONTROL OF THE CITY SLIPPED FURTHER AND FURTHER FROM THE HANDS OF THE COMMUNIST PARTY AND THE NEW SOVIET MILITARY ADMINISTRATION.

"THEIR EFFORTS TO HOLD AND INCREASE THOSE CONTROLS HAVE BEEN THE BASIC CAUSE OF ALLIED FRICTION IN BERLIN," HOWLEY DECLARED.

HOWLEY'S SUMMARY REVIEWED THE MAJOR EVENTS OF THE FOUR YEARS HE SPENT IN BERLIN, INCLUDING THE SOVIET BLOCKADE, THE ALLIED COUNTER-BLOCKADE AND AIRLIFT.

"TODAY," HE CONCLUDED, "THE U.S. AND ITS ALLIES, BRITAIN AND FRANCE, ENJOY A PRESTIGE IN BERLIN FAR GREATER THAN AT ANY TIME SINCE THE WAR; BERLIN LOOKS FORWARD TO AN OPPORTUNITY TO CONTINUE ITS PROGRESS ALONG THE PATH OF DEMOCRACY.

"IN THE OFFICE OF THE MILITARY GOVERNMENT OF THE BERLIN SECTOR, WE HAVE FOLLOWED A BUSINESSLIKE POLICY OF REALISM IN DEALING WITH OUR ALLIES, WITH THE RUSSIANS AND THE GERMAN PEOPLE. XXX WE HAVE NEVER FALTERED IN OUR DETERMINATION TO MAKE NO COMPROMISE OF AMERICAN PRINCIPLES."

JT656AED

Frankfurt , Germany, Aug. 31--(AP)---The U.S. army issued thumbnail sketches today of [redacted] "a trio of aggressor mythical generals" leading opposition forces in american maneuvers starting sept. 6.

IT's intended to add realism to the field training. The lineup:

Gen. El Araby, bombastic [redacted] commander in chief who is an advocate of speed and dash with armor, with the dashing qualities of the late U.S. Gen. George Patten and [redacted] German field Marshal Erwin rom

Gen. Ernest [redacted] Guiller, "cold, ruthless and taciturn" master of armored tactics, who "had one of his favorite officers shot for failing to push the attack on Neustadt on schedule."

Gen. Arturo Acquinaldo, [redacted] a good tactician who "likes to harangue his aggressor troops about their 'destiny to [redacted] overthrow

decadent democratic ideologies."

They're all figments of imagination ground out in army writing on the maneuvers.

devlins third 1640 jrt 1210ped

FRANKFURT, GERMANY, AUG.31-(AP)-THE HUGE OPEL AUTOMOBILE PLANT AT RUSSELSHEIM, GERMANY, HAS BEEN RETURNED BY THE U.S. ARMY TO THE GENERAL MOTORS CORPORATION, THE ARMY NEWSPAPER STARS AND STRIPES SAID TODAY.

GENERAL MOTORS HAS OWNED THE PLANT SINCE 1929. THE NEWSPAPER SAID ABOUT 50 PER CENT OF THE PLANT'S MACHINERY AND 65 PER CENT OF ITS BUILDINGS WERE DESTROYED DURING THE WAR.

THE FACTORY, UNDER ARMY DIRECTION SINCE THE WAR, HAS PRODUCED ABOUT 2,500 AUTOMOBILES FOR BRITISH AND AMERICAN FORCES, AND MORE THAN 12,000 REFRIGERATORS.

THE NEWSPAPER QUOTED ESKILD BONDESEN, GENERAL MOTORS' FINANCE DIRECTOR, AS SAYING THE PLANT INTENDS TO PRODUCE 40,000 PASSENGER CARS AND TRUCKS IN 1950 AND 66,000 IN 1951.

HA801PED

Night Lead Manstein

By George Boultwood

SEP 1 1949

Hamburg, Germany, Aug. 31--(ap)--Former German field marshal Erich von Manstein was accused today of having permitted the killing without trial of Russian prisoners by troops under his command.

The prosecution at the British war crimes trial of the former Wehrmacht officer made the charge and added that the defendant "disregarded his duty as a military commander to ensure the humane treatment of Soviet prisoners of war."

Von Manstein has pleaded innocent to a 17-count indictment accusing him of extermination of Jews and mistreatment of war prisoners during the Nazi campaigns in Poland and Russia.

Von Manstein successively commanded the 11th German army, which operated in the Ukraine, the Crimea and near Leningrad; army group Don, and army group South, during the Nazi retreat from Russia.

The prosecution claimed that the death rate in prison camps in the 11th army area reached 36 per cent. It spoke of shortages of food and clothing and a steady rise in the sickness until at one time it was 50 per cent.

One German army order submitted by the prosecution said prisoners were to be fed off the land and that only food unfit for German soldiers was to be provided from army stocks.

The prosecution withdrew from evidence today one document which it previously had described as "a veritable piece of dynamite." It was three typewritten sheets of notes on a speech Hitler was alleged to have made to his top generals nine days before the invasion of Poland.

The defense objected to the document because it had been ruled inadmissible at the Nuernburg trial. The prosecution agreed to withdraw the document but stressed it did not in any way doubt the authenticity.

SEP 1 1949

oberhausen , germany, aug. 31--(ap)--an angry crowd of german workers protesting factory dismantling overturned an automobile carrying a british control commission official today.

the official, g.h. blakesley, was supervising dismantling of part of a german factory for reparations. blakesley apparently was unhurt.

gen. w.g.a. bishop, british regional commissioner for north rhine-westphalia, threatened to close the entire factory employing 9,500 workers unless the anti-dismantling demonstrations stopped. about 500 will lose their jobs through removal of part of the plant marked for reparations.

"

oberhausens 019-0--350p

SEP 1 1949

BAD MERGENTHEIM, GERMANY, AUG.31-(AP)-SIXTEEN WITNESSES CAME TO THE DEFENSE TODAY OF FRIEDL POELSTERL, 28-YEAR-OLD GERMAN GIRL, CHARGED WITH THE KNIFE SLAYING OF U.S.ARMY SGT.HUSTER J.MCGATH, OF PAWHUSKA, OKLA. THE GIRL WENT ON TRIAL YESTERDAY.

WITNESSES DESCRIBED THE SOLDIER AS HAVING AN ANGRY TEMPER WHEN UNDER THE INFLUENCE OF LIQUOR, AND SAID THE GIRL WAS HIGHLY NERVOUS AND EASILY EXCITED.

IDA NEINGARD, MISS POELSTERL'S FORMER LANDLADY, SAID SHE ONCE SAW MCGATH TWIST THE GIRL'S THUMB.

HILDE FUCHS, A MORE RECENT LANDLADY, TESTIFIED SHE SAW THE SOLDIER THROW THE GIRL OUT OF AN AUTOMOBILE IN FRONT OF HER HOUSE. SHE SAID ON ANOTHER OCCASION SHE SAW MCGATH SITTING ON THE GIRL'S BED, AS MISS POELSTERL LAY UNDER IT. SHE INQUIRED WHAT WAS WRONG, SHE SAID, AND MCGATH REPLIED: "SHE'S CRAZY."

PS933PED

IN NEW YORK, PIROGOV SAID THE SOVIET EMBASSY IN WASHINGTON TRIED BOTH THREATS AND BRIBE OFFERS TO PERSUADE HIM TO RETURN TO RUSSIA WITH BARSOV. HE ALSO SAID BARSOV HAD TRIED TO GET HIM NOT TO WRITE A BOOK ABOUT HIS EXPERIENCES. HE INDICATED THE RUSSIAN EMBASSY WAS READY TO REIMBURSE HIM FOR THE PUBLISHER'S ADVANCE HE GOT ON THE BOOK IF HE PROMISED NOT TO WRITE IT. PIROGOV IS WORKING ON THE MANUSCRIPT.

A109

VIENNA--FIRST ADD BORDER REPORTS (A72) X X X BEEN NORMAL.

THE VIENNA RAILWAY ADMINISTRATION SAID RAIL TRAFFIC BETWEEN AUSTRIA AND CZECHOSLOVAKIA IS NORMAL. POLICE AUTHORITIES HAD NO INFORMATION ABOUT THE FRONTIER BEING CLOSED. THE BORDER STATION OF KITTSEE FACING BRATISLAVA SAID TRAFFIC WAS PROCEEDING AS USUAL.

RB1049PED

VIENNA, AUSTRIA, AUG. 31-(AP)-U.S.ARMY RECRUIT HAROLD WHALEY, 21, OF (18 WEST JAMES ST.) RIVER ROUGE, MICH., DROWNED AUG. 27 WHILE BATHING NEAR WELS, UPER AUSTRIA, ARMY HEADQUARTERS ANNOUNCED TODAY. HIS BODY WAS NOT RECOVERED, THE ANNOUNCEMENT SAID.

WD319PED

AMERICAN SOURCES SAID THEY EXPECTED BARSOV TO BE USED FOR PROPAGANDA ATTACKS AGAINST THE UNITED STATES FOR A FEW WEEKS AND THEN TO DROP FROM SIGHT.

BARSOV TOLD NEWSMEN HERE LAST OCTOBER: "I WILL DO ANYTHING THE UNITED STATES ASKS ME TO DO IF THEY DO NOT USE FORCE. I WILL FIGHT FOR THE UNITED STATES---IF THEY DO NOT USE FORCE ON ME."

ME903AED

A U.S. ARMY SPOKESMAN IN VIENNA WHO DECLINED TO BE QUOTED BY NAME SAID HE THOUGHT THE STATE DEPARTMENT "ACTED MORE WITH HASTE THAN JUDGMENT" IN AUTHORIZING BARSOV'S RELEASE.

STRESSING THAT HIS OPINION IS UNOFFICIAL, BUT PROBABLY GENERAL IN THE VIENNA HEADQUARTERS, THIS SPOKESMAN SAID:

"THERE ARE AT LEAST THREE AMERICANS MISSING IN THE RUSSIAN ZONE OF AUSTRIA AND AT LEAST TWO AMERICANS MISSING IN THE RUSSIAN ZONE OF GERMANY. WE DID NOT EVEN TRY TO BARGAIN BARSOV'S RETURN FOR THE RETURN OF OUR OWN PEOPLE."

A160

IN WASHINGTON, SECRETARY OF STATE ACHESON REFERRING TO THE ARMY SPOKESMAN'S REMARK, SAID EMPHATICALLY: THE UNITED STATES DOES NOT ENGAGE IN THAT SORT OF THING.

ACHESON DENOUNCED RUSSIA'S HOLDING OF TWO AMERICAN STUDENTS IN EASTERN GERMANY AS OUTRAGEOUS, ILLEGAL AND IMPROPER. HE TOLD A NEWS CONFERENCE THEY SHOULD BE RELEASED PROMPTLY AND REMINDED NEWSMEN THAT THE U.S. DOES NOT ENGAGE IN THE PRACTICE OF HOLDING PEOPLE WHO HAVE COMMITTED NO CRIMES.

ON JULY 28, BARSOV TOLD THE SOVIET EMBASSY IN WASHINGTON HE WAS SORRY HE DESERTED AND WANTED TO GO BACK HOME. ON AUG.24, HE WAS FLOWN FROM THE U.S. TO THE AMERICAN ZONE IN AUSTRIA.

YESTERDAY, THE SOVIET EMBASSY LODGED A FORMAL COMPLAINT OVER THE "SUDDEN DISAPPEARANCE" OF BARSOV FROM WASHINGTON. THE STATE DEPARTMENT'S EXPLANATION WAS: BARSOV WAS TAKEN INTO CUSTODY BY IMMIGRATION OFFICIALS AFTER HE WAS SEEN VISITING THE SOVIET EMBASSY AUG.17. THIS VISIT APPARENTLY RAISED DOUBTS THAT HE WAS REALLY A POLITICAL REFUGEE AND HE WAS TAKEN INTO CUSTODY FOR SECURITY REASONS.

BARSOV WAS TRANSFERRED TO RUSSIAN CUSTODY AT THE ~~ENNS RIVER~~ DANUBE BRIDGE LINKING LINZ IN THE U.S. ZONE WITH URFAHR IN THE SOVIET ZONE.

N237PED

(190)

BULGARIA, AUG. 31-(AP)-YUGOSLAVIA OFFICIALLY DENIED TONIGHT REPORTS OF TROOPS CONCENTRATIONS IN MACEDONIA (SOUTHERN YUGOSLAVIA).

A STATEMENT ISSUED THROUGH THE MINISTRY OF INFORMATION SAID THAT THE "ASSOCIATED PRESS AND SOME ITALIAN PAPERS HAVE PUBLISHED NEWS OF ALLEGED CONCENTRATION OF TROOPS IN MACEDONIA. OFFICIALLY THIS NEWS IS DENIED AS FALSE."

(THE AP REPORT TO WHICH THE STATEMENT APPARENTLY REFERRED WAS A DISPATCH FROM ISTANBUL DATED AUG. 28 QUOTING "TOP-RANKING DIPLOMATIC AND INTELLIGENCE SOURCES." IT SAID PREMIER MARSHAL TITO WAS CONCENTRATING HIS FORCES IN YUGOSLAV MACEDONIA TO COUNTERACT COMINFORM DESIGNS FOR A REBELLION THERE.)

THE STATEMENT ALSO DENIED REPORTS THAT THE CITY OF FIUME (RIJEKA) IS IN A STATE OF SIEGE BECAUSE OF SABOTAGE. IT SAID THAT TASS, THE OFFICIAL SOVIET NEWS AGENCY, CARRIED SUCH REPORTS, AND COMMENTED:

"IT IS OFFICIALLY ANNOUNCED THAT THIS NEWS IS COMPLETELY MADE UP. IT IS OBVIOUS THAT TASS IS SPREADING SUCH MADE UP NEWS IN THE FRAMEWORK OF THE ANTI-YUGOSLAV GOVERNMENT CAMPAIGN AND PRESSURE UPON THIS COUNTRY."

YUGOSLAVIA SAID OFFICIALLY ON AUG. 27 THAT A SMALL FIRE HAD OCCURRED IN ITS GREAT OIL REFINERY AT FIUME, BUT DENIED PUBLISHED REPORTS THAT THE PLANT WAS SABOTAGED.

SJ556PED

THERE WAS SPECULATION WITHOUT CONFIRMATION ON A REPORT THAT PREMIER MARSHAL TITO WOULD SEND HIS CASE AGAINST RUSSIA TO THE UNITED NATIONS SECURITY COUNCIL.

IT WAS CONSIDERED CERTAIN THAT A STIFF NOTE IS BEING WRITTEN IN REPLY TO RUSSIA'S NEWEST OFFICIAL CHARGE THAT TITO'S REGIME IS A DOUBLE-CROSSING STOOGE OF THE WESTERN POWERS.

RUSSIA AND YUGOSLAVIA HAVE BEEN AT POLITICAL ODDS SINCE JUNE, 1948, WHEN THE COMINFORM BLOC OF EASTERN EUROPE OUSTED TITO AFTER ACCUSING HIM OF DEVIATING FROM MOSCOW'S MARXIST-LENINIST LINE.

A BRITISH EMBASSY SPOKESMAN HERE DENIED A REPORT PUBLISHED ABROAD THAT THE BRITISH ASKED WHAT WOULD BE YUGOSLAVIA'S ATTITUDE IF THE YUGOSLAV-COMINFORM CONFLICT SHOULD BE PUT BEFORE THE U.N. SECURITY COUNCIL.

HOWEVER, BRITISH OFFICIALS IN LONDON SAID BRITAIN ASKED YUGOSLAVIA WHETHER SHE INTENDED TO GO BEFORE THE SECURITY COUNCIL WITH A CASE AGAINST RUSSIA BUT NO REPLY WAS MENTIONED. THEY ADDED THAT THE WESTERN POWERS HAVE NO INTENTION OF GOING TO THE U.N. WITH IT).

IT IS UNDERSTOOD HERE BRITISH AMBASSADOR SIR CHARLES PEAKE ASKED DEPUTY FOREIGN MINISTER ALES BEBLER LAST SUNDAY ABOUT YUGOSLAVIA'S OFFER OF AUG. 22 TO SETTLE THE DISPUTE WITH RUSSIA. BUT, THE INFORMANT SAID, THERE WAS NO DIRECT REFERENCE TO THE U.N.

(IN WASHINGTON, SECRETARY OF STATE ACHESON TOLD HIS WEEKLY NEWS CONFERENCE DEVELOPMENTS ON THE YUGOSLAV BORDERS SEEM TO BE PART OF A WAR OF NERVES. THERE HAS BEEN NO CONFIRMATION OF REPORTS THAT SOVIET AND OTHER COMINFORM COUNTRY TROOPS ARE MOBILIZING THERE. ACHESON SAID THE DEVELOPMENTS APPEAR TO HAVE A SORT OF CALCULATED PUBLICITY MOTIVE.

A165

(ACHESON SAID THE U.S. IS WATCHING DEVELOPMENTS CLOSELY BUT THAT THERE HAVE BEEN NO UNUSUAL TALKS WITH THE BRITISH OR FRENCH ON YUGOSLAVIA. BRITISH FOREIGN SECRETARY ERNEST BEVIN IS ENROUTE TO THE WASHINGTON DOLLAR CONFERENCE.

(DIPLOMATIC OFFICIALS IN LONDON PREDICTED RESTRICTIONS ON SALES OF MILITARY EQUIPMENT TO YUGOSLAVIA MAY BE EASED SHORTLY BY THE U.S. AND BRITAIN AND A DECISION MAY BE REACHED BETWEEN ACHESON AND BEVIN IN WASHINGTON. TOLD OF THIS, ACHESON SAID HE KNEW OF NO SUCH PLAN AND THAT YUGOSLAVIA HAD NOT ASKED FOR EASING OF THE RESTRICTIONS).

THERE WAS NO CONFIRMATION IN BELGRADE OF ANY TROOP MOVEMENTS ON THE YUGOSLAV FRONTIERS. (A FOREIVN OFFICE SPOKESMAN IN LONDON SAID THE BRITISH COULD NOT CONFIRM ANY SUCH MOVEMENTS ALTHOUGH THEY HAVE ASKED YUGOSLAVIA FOR INFORMATION).

A FEW LEGATIONS IN BELGRADE ARE THE SOURCES OF MOST CRISIS REPORTS ARISING INSIDE THIS COUNTRY WHERE, IT SHOULD BE EMPHASIZED, AN AIR OF CALM CONTINUES TO PREVAIL. THESE LEGATIONS CLAIM TO HAVE INSIDE KNOWLEDGE BUT DECLINE TO DISCLOSE THEIR SOURCES.

(A NEWSPAPER IN WEST BERLIN REPORTED TUESDAY THAT 3,500 HEAVILY ARMED EAST GERMAN POLICE ARE BEING SENT TO THE YUGOSLAV BORDER. IT ADDED THAT AS MANY AS 12,000 MORE WILL BE SENT TO UNDERTAKE "ANTI-TITO ACTION" IN THE BALKANS AND SAID: "WITH FEVERISH HURRY TANKS, GUNS AND OTHER MILITARY EQUIPMENT ARE BEING LOADED ON TRAINS AND TRUCKS TO GO WITH THE GERMAN POLICE TROOPS." BRITISH AND AMERICAN INTELLIGENCE OFFICERS SAID THEY'D HEARD THE REPORT BUT COULDN'T CONFIRM IT.

(ON MONDAY, WESTERN INTELLIGENCE OFFICERS IN BERLIN SAID INFORMANTS FROM SOVIET-OCCUPIED EASTERN GERMANY TOLD THEM THE COMINFORM NOW INTENDED TO GET RID OF TITO WITHIN SIX MONTHS BY ANY MEANS SHORT OF WAR. THE MEANS SUGGESTED WOULD BE INTERNAL BORING TACTICS TO RUIN YUGOSLAVIA, AND THE ASSASSINATION OF TITO).

ONE TOP OFFICIAL AT THE U.S. EMBASSY HERE IS GOING ON VACATION SHORTLY; THE ACTING MILITARY ATTACHE IS BUSY WITH WORKMEN REPAIRING HIS RENTED HOUSE.

AMERICAN STEEL COMPANY REPRESENTATIVES, WHO KEEP THEIR EARS COCKED SHARPLY FOR TRENDS, WENT AHEAD WITH LONG-RANGE PROJECTS TO DEVELOP ORE RESOURCES.

YUGOSLAV ARMY OFFICERS HAVE BEEN VACATIONING ON THE ADRIATIC -- AND HAVE NOT BEEN RECALLED TO DUTY BY WAR-SCARES AS THEY WERE MORE THAN A YEAR AGO WHEN THE COMINFORM KICKED TITO OUT FOR "NATIONALISM"

THE OFFICIAL YUGOSLAV PRESS KEPT SNIPING AT THE KREMLIN. IT CHARGED AGAIN TODAY THAT RUSSIA WAS GUILTY OF A "ROTTEN DIPLOMATIC DEAL" WHEN SHE AGREED WITH THE WESTERN POWERS AT PARIS LAST SPRING TO IGNORE YUGOSLAVIA'S DEMAND FOR PART OF AUSTRIA.

THE NEWSPAPER BORBA FRONT-PAGED A PICTURE AND STORY OF THE FIRST TRACTORS MADE IN YUGOSLAVIA AND A LETTER FROM THE PEOPLE'S DEFENSE CORPS TO TITO PLEDGING "WE ARE READY TO GIVE OUR LIVES."

SJ314PED

Warsaw, poland, aug. 31--(ap)--The polish government declared today that the international refugee organization had "acted as an instrument for exporting cheap labor to countries abroad."

gen. wiktor grosz , foreign ministry spokesman , said the polish government was considering further action to protest the iro transfer of a group of polish refugee children who sailed from bremen yesterday for canada.

SEP 1 1949

(The IRO, a United Nations agency, said recently that the Polish children being sent to homes in Canada had been offered the opportunity of being returned to poland but had declined.)

Grosz said polish red cross and government representatives at bremen had been unsuccessful in attempts to talk to the Polish children before they left for canada.

SEP 1 1949

rhh-godfreys 1300-- 1240p

(ADVANCE)...PRAGUE,AUG.31-(AP)-THE CZECHOSLOVAK GOVERNMENT REPORTS THAT THIS NATION'S TRADE WITH THE SOVIET UNION AND OTHER "MOLOTOV PLAN" COUNTRIES IS INCREASING BEYOND EXPECTATIONS.

DR.ANTONIN GREGOR, MINISTER OF FOREIGN TRADE, ASSERTED THAT COMMERCE WITH THE EASTERN BLOC COUNTRIES NOW REPRESENTS 40 PER CENT OF ALL CZECH FOREIGN TRADE.

"THIS IS BETTER THAN WE HOPED TO DO," HE SAID. "ACCORDING TO OUR FIVE-YEAR PLAN WE EXPECTED TO INCREASE OUR TRADE WITH THE NATIONS OF PLANNED ECONOMY BY ONE-THIRD AND BRING IT TO 45 PER CENT OF OUR TOTAL BY 1953. BUT IN THE FIRST SEVEN MONTHS OF THIS FIRST YEAR OF THE FIVE-YEAR PLANWE ALREADY HAVE IT UP TO 40 PER CENT. IT IS BEYOND DOUBT THAT THE ESTABLISHMENT OF THE COUNCIL OF MUTUAL ECONOMIC AID (THE MOLOTOV PLAN) CONTRIBUTED LARGELY TO THAT FAVORABLE PROSPECT. THE COUNCIL IS STEADILY BECOMING THE MOST EFFICIENT INSTRUMENT FOR DEVELOPMENT OF ECONOMIC COOPERATION OF ITS MEMBER STATES."

DR.GREGOR CLAIMED THAT THE FIRST SEVEN MONTHS OF 1949 SHOWED A 14 PER CENT GAIN OVER THE SAME 1948 PERIOD IN FOREIGN TRADE, BUT HE GAVE NO DETAILS.

SPECIFIC DATA ABOUT TRADE, ESPECIALLY WITH THE SOVIAT UNION, IS REGARDED A STATE SECRET AND IT IS NEVER DIVULGED HOW MUCH CZECHOSLOVAKIA IS GETTING FROM RUSSIA AND WHAT THE SOVIETS TAKE IN

RETURN.

HOWEVER, DR.GREGOR CONTENDED THAT CZECHOSLOVAKIA WAS ABLE THIS YEAR TO REDUCE FOOD IMPORTS AND LAY GREATER STRESS ON THE IMPORT OF VITALLY-NEEDED RAW MATERIALS FOR ITS INDUSTRIES. HE SAID IMPORTS OF RAW MATERIALS THUS FAR THIS YEAR HAD INCREASED BY 10 PER CENT--1,057,000,000 CROWNS (ABOUT $21,140,000 BY THE OFFICIAL RATE) OVER LAST YEAR'S RATE.

(END ADVANCE FOR PMS OF WEDNESDAY AUG.31)

SEP 1 1949

BJ104PED

Canton cut by railway

IF THEY SEVER THE RAIL LINE THE MAIN NATIONALIST DEFENSE FORCE FOR SOUTH CHINA WOULD BE CUT OFF FROM ITS MAJOR SUPPLY BASE, CANTON. HEADQUARTERS OF GEN. PAI CHUNG-HSI ARE AT HENGYANG ON THE RAILWAY 265 MILES NORTH OF CANTON.

RED PRESSURE WAS BUILDING UP ALONG A BIG STRETCH OF THE RAILWAY FROM THE EAST. CIVILIANS BEGAN FLEEING KUKONG, A KEY RAIL POINT ONLY 125 MILES NORTH OF CANTON.

THE COMMUNIST STRATEGY SEEMED TO BE TO FORCE PAI'S BIG DEFENSE FORCE TO RETREAT SOUTHWESTWARD INTO HIS NATIVE KWANGSI PROVINCE AND NOT DEFEND CANTON.

ON THE SOUTHEASTERN CHINA FRONT, THE NATIONALISTS WERE REPORTED REINFORCING SWATOW, PORT CITY EAST OF CANTON, WITH TROOPS FROM FORMOSA. THIS MOVE APPARENTLY WAS IN ANTICIPATION OF A CONTINUED RED DRIVE DOWN THE COAST. THE COASTAL PUSH NOW THREATENS AMOY.

SWATOW PROBABLY WILL BECOME MAINLAND HEADQUARTERS OF THE SOUTHEAST CHINA COMMAND IF AMOY FALLS.

THE MINISTRY INDIRECTLY CONCEDED A COMMUNIST LANDING ON MEISHAN ISLAND FRINGING THE CHUSAN GROUP 115 MILES SOUTHEAST OF SHANGHAI. IT REPORTED FIERCE FIGHTING ON MEISHAN.

CY1257APS NM

BY WAYNE RICHARDSON

HONG KONG,AUG.31-(AP)-THE TOP BRITISH COMMANDER IN HONG KONG SAID TODAY ANY AGGRESSION FROM THE CHINA MAINLAND WOULD BE MET BY MUCH STIFFER OPPOSITION THAN THIS BRITISH CROWN COLONY OFFERED THE JAPANESE IN 1941.

THE BRITISH COMMANDER, LT.GEN.F.W.FESTING, COMMANDS BRITISH LAND, SEA AND AIR FORCES HERE.

THE JAPANESE, HE SAID, COMPLETED THEIRACCESS TO HONG KONG FROM THE SEA.

"THAT WOULD NOT ARISE TODAY," HE TOLD A NEWS CONFERENCE. "THE JAPANESE ALSO HAD AIR POWER. THAT ALSO WOULD BE DIFFERENT TODAY."

HONG KONG, GENERAL FESTING SAID, IS A GOOD PLACE TO DEFEND BECAUSE ITS GUNS CAN BE CONCENTRATED WITH DENSITY.

"ITS DEFENSE UNDER THOSE CONDITIONS PROBABLY WOULD COMPARE WITH LONDON DURING THE MAJOR PART OF THE BLITZ OF WORLD WAR II," HE ASSERTED.

THE BRITISH HAVE HERE NOW A MUCH BETTER BALANCED FORCE THAN THAT IN 1941.

BUT AN ADEQUATE ISLAND WATER SUPPLY NEEDS YET TO BE FOUND. WELLS ARE BEING SUNK IN AN EFFORT TO MEET THIS PROBLEM.

THIRTY-SIX MILITARY CAMPS ALSO ARE UNDER CONSTRUCTION. SO ARE A NUMBER OF MILITARY ROADS.

STORES FOR THE BIG INSTALLATIONS ARE BEING SHIPPED IN FROM THE UNITED KINGDOM, SINGAPORE AND AUSTRALIA.

JW755ACS

SHANGHAI, (COMMUNIST OCCUPIED CHINA), AUG. 31-(AP)-MANY BUSINESS HOUSES IN SHANGHAI ARE CLOSING SINCE THE CHINESE COMMUNISTS TOOK OVER.

THE PARK AND PALACE, TWO OF SHANGHAI'S LARGEST FOREIGN STYLE HOTELS, WILL SHUT DOWN NEXT MONTH. MORE THAN 10 CHINESE HOTELS IN THE HONKEW DISTRICT HAVE REQUESTED PERMISSION FROM RED AUTHORITIES TO CLOSE.

MORE THAN 1,000 SHANGHAI TEA SHOPS AND ABOUT 100 COFFEE SHOPS AND BARS EITHER HAVE CLOSED OR CONVERTED TO OTHER BUSINESSES. UPWARDS OF 100 THEATERS AND MOVIE HOUSES PLAN TO CLOSE.

EIGHTY RESTAURANTS HAVE DECLARED THEMSELVES BANKRUPT AND ASKED PERMISSION TO SHUT DOWN. THESE TYPES OF BUSINESSE HAVE BEEN HARD HIT SINCE THE NATIONALISTS INSTITUTED THEIR BLOCKADE OF RED PORTS.

PRACTICALLY ALL HOTELS ARE HALF EMPTY OR WORSE.

X715APS NM

(ADVANCE FOR USE AT 4 A.M., EASTERN STANDARD TIME, THURSDAY, SEPT. 1.)

(ADVANCE)..TOKYO,THURS,SEPT.1-(AP)-GENERAL MACARTHUR TODAY OBSERVED THE FOURTH ANNIVERSARY OF THE JAPANESE SURRENDER CEREMONY WITH A STATEMENT THAT COMMUNISM NO LONGER IS A MAJOR THREAT IN JAPAN.

"TODAY, JAPAN MIGHT, INDEED, BE VIEWED AS A SYMBOL OF HOPE FOR LESS FORTUNATE PEOPLES OVERWHELMED BY THE DESPOTIC RULE OF COERCIVE FORCE," HE DECLARED IN A FORWARD-LOOKING REVIEW OF THE OCCUPATION WHICH HE COMMANDS. THE FORMAL SURRENDER TOOK PLACE SEPT. 2, 1945.

"THE JAPANESE PEOPLE," HE SAID, "HAVE FULLY AND FAITHFULLY OBSERVED THEIR SURRENDER COMMITMENTS AND ADVANCED STEADILY ALONG THE ROAD OF SPIRITUAL REGENERATION AND PHYSICAL RECONSTRUCTION."

NOTING "ACCELERATED PROGRESS" IN EVERY PHASE DURING THE PAST YEAR, HE SAID THAT ASSAULTS ON DEMOCRACY BY "THE SMALL EXISTENT COMMUNIST MINORITY" HAD BEEN EFFECTIVELY REPULSED BY JAPANESE PUBLIC OPINION RATHER THAN BY POLICE POWER.

"AS A RESULT," HE STATED, "THE THREAT OF COMMUNISM AS A MAJOR ISSUE IN JAPANESE LIFE IS PAST. IT FELL VICTIM OF ITS OWN EXCESSES. THE JAPANESE MIND PENETRATED THE HYPOCRISY SUPPORTING ITS POSITION. THIS TEST OF STRENGTH, WHILE DISTURBING TO ORDERLY PROGRESS, SERVED TO BRING TO LIGHT FOR THE FIRST TIME THE FULL LATENT POWER OF THE JAPANESE DEVOTION TO THE CONCEPTS OF FREEDOM AND THE INTEGRITY OF THEIR CONSTITUTIONAL PROCESSES.

TRADE UNIONIZATION PROGRESS, HE ACKNOWLEDGED, "HAS BEEN SOMEWHAT IMPEDED BY THE MACHINATIONS OF AN IRRESPONSIBLE UNION LEADERSHIP."

A79KX (WEST OUT)

SEP 1 1949

OPTIMISM WAS EXPRESSED, HOWEVER, THAT THE RANK AND FILE "ARE MOVING TO INSIST UPON MODERATION AND OBJECTIVITY."

ECONOMICALLY, THE SUPREME COMMANDER DESCRIBED JAPAN AS "STILL IN TRANSITION FROM AN ECONOMY OF SURVIVAL TO ONE OF HEALTH," BUT HE CITED GREAT ADVANCES IN THE PAST YEAR, INCLUDING LARGE GAINS IN PRODUCTION OF COAL, CHEMICALS AND ELECTRIC POWER.

EXPORTS, HE SAID, TOTALLED $103,000,000 IN 1946; $173,000,000 IN

1947; $258,000,000 IN 1948; AND ALREADY HAD EXCEEDED THE 1948 TOTAL IN SIX MONTHS OF 1949.

ON THE ECONOMIC FRONT, HE CITED AS SIGNIFICANT THE AMERICAN DECISION TO CEASE REMOVAL OF INDUSTRIAL PLANTS FOR REPARATIONS; AMERICAN APPROPRIATIONS FOR IMPORTS OF REHABILITATION MATERIALS; ENACTMENT BY THE JAPANESE GOVERNMENT OF A BALANCED BUDGET FOR THE FIRST TIME IN MANY YEARS; AND REDUCTION OF GOVERNMENT PERSONNEL.

IN FOUR YEARS JAPAN'S POPULATION HAS GROWN BY 9,500,000, MACARTHUR REPORTED, "YET THERE HAS BEEN NO MASS UNEMPLOYMENT, NO SOCIAL UNREST AND NO LARGE-SCALE DOLE."

HE LISTED TOTAL UNEMPLOYMENT AT THE END OF AUGUST AS NOT MORE THAN 500,000.

MACARTHUR COMMENTED THAT HIS OCCUPATION POLICY "TIME AND AGAIN" HAD BEEN SIMULTANEOUSLY ATTACKED "BY THE LEFTISTS AS TO REACTIONARY AND BY THE CONSERVATIVES AS TOO LIBERAL."

"SUCH AN ATMOSPHERE," HE SAID, "WHILE GIVING ASSURANCE THAT OUR MODERATE COURSE IS WELL CHARTED, DOES NOT CONTRIBUTE TO AN OBJECTIVE PUBLIC APPRAISAL OF THE SITUATION."

(END ADVANCE FOR USE AT 4 A.M. EASTERN STANDARD TIME, THURSDAY, SEPT. 1).

VR635ACS NM

RANGOON, BURMA, AUG. 31-(AP)-SAW TIN HLA (CORRECT) A CHIEFTAIN IN SHAN STATE, WAS ASSASSINATED TUESDAY IN FRONT OF HIS PALACE AT NAWNGPALANG BY KAREN REBELS.

ANOTHER SHAN CHIEF, SAW TUN SEIN, RULER OF PWEHLA (CORRECT), WAS WOUNDED. HIS QUEEN ESCAPED INJURY.

SAW TUN SEIN, WHO WAS BROUGHT TO RANGOON FOR HOSPITAL TREATMENT, REPORTED THE ASSASSINATION TONIGHT. HE TOLD NEWSMEN THE REBEL KARENS ATTACKED NAWNGPALANG AT DAWN TUESDAY, SWEEPING THROUGH THE TOWN WITH LIGHTED FLARES.

THE REBELS ORDERED THE TWO SHAIN CHIEFS FROM THE PALACE, LINE THEM UP WITH THE QUEEN OF PWEHLA AND TURNED AUTOMATIC FIRE ON THEM. THE KARENS ESCAPED NAWNGPALANG WITH CASH AND JEWELRY BELONGING TO THE PALACE, SAW TUN SEIN DECLARED.

RJ/HA1226AED

RANGOON, BURMA, AUG. 31-(AP)-THE AMERICAN EMBASSY ANNOUNCED TODAY IT HAS COMPLETED EVACUATION OF ALL UNITED STATES CITIZENS WISHING TO LEAVE THE KAREN-HELD TAUNGGYI, IN THE SOUTHERN SHAN STATE.

TWELVE AMERICANS, INCLUDING SOME WOMEN AND CHILDREN, ARRIVED HERE BY AIR TODAY, ESCORTED BY CONSULS ROBERT I. CLIFFORD AND BALLARD R. DONNELL. THEY ENTERED TAUNGGYIFROM LASHIO, WHICH WAS CAPTURED SATURDAY BY ANOTHER GROUP OF REBELS, THE KACHINS.

FIVE AMERICANS DECLINED EVACUATION ASSISTANCE AND ARE REMAINING AT TAUNGGYI, THE EMBASSY SAID.

FOUR OTHERS, AMERICAN STUDENTS AND THEIR WIVES WHO ESCAPED FROM TAUNGGYI WERE REPORTED SAFE IN OTHER SHAN TOWNS WHERE THEY ARE CONTINUING THEIR STUDIES. THEY ARE MR. AND MRS. SAMUEL DASHIELL OF DALLAS, ORE., WHO ESCAPED TO NAMKHAM, AND MR. AND MRS. CHARLES BRANT OF PORTLAND, ORE., WHO ARE NOW IN HSENWI.

THE FIVE-NATION DIPLOMATIC MISSION WHICH ENTERED TAUNGGYI THROUGH HEHO TO MAKE ARRANGEMENTS TO EVACUATE A TOTAL OF 12,000 FOREIGNERS HAS NOT YET RETURNED TO RANGOON.

THE AMERICANS WHO WERE EVACUATED ARE: MR. AND MRS. WALTER W. ZIMMER OF MASON, MICH. AND THEIR TWO CHILDREN; MR. AND MRS. OTTO K.HUNERWADEL OF GAINESVILLE, FLA; MISS LAURA E. JOHNSON OF MEAD, NEB.; MR. AND MRS. ROGER GETZ (HOME ADDRESS UNAVAILABLE) AND THEIR THREE CHILDREN.

THE BURMESE GOVERNMENT ANNOUNCED THE RECAPTURE OF PHEKAUNG, NEAR THE KARENNI STATE CAPITAL OF LIKAW, WHICH IS AT PRESENT IN REBEL KAREN HANDS.

TU1225PED

new delhi, india, aug. 31--(ap)--u.s. ambassador loy w. henderson today decorated gen. k.m. cariappa, commander in chief of the indian army, with the legion of merit, degree of chief commander.

The citation, signed by president truman, praised cariappa's "exceptionally meritorious conduct in the performance of outstanding services during the war and the difficult postwar years."

SYDNEY, AUG. 31-(AP)-AUSTRALIA MAY BUY PETROL FROM RUSSIA.

GOVERNMENT MEN IN CANBERRA ARE EXAMINING AN APPLICATION BY ELECTRONIC INDUSTRIES, LIMITED, OF MELBOURNE, TO IMPORT RUSSIAN PETROL.

INDICATIONS IN CANBERRA ARE THAT IF RUSSIAN PETROL SHIPMENTS ARE SMALL THEY WILL BE ACCEPTED WITHOUT QUESTION. IF A LARGE QUANTITY IS INVOLVED, AUSTRALIA WILL CONSULT THE BRITISH TREASURY.

SOME AUSTRALIAN OFFICIALS THINK ACCEPTANCE OF THE RUSSIAN PETROL MAY DEPRIVE OTHER STERLING COUNTRIES OF SUPPLIES.

MANAGING DIRECTOR A.G. WARNER OF ELECTRONIC INDUSTRIES TOLD A REPORTER THAT RUSSIAN TRADE OFFICIALS HAD OFFERED TO SUPPLY AN UNLIMITED QUANTITY PETROL TO HIS COMPANY.

RUSSIA IS PREPARED TO ACCEPT PAYMENT IN STERLING OR AUSTRALIAN WOOL OR WHEAT, GARNER SAID.

AUSTRALIA FACES A GRAVE SHORTAGE OF PETROL BECAUSE IMPORTS TODAY ARE BELOW THE RATE CONSUMPTION. THE FEDERAL GOVERNMENT NO LONGER HAS THE POWER TO RATION PETROL.

SJ106PED

SHANGHAI, AUG.31-(AP)-THE CHINESE COMMUNISTS TODAY INCREASED FOREIGN EXCHANGE RATES.

THE COMMUNIST CURRENCY NOW IS 2,350 TO $1 U.S., AN INCREASE OF 100 POINTS. IN THE FREE MARKET QUOTATIONS WERE AS HIGH AS 3,200 TO $1 U.S.

SO FAR THE REDS HAVE CONTROLLED THE FREE MONEY MARKET FAIRLY WELL. THIS IS LARGELY BECAUSE THERE HAS BEEN LITTLE DEMAND FOR FOREIGN CURRENCIES.

SEP 1 1949

OTHER NEW EXCHANGE RATES: 6,400 JEN MIN PIAO (COMMUNIST CURRENCY), TO ONE POUND STERLING, UP 400 POINTS; 400 TO ONE HONG KONG DOLLAR, UP 25 POINTS; AND 2,200 TO ONE CANADIAN DOLLAR, UP 70 POINTS.

WASHINGTON, FIRST AL- IGHT LEAD ATLANTIC ARMS-KOREA BY ROGER D. ..ENE X X X MUTUAL AID."

ALL OF THE SIGNATORIES PLEDGED AGREEMENT THAT "AN ARMED ATTACK AGAINST ONE OR MORE OF THEM IN EUROPE OR NORTH AMERICA SHALL BE CONSIDERED AN ATTACK AGAINST THEM ALL."

ONLY LAST WEEK, AS HE HAS DONE ON REPEATED OTHER OCCASIONS, PRESIDENT TRUMAN EMPHASIZED THAT THE PACT IS STRICTLY DEFENSIVE AND IS NOT DIRECTED AGAINST RUSSIA OR ANY OTHER NATION.

EVEN AS THE STATE DEPARTMENT TURNED ATTENTION TO THE DEFENSES OF WESTERN EUROPE, A CRY FOR HELP CAME FROM THE OTHER SIDE OF THE WORLD.

THIS DEVELOPED WHEN LITTLE KOREA URGENTLY APPEALED TO THE UNITED STATES FOR MILITARY AID AND DECLARED THAT A COMMUNIST ATTACK ON THE NEW REPUBLIC "APPEARS MOST LIKELY."

THE TINY AMERICAN-SPONSORED REPUBLIC--ASIATIC HOT SPOT IN THE COLD WAR--ADJOINS COMMUNIST-DOMINATED NORTHERN KOREA.

KOREAN AMBASSADOR JOHN MYUN CHANG MADE THE APPEAL TO PRESIDENT TRUMAN IN A WHITE HOUSE CONFERENCE THIS NOON, AND LATER TOLD NEWSMEN:

"WE ARE RIGHT ON THE SPOT. WE NEED QUICK ACTION ON THE PART OF THE UNITED STATES IN SUPPLYING US ARMS AND AMMUNITION TO THE MAXIMUM DEGREE. THERE IS NO TIME TO WASTE."

HELP FOR KOREA MAY BE FORTHCOMING SHORTLY. ON CAPITOL HILL, TWO SENATE COMMITTEES WERE REPORTED NEAR AGREEMENT ON A COMPROMISE FOR HANDLING PRESIDENT'S TRUMAN'S $1,450,000,000 ARMS AID PROGRAM. THE PROGRAM COVERS MILITARY AID NOT ONLY TO THE WESTERN NATIONS ALIGNED UNDER THE NORTH ATLANTIC TREATY, BUT ALSO TO KOREA, GREECE, TURKEY, IRAN AND THE PHILIPPINES. THE LATTER ARE NOT MEMBERS OF THE ATLANTIC PACT.

SENATOR CONNALLY (D-TEX) SAID MEMBERS OF THE COMBINED SENATE FOREIGN RELATIONS AND ARMED SERVICES COMMITTEES REACTED "FAVORABLY" TO THE PROPOSED COMPROMISE.

UNDER THE FORMULA, THE $1,160,990,000 REQUESTED BY PRESIDENT TRUMAN TO HELP RE-ARM EUROPEAN NATIONS IN THE ATLANTIC PACT WOULD BE CUT TO A FLAT $1,000,000,000.

A TOTAL OF $289,010,000 WOULD STILL BE LEFT FOR THE NON-PACT NATIONS TO HELP ERECT BULWARKS AGAINST ANY COMMUNIST ENCROACHMENT.

A FINAL DECISION ON THE COMPROMISE WAS PUT OFF, PROBABLY UNTIL NEXT WEEK.

COMMITTEE MEMBERS SAID THE COMPROMISE ALSO PROVIDES:

1. ONLY $100,000,000 IN CASH WOULD BE MADE IMMEDIATELY AVAILABLE FOR WESTERN EUROPE. IT WOULD BE USED CHIEFLY TO PACK AND SHIP U.S. "EXCESS ARMS" TO THE ATLANTIC TREATY NATIONS.

2. ANOTHER $400,000,000 IN CASH WOULD BE RELEASED ONLY AFTER AN ATLANTIC DEFENSE COUNCIL HAS ADOPTED AN OVER-ALL DEFENSE PLAN FOR THE NORTH ATLANTIC COUNTRIES.

A45WX

3. THE REMAINING $500,000,000 OF THE $1,000,000,000 TOTAL FOR EUROPEAN MEMBERS OF THE ATLANTIC ALLIANCE WOULD BE COVERED BY AUTHORITY TO ENTER INTO CONTRACTS. CONGRESS WOULD HAVE TO PAY THE MONEY EVENTUALLY.

SENATORS SAID THE COMPROMISE WOULD LEAVE THE GOVERNMENT FREE TO SPEND ARMS-AID MONEY TO RETOOL ARMS FACTORIES IN EUROPE, BUT WOULD BAN THE USE OF MONEY TO BUILD NEW ARMS FACTORIES ABROAD.

COMMITTEE MEMBERS SAID THE PROVISO MAKING ONLY $100,000,000 CASH IMMEDIATELY AVAILABLE WOULD HAVE THE EFFECT OF DELAYING THE USE OF U.S. DOLLARS FOR ARMS PRODUCTION IN EUROPE UNTIL AFTER THE ATLANTIC DEFENSE COUNCIL DECIDES THAT EUROPEAN ARMS PRODUCTION SHOULD BE EXPANDED.

V642PED

EDITORS

WASHINGTON--THE FOLLOWING IS DESIGNED PRIMARILY FOR PAPERS UNABLE TO HANDLE THE VOLUME IN THE GENERAL "FIVE PERCENTER" STORY. IT WILL NOT BE TOPPED. DEVELOPMENTS, IF DESIRED, MAY BE EDITED IN.

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FIVE PERCENTERS SUMMARY

MAJ.GEN. HARRY H. VAUGHAN TOLD THE SENATE'S FIVE PERCENTER INQUIRY TODAY HE HAD BEEN INVESTIGATED BY THE FBI AND HAD RECEIVED A CAMPAIGN CONTRIBUTION FROM A LAWYER WHO TALKED TO HIM ABOUT A PARDON FOR A CONVICTED LIQUOR BLACK MARKETER.

THIS TESTIMONY FROM PRESIDENT TRUMAN'S MILITARY AIDE HIGH SPOTTED A SOMETIMES HECTIC SESSION. ANOTHER DRAMATIC DEVELOPMENT CAME WHEN SENATOR MCCARTHY (R-WIS) WITHDREW AN EARLIER STATEMENT EXPRESSING BELIEF THAT VAUGHAN HAD NOT PROFITED PERSONALLY FROM ANY OF HIS "DEALS."

VAUGHAN MADE CLEAR HE COOPERATED WITH THE FBI IN ITS INVESTIGATION OF A CHARGE THAT HE HAD ACCEPTED A BRIBE IN AN INCOME TAX FIXING CASE.

AND VAUGHAN'S ASSISTANT AT THE WHITE HOUSE, COL. C.J. MARA, SAID FLATLY THE FBI HAD EXONERATED HIS BOSS.

BOTH VAUGHAN AND MARA ALSO DENIED UNDER SHARP QUESTIONING THAT THE FBI SCRUTINY CONCERNED A CHARGE THAT VAUGHAN HAD TAKEN MONEY FROM LIQUOR INTERESTS IN RETURN FOR EFFORTS TO GET THEM MORE RATIONED GRAIN.

AS FOR THE CAMPAIGN CONTRIBUTION, VAUGHAN SAID HE DIDN'T THINK IT "COULD HAVE BEEN OVER A COUPLE OF HUNDRED DOLLARS." AND HE

DENIED IT HAD ANY CONNECTION WITH THE PAROLE MATTER.

MCCARTHY SAID YESTERDAY HE HAD HAD THE FEELING ALL ALONG -- AND STILL FELT -- THAT VAUGHAN DID NOT GET ANYTHING OUT OF HIS EFFORTS FOR HIMSELF. TODAY HE ASKED THAT THE PART OF HIS STATEMENT ABOUT HOW HE FEELS NOW BE STRICKEN FROM THE RECORD.

IT WAS MCCARTHY WHO LED VAUGHAN THROUGH TESTIMONY ABOUT THE TAX FIXING, GRAIN ALLOTMENTS AND CLEMENCY AFFAIRS.

VAUGHAN TESTIFIED THAT J. EDGAR HOOVER, FBI DIRECTOR, HAD TELEPHONED HIM THAT HE HAD BEEN "ACCUSED OF ACCEPTING A BRIBE FOR A PROMISE TO FIX AN INCOME TAX CASE."

HE SAID HE OPENED HIS FINANCIAL RECORDS TO THE FBI, AND ADDED THAT AGENTS WNE TO KANSAS CITY AND NEW ORLEANS IN CONNECTION WITH THE CASE.

VAUGHAN SAID THE INQUIRY STARTED WITH A REQUEST FROM A "MEMBER OF THE PRESS." HE DID NOT NAME HIM.

BUT MARA, CALLED TO THE STAND TO EXPAND ON THE REPORT, SAID IT WAS COLUMNIST DREW PEARSON.

MARA ADDED THAT PEYTON FORD, TOP RANKING ASSISTANT ATTORNEY GENERAL, TOLD HIM VAUGHAN HAD BEEN "COMPLETELY EXONERATED."

MCCARTHY NAMED THE LIQUOR INTERESTS INVOLVED IN THE ALLEGED REPORTS AS "SCHENLEY" AND "COSTELLO." HE SAID FRANKIE COSTELLO, REPUTED NEW YORK GAMBLING KINGPIN; WILLIAM HELIS, HRSE OWNER AND RACE TRACK FIGURE, AND PHIL KASTEL ARE PARTNERS IN A LIQUOR CONCERN.

A145WX

YESTERDAY VAUGHAN HAD DENIED ANY KNOWLEDGE THAT ANY OF THE DEMOCRATIC CAMPAIGN CONTRIBUTIONS HE RECEIVED CAME FROM COSTELLO. HE SAID HE DID GET A CONTRIBUTION -- HE THOUGHT IT WAS AROUND $2,000 - THROUGH HELIS.

IN THE CLEMENCY CASE VAUGHAN SAID ATTORNEY WILLIAM H. NEBLETT CALLED ON HIM IN THE INTEREST OF ROBERT GOULD OF CINCINNATI, SERVING SIX YEARS IN THE LIQUOR BLACK MARKET CASE.

"I DON'T THINK THAT HAD A THING TO DO WITH IT, SENATOR," VAUGHAN TESTIFIED WHEN MCCARTHY ASKED HIM ABOUT A POSSIBLE CONNECTION BETWEEN THE CAMPAIGN CONTRIBUTION AND THE PAROLE GOULD FINALLY GOT.

IN FACT, HE SAID HE ONLY "THINKS" GOULD GOT A PAROLE ABOUT A YEAR LATER.

SHORTLY BEFORE THE HEARING RECESSED UNTIL TOMORROW, MCCARTHY DREW FROM VAUGHAN AN ACKNOWLEDGEMENT THAT HE BOUGHT A CAR FOR A FRIEND, MRS. MORRIS CAVANAUGH OF SPRING GREEN, WIS.

MCCARTHY SAID IT WAS AN OLDSMOBILE PURCHASSED IN 1947 AND THAT IT TURNED UP IN THE BLACK MARKET 10 DAYS LATER AT A PRICE OF $3,500.

VAUGHAN CALLED THE BLACK MARKET ANGLE "VERY MUCH A SURPRISE."

PF142PED

"IT'S NOT ONLY POSSIBLE, BUT IT'S PROBABLE."

MUCH OF TODAY'S TESTIMONY DEALT WITH THE FBI.

A14WX

MCCARTHY ASKED VAUGHAN IF HE HADN'T BEEN INVESTIGATED BY THE FBI IN CONNECTION WITH A CHARGE THAT HE TOOK MONEY FROM THE "SCHENLEY" AND "COSTELLO" LIQUOR INTERESTS. THIS INVESTIGATION, MCCARTHY SAID, HAD BEEN PROMPTED BY THE CHARGE THAT VAUGHAN HAD USED PRESSURE TO GET THE AGRICULTURE DEPARTMENT TO GIVE THE LIQUOR INDUSTRY MORE GRAIN.

VAUGHAN SAID HE NEVER HEARD OF ANY SUCH CHARGE.

FURTHERMORE, HE SAID, ONLY ONCE DID HE HAVE ANYTHING TO DO WITH THE LIQUOR QUESTION. THAT WAS WHEN, VAUGHAN SAID, THE PRESIDENT ASKED HIM TO CALL THE SECRETARY OF AGRICULTURE AND FIND OUT WHETHER THE LIQUOR INDUSTRY'S GRAIN QUOTAS WERE GOING TO BE REDUCED.

VAUGHAN SAID HE CALLED, AND FOUND THAT JUST A SHORT TIME PREVIOUSLY THE AGRICULTURE DEPARTMENT HAD LOWERED THE QUOTAS.

BUT HE SAID THAT NEVER HAD HE TRIED TO GET ANY MORE GRAIN FOR SCHENLEY OR COSTELLO. IN FACT, HE SAID, HE NEVER HAD HEARD OF COSTELLO UNTIL THE HEARING STARTED.

LATER TODAY SCHENLEY DISTILLERS, INC., ISSUED THIS STATEMENT:

"GENERAL VAUGHAN NEVER MADE ANY INQUIRY FOR US AND WAS NEVER PAID ANYTHING BY US, NOR ASKED TO DO ANYTHING FOR US ON GRAIN OR ANY OTHER MATTER."

AS FOR THE FBI INVESTIGATION THAT DID TAKE PLACE, VAUGHAN SAID HE TURNED OVER ALL HIS BANK ACCOUNTS AND OTHER RECORDS SO THAT A THOROUGH CHECK COULD BE MADE. THE FBI ALSO LOOKED IN HIS SAFE DEPOSIT BOX, VAUGHAN SAID.

MARA SAID THAT HE NEVER SAW THE FILES ON VAUGHAN, THAT FORD SIMPLY LOOKED THEM OVER AND SAID THAT VAUGHAN WAS "COMPLETELY EXONERATED."

MARA SAID HE DIDN'T GO TO THE JUSTICE DEPARTMENT BECAUSE HE HAD ANY DOUBTS ABOUT VAUGHAN.

"I WAS NOT INTERESTED IN ANY FILES OTHER THAN THE ALLEGATIONS THAT GENERAL VAUGHAN WAS MIXED UP IN A TAX CASE," MARA SAID. "WE KNEW HE WAS NOT.

"WE KNEW THE PEOPLE PERSECUTING HIM WOULD BRING THIS UP AGAIN."

TWICE DURING HIS TESTIMONY MARA REFERRED TO THE HEARING AS "THIS TRIAL."

VAUGHAN WAS ASKED BY MCCARTHY IF HE WAS WILLING TO HAVE THE FBI TURN OVER TO THE COMMITTEE ALL THE FILES IT HAD ON HIM.

VAUGHAN SAID IN HIS OPINION IT WAS ALL RIGHT. BUT HE ADDED:

"I DOUBT VERY MUCH WHETHER MY OPINION WOULD CARRY MUCH WEIGHT WITH THE FBI."

MCCARTHY: "I'M INCLINED TO THINK YOU'RE RIGHT."

VAUGHAN: "I'M INCLINED TO AGREE WITH YOU."

AT ONE POINT, MCCARTHY ASKED THE GENERAL IF HE HAD CHECKED WITH THE JUSTICE DEPARTMENT TO SEE IF MARAGON HAD A CRIMINAL RECORD BEFORE VAUGHAN WROTE A LETTER OF RECOMMENDATION.

VAUGHAN SAID, NO, HE HADN'T.

"LET ME SUGGEST," SAID MCCARTHY, "THAT IF YOU CONTINUE IN YOUR PRESENT POSITION THE COUNTRY WILL BE A LITTLE BETTER OFF IF YOU INVESTIGATE THESE MEN BEFORE YOU RECOMMEND THEM."

ES FR 504PED

(ADVANCE) WASHINGTON, AUG.31-(AP)-FOREIGN MINISTERS REPRESENTING THE 12 NORTH ATLANTIC PACT COUNTRIES WILL MEET HERE SEPT. 17 TO ESTABLISH THE DEFENSE COUNCIL CALLED FOR UNDER THE TREATY.

THE STATE DEPARTMENT ANNOUNCED THIS TONIGHT, MARKING THE FIRST MOVE TO PUT THE DEFENSE TREATY INTO OPERATION.

THE BRIEF STATE DEPARTMENT ANNOUNCEMENT GAVE NO INDICATION OF THE TOPICS THE FOREIGN MINISTERS WILL DISCUSS. BUT IT IS BELIEVED CERTAIN THAT THEY WILL CONCENTRATE ON PLANS FOR DIVIDING THE MORE THAN $1,000,000,000 IN ARMS THAT PRESIDENT TRUMAN HAS ASKED CONGRESS TO APPROVE FOR THEM.

A177WX

THE NORTH ATLANTIC TREATY WHICH PROVIDES FOR THE COUNCIL IS DESIGNED TO STOP RUSSIAN EXPANSION IN WESTERN EUROPE.

HIGH ON THE LIST OF THE TOPICS EXPECTED TO BE CONSIDERED AT THE MEETING IS THE CHOICE OF A SINGLE COMMANDER WHO WILL MAP THE COMMON DEFENSE STRATEGY OF THE 12 MEMBER NATIONS.

IN ADDITION, THE FOREIGN MINISTERS CAN SET UP SUBCOMMITTEES TO CONSIDER ANY DEFENSE MATTER THEY BELIEVE OF IMPORTANCE.

A178WX

ARTICLE NINE OF THE NORTH ATLANTIC TREATY CALLS FOR IMMEDIATE ESTABLISHMENT OF A "DEFENSE COMMITTEE" WHICH WOULD RECOMMEND STEPS FOR CARRYING OUT THE PACT'S PROVISIONS.

(END ADVANCE FOR USE AT 5 P.M., E.S.T., TODAY, WEDNESDAY, AUG.31)

ES350PED

(260) WASHINGTON,AUG. 31-(AP)-A SCHEDULED APPEARANCE OF SPOKESMEN FOR ARAB REFUGEES BEFORE SENATORS CONSIDERING DISPLACED PERSONS LEGISLATION WAS ASSAILED AS "UNMITIGATED AUDACITY" TODAY BY REP.CELLER (D-NY).

HE SAID "IT SEEMS STRANGE" THAT A SENATE JUDICIARY SUBCOMMITTEE "WOULD HEAR THEM AT THIS TIME." HE PREDICTED THE RESULT WILL BE "THE INFLAMING AND AROUSING OF THE ARAB MASSES."

CELLER, CHAIRMAN OF THE HOUSE JUDICIARY COMMITTEE, TESTIFIED BEFORE THE SENATE GROUP ON HIS BILL, ALREADY PASSED BY THE HOUSE, TO LIBERULIZE THE DISPLACED PERSONS ACT PASSED BY CONGRESS LAST YEAR.

HE CONTENDED THAT THE PROBLEM OF ARAB REFUGEES, ARISING OUT OF THE PALESTINE WAR, IS ENTIRELY SEPARATE FROM THAT OF DISPLACED PERSONS IN EUROPE.

"THE ARABS HAVE BEEN THE AGGRESSORS," HE SAID. "THEY STARTED THE WAR AND CREATED THE REFUGEE SITUATION AMONG THEIR OWN PEOPLE. IT'S LIKE A MAN WHO MURDERS HIS MOTHER AND FATHER AND THEN ASKS FOR CLEMENCY ON THE GROUND THAT HE IS AN ORPHAN."

THE ARAB SPOKESMEN ARE TO APPEAR BEFORE THE SENATE COMMITTEE FRIDAY MORNING. A COMMITTEE STAFF MEMBER SAID HE UNDERSTANDS THEY ARE NOT ARABS BUT PERSONS WHO HAVE DONE RELIEF WORK AMONG THE ARABS.

RICHARD ARENDS, A STAFF MEMBER, TOLD CELLER THAT THE ARAB SPOKESMEN WERE GOING TO BE HEARD "BY DIRECTION OF THE CHAIRMAN", SENATOR MCCARRAN (D-NEV).

CELLER SAID THE ARAB REFUGEE PROBLEM HAD NOTHING TO DO WITH HIS BILL TO INCREASE THE NUMBER OF DISPLACED PERSONS THAT MAY BE ADMITTED TO THIS COUNTRY. AND TO REMOVE OTHER RESTRICTIONS IN THE PRESENT LAW.

CELLER SERVED NOTICE THAT HE WOULD RESERVE THE RIGHT TO CALL HIS OWN HOUSE JUDICIARY COMMITTEE TO TAKE TESTIMONY IN ANSWER TO THE ARAB SPOKESMEN.

VX849PED

JOHNSON-LEGION (360)

(ADVANCE) PHILADELPHIA, AUG. 31-(AP)-BY "KEEPING AWAKE AND PREPARING ACCORDINGLY" AMERICA CAN ASSURE PERMANENT PEACE, SECRETARY OF DEFENSE LOUIS JOHNSON SAID TODAY.

"WE SHALL BUILD OUR RAMPARTS SO STRONG THAT NO AGGRESSOR WILL DARE ATTACK US.

"WE MUST ACHIEVE PEACE, AND WE WILL ACHIEVE IT.

"WE WILL ACHIEVE IT IN THE ONLY WAY POSSIBLE IN THIS WORLD OF TODAY--AFFIRMATIVELY--BY UNMISTAKABLE STRENGTH ON LAND AND SEA AND IN THE AIR," THE DEFENSE SECRETARY TOLD THE 31ST NATIONAL AMERICAN LEGION IN A PREPARED ADDRESS.

JOHNSON, IN WHAT HE CALLED HIS FIRST PUBLIC ADDRESS AS HEAD OF THE NEW DEPARTMENT OF DEFENSE, SAID PEACE HAS BEEN ELUSIVE IN THE PAST.

"TWICE IN OUR LIFETIME WE HAD IT IN OUR HANDS. TWICE WE LET IT SLIP AWAY. NOW WE HAVE IT AGAIN WITHIN OUR GRASP AND THIS TIME WE MUST BE DETERMINED NOT TO LET IT GO."

DRAWING A PARALLEL BETWEEN TWO POSTWAR ERAS, JOHNSON SAID RUSSIA CONTINUED ON V-J DAY WITH PLANS OF HER OWN JUST AS JAPAN, PLOTTING AGGRESSION, DID AFTER THE ARMISTICE WAS SIGNED IN 1918.

RUSSIA HAS PUSHED HER TROOPS "INTO THE MILITARY VOID AMONG THE PEOPLES ON HER BORDERS," THE DEFENSE SECRETARY DECLARED.

"INTO EVERY POLITICAL VACUUM ANYWHERE IN THE WORLD SHE BEGAN TO POUR HER VICIOUS PROPAGANDA AGAINST HER ERSTWHILE ALLIES."

BUT THERE, THE DEFENSE SECRETARY SAID, "THE PARALLEL BETWEEN THE TWO POSTWAR YEARS SUDDENLY STOPS. WE MAY HAVE BEEN DOZING ALRIGHT, BUT WE HAD NOT YET FALLEN COMPLETELY ASLEEP. WE CAUGHT OURSELVES IN TIME. NOW WE ARE FULLY AWAKE, GRIMLY DETERMINED THAT HISTORY SHALL NOT REPEAT ITSELF. ALREADY WE HAVE GONE A LONG WAY TO CORRECT THE MISTAKE OF OUR DEMOBILIZATION STAMPEDE."

AMERICA AGAIN HAS AN ARMY, A NAVY AND AN AIR FORCE WORTHY OF OUR COUNTRY AND THE PRIDE OF EVERY AMERICAN CITIZEN, JOHNSON SAID.

"AND THEY ARE GETTING BETTER EVERY DAY--STRONGER AND MORE EFFICIENT.

"MOREOVER THEY ARE ROUNDING THEMSELVES INTO ONE TEAM--A TEAM THAT WILL MAKE ALL ENEMIES STOP, LOOK AND LISTEN BEFORE ATTEMPTING AGGRESSION ACROSS OUR TRACKS."

PRAISING THE LEGION AS THE CHAMPION OF PREPAREDNESS AT THE END OF WORLD WAR I, JOHNSON SAID IT NOW IS AMERICA'S PURPOSE TO CONVERT THE DEPARTMENT OF DEFENSE IN EFFECT INTO A DEPARTMENT OF PEACE "WITH YOUR COOPERATION."

DESPITE THE HIGH COST OF OUR ARMED FORCES, JOHNSON SAID, A CUT OF $1,000,000,000 (B) IN EXPENDITURES IS THE GOAL SET FOR THIS YEAR.

THIS SAVING, HE TOLD THE LEGIONNAIRES, WILL BE EFFECTED BY ELIMINATING WASTE AND DUPLICATION THROUGH UNIFICATION OF THE ARMED FORCES.

(END ADVANCE FOR USE AT 2 P.M., EASTERN STANDARD TIME TODAY, WEDNESDAY, AUG. 31).

WJ855AEDNM

NIGHT LEAD TOKYO ROSE

SAN FRANCISCO, AUG. 31-(AP)-IVA TOGURI D'AQUINO, THE ACCUSED TOKYO ROSE, WANTED THE UNITED STATES TO WIN THE WAR, A LIFELONG FRIEND TESTIFIED TODAY.

FURTHER, THE LOS ANGELES DEFENDANT ON TREASON CHARGES WAS QUOTED: "I CAN'T UNDERSTAND WHY THE JAPANESE MILITARISTS EVER STARTED THIS WAR, THERE ISN'T ANY CHANCE OF THEIR WINNING."

THE WITNESS WAS CHIYEKO ITO, 26, LOS ANGELES, WHO ACCOMPANIED MISS TOGURI TO TOKYO SHORTLY BEFORE THE WAR AND SAID SHE SAW IVA FREQUENTLY DURING THEIR WARTIME RESIDENCE IN TOKYO.

THE DEFENDANT IS CHARGED WITH TRYING TO LOWER MORALE OF UNITED STATES TROOPS WITH BROADCASTS AIMED AT MAKING THEM HOMESICK AND UNEASY. THE DEFENSE CONTENDS MRS. D'AQUINO BROADCAST NOTHING MALICIOUS.

KISS ITO TESTIFIED IVA HATED THE JAPANESE MILITARISTS; DID N

MISS ITO TESTIFIED IVA HATED THE JAPANESE MILITARISTS; DID NOT LIKE THE JAPANESE PEOPLE OR THEIR CUSTOMS, AND REPEATEDLY ASSERTED SHE WAS GOING TO KEEP HER UNITED STATES CITIZENSHIP, NO MATTER WHAT HAPPENED.

ON CROSS-EXAMINATION PROSECUTION TOM DE WOLFE READ A STATEMENT GIVEN BY MISS ITO TO THE FBI LAST OCTOBER. ASKED IF SHE HAD SIGNED IT VOLUNTARILY, SHE REPLIED: "NO OTHER CHOICE."

THE STATEMENT SAID SHE AND THE DEFENDANT RECEIVED NOTICE IN SEPTEMBER, 1942, ABOUT A POSSIBLE CHANCE TO RETURN TO THE UNITED STATES ON THE EXCHANGE SHIP GRIPSHOLM. BUT, IT SAID, MISS TOGURI DECIDED AGAINST COMING HOME BECAUSE JAPANESE WERE BEING SENT OUT OF WEST COAST AREAS AND SHE FELT SHE MIGHT BE INTERNED IF SHE CAME BACK.

FJ1002PCS NM

SEP 1 1948

TOKYO ROSE (240)
SAN FRANCISCO, AUG. 31-(AP)-THREE WARTIME MEMBERS OF UNCLE SAM'S FORCES IN THE PACIFIC HAVE ONLY KIND WORDS FOR THE RADIO TOKYO BROADCASTS FOR WHICH IVA TOGURI D'AQUINO IS ON TRIAL FOR TREASON.
THE THREE TESTIFIED VOLUNTARILY FOR THE DEFENSE YESTERDAY AS THE TRIAL OF THE 33-YEAR-OLD LOS ANGELES-BORN DEFENDANT OPENED ITS NINTH WEEK.
THE GOVERNMENT EARLIER HAD PRODUCED A SERIES OF FORMER SERVICE MEN WHO HAD TESTIFIED IN SUPPORT OF CHARGES THAT MRS. D'AQUINO, AS "ORPHAN ANN" ON RADIO TOKYO'S ZERO HOUR PROGRAM AND KNOWN TO GIS AS TOKYO ROSE, HAD BROADCAST TRAITOROUSLY. SHE IS CHARGED WITH DEROGATORY REFERENCES TO "BONEHEAD" ALLIED TROOPS, TALES OF SHIP LOSSES, PREDICTED TROOP MOVEMENTS, AND EFFORTS TO MAKE THE TROOPS LONESOME FOR WIVES AND SWEETHEARTS BACK HOME.
ROBERT SPEED OF BERKELEY, CALIF. AN EX-LIEUTENANT OF MARINES; NALINI KANT GUPTA, SAN FRANCISCO, FORMER INFANTRYMAN; AND SAM STANLEY, BERKELEY, WARTIME SEABEE BAKER, TESTIFIED IN BEHALF OF MRS. D'AQUINO YESTERDAY.
SPEED SAID HE SAW NO PROPAGANDA IN ORPHAN ANN'S BROADCASTS, THAT HE LISTENED TO IT CHIEFLY FOR ENTERTAINMENT. GUPTA SAID EVERYBODY LIKED THE GOOD JAZZ SHE PLAYED. STANLEY SAID HE ONLY REMEMBERED THE PROGRAM'S PRETTY MUSIC AND THAT THE PROGRAM "DIDN'T SOUND VERY VICIOUS."
STANLEY AND GUPTA RECALLED BEING CALLED "HONORABLE BONEHEADS," BUT SPEED DID NOT.
THE DEFENSE CONTENDS THAT THE MALICIOUS THINGS WHICH MRS.D'AQUINO IS CHARGED WITH BROADCASTING ACTUALLY WERE PUT ON THE AIR BY OTHER WOMEN ANNOUNCERS FOR THE JAPANESE.
WR/CY113APS

PRIOGOV SAID HE'S CERTAIN THAT IF THE RUSSIANS COULD LAY THEIR HANDS ON HIM NOW "THEY WOULD TEAR ME TO PIECES."
HE SAID HE IS A BACHELOR AND THE FAMILY HE LEFT BEHIND IN RUSSIA CONSISTS OF THREE SISTERS AND ONE BROTHER. HE WAS ASKED IF HE FEARED FOR THE SAFETY OF HIS FAMILY AND ANSWERED:
"WHAT I HAVE DONE AND AM DOING IS MORE IMPORTANT THAN THE WELFARE OF MY FAMILY. SINCE MY FAMILY HAD NO PART IN THIS, I HOPE THAT PERHAPS THE RUSSIAN GOVERNMENT WILL LEAVE THEM ALONE. THE U.S.S.R. CONSTITUTION SAYS THE CHILDREN SHOULD NOT BE HELD RESPONSIBLE FOR THE SINS OF THEIR PARENTS, AND VICE VERSA, LET ALONE MORE DISTANT RELATIVES."
LAST FEBRUARY IN AN INTERVIEW HERE, PIROGOV WAS ASKED WHAT WOULD HAPPEN IF HE AND BARSOV RETURNED TO RUSSIA. PIROGOV REPLIED:
"FIRST, WE WOULD BE USED AS WEAPONS OF PROPAGANDA TO WRITE REPORTS OF THE UNITED STATES, SHOWING ALL THE BAD THINGS. AFTER A FEW MONTHS OF FREEDOM, WE WOULD BE TRANSPORTED TO SIBERIA."
PIROGOV REFLECTED A MOMENT AND ADDED: "MAYBE THEY WOULD SKIP THE FIRST PART."
WHEN THEY FIRST REACHED THIS COUNTRY, PIROGOV SAID, BARSOV "HATED EVERYTHING IN RUSSIA" AND WAS ENTHUSIASTIC ABOUT THE BOOK PIROGOV WAS PLANNING. IN FACT BARSOV HAD PROMISED TO WRITE A CHAPTER ON A VISIT HE ONCE MADE TO THE KREMLIN.
SUDDENLY, PIROGOV CONTINUED, BARSOV CHANGED HIS ATTITUDE AND SAID IT WOULD BE DANGEROUS IF HE CONTINUED WITH THE BOOK.
THE TALL, BROWN-HAIRED PIROGOV, WHO SAID HE TRIED SEVERAL TIMES TO PERSUADE BARSOV TO REMAIN IN THE U.S., PREDICTED HIS FELLOW REFUGEE WILL "DIE IN SIX MONTHS LIKE A DOG IN RUSSIA."
IN A BRIEF, PREPARED STATEMENT, PIROGOV SAID HE WAS DETERMINED TO REMAIN IN THIS COUNTRY. HE ADDED THAT HE HAD "NOT BEEN DISILLUSIONED" HERE.
PUBLISHED REPORTS IN NEW YORK TODAY SAID PIROGOV IS BEING GUARDED BY THE FBI AGAINST A POSSIBLE KIDNAP ATTEMPT BY SOVIET AGENTS.
HOWEVER, PIROGOV TOLD THE NEWS CONFERENCE HE HASN'T ASKED FOR ANY PROTECTION, HE WASN'T INFORMED HE WAS GETTING ANY AND HE HASN'T NOTICED HE WAS BEING PROTECTED.
THE FBI DECLINED COMMENT.
PS741PED

NIGHT LEAD COMMUNISTS (270)
NEW YORK, AUG.31-(AP)-A DENIAL THAT AMERICAN COMMUNISTS WOULD COMMIT SABOTAGE IN THE EVENT OF WAR WITH RUSSIA WAS MADE TODAY IN THE CONSPIRACY TRIAL OF 11 COMMUNIST OFFICIALS.
THE STATEMENT WAS MADE BY WILLIAM BOYD COLEMAN OF CUMBERLAND, MD., 30TH DEFENSE WITNESS IN THE 33-WEEK-OLD TRIAL.
COLEMAN DENIED TESTIMONY FOR THE PROSECUTION BY CHARLES NICODEMUS, ALSO OF CUMBERLAND, THAT A 1945 MEETING IN COLEMAN'S HOME WAS CONCERNED WITH PLANS TO DEMORALIZE THE AMERICAN PEOPLE IF WAR SHOULD COME.
NOTHING OF THE SORT WAS SAID AT THE MEETING, COLEMAN TOLD THE COURT.
FOLLOWING COLEMAN TO THE WITNESS STAND WAS CARL WINTER, MICHIGAN STATE COMMUNIST PARTY CHAIRMAN AND ONE OF THE 11 DEFENDANTS. HE BEGAN TESTIFYING AT LENGTH ABOUT DOCUMENTS RELATING TO THE ORGANIZATION AND PROCEDURE OF THE NATIONAL PARTY.
WINTER SAID HE LIVES IN DETROIT (1449 COLLINGWOOD AVE.) BUT THAT CLEVELAND IS HIS HOME TOWN. HE ALSO HAS BEEN A PAID EMPLOYE OF THE PARTY, HE ADDED, IN MINNEAPOLIS AND LOS ANGELES.
U.S. ATTORNEY JOHN F.X. MCGOHEY READ FROM A PARTY DOCUMENT A REPORT ON COMPARATIVE SALES OF BOOKS BY EARL BROWDER, FORMER COMMUNIST GENERAL SECRETARY, AND NIKOLAY LENIN, LEADER OF THE COMMUNIST REVOLUTION IN RUSSIA.
BROWDER, SAID THE REPORT, OUTSOLD LENIN 50 TO ONE IN A SALES CAMPAIG HELD BY THE PARTY.
THIS WAS IN 1944 WHEN, THE GOVERNMENT SAYS, THE COMMUNIST POLITICAL ASSOCIATION (CPA) WAS OPERATING ON A GET-ALONG-WITH-CAPITALISM BASIS.
THE 11 MEN ON TRIAL ARE ACCUSED OF CONSPIRING TO ADVOCATE OVERTHROWING OF THE U.S. GOVERNMENT BY VIOLENCE AFTER THE CPA WAS REORGANIZED INTO THE COMMUNIST PARTY IN 1945.
RB1151PED

NEW YORK, AUG.31-(AP)-TWO YOUNG AMERICANS CAME BACK TO THE LAND OF THEIR BIRTH TODAY AND GREETED IT IN THE ONLY LANGUAGE THEY KNOW--RUSSIAN.
THEY WERE DAVIS E.BOSTER, JR., 4, AND JANIS BOSTER, 2, CHILDREN OF AN ATTACHE AT THE AMERICAN EMBASSY IN MOSCOW. THEY WERE ACCOMPANIED BY THEIR FATHER AND MOTHER, MR. AND MRS.DAVIS E.BOSTER OF (161 AURORA) HUDSON, O.
BOSTER SAID THE CHILDREN LEARNED RUSSIAN FROM SERVANTS WHO CARED FOR THEM DURING THE 15 MONTHS THEY WERE WITH HIM IN MOSCOW. HE SAID THEIR MOTHER PLANS TO BEGIN TEACHING THEM ENGLISH NOW.
THEY WERE AMONG 987 PASSENGERS ABOARD THE LINER AMERICA.
PS936PED

30.24- 5391

LAKE SUCCESS, AUG.31-(AP)-A SPECIAL COMMITTEE OF THE UNITED NATIONS ASSEMBLY REFUSED TODAY TO CONSIDER A SOVIET PROPOSAL WHICH IN EFFECT WOULD HAVE DECLARED THE REPUBLIC OF INDONESIA AN INDEPENDENT COUNTRY.

THE COMMITTEE, SET UP TO STUDY INFORMATION FILED ANNUALLY ON DEPENDENT TERRITORIES, DECIDED BY A VOTE OF 12 TO 4 THAT IT WAS NOT COMPETENT TO ACT ON THE SOVIET PROPOSAL.

THE UNITED STATES, BRITAIN AND FRANCE SUPPORTED THE MAJORITY VIEW THAT IT WAS UP TO THE RESPONSIBLE COUNTRY TO DECIDE WHAT TERRITORIES, IF ANY, SHOULD BE REPORTED ON AS NON-SELF-GOVERNING AREAS. CHINA, INDIA AND EGYPT SUPPORTED THE SOVIET MOTION.

THIS PROPOSAL, SUBMITTED YESTERDAY BY SOVIET DELEGATE A.A. SOLDATOV, CALLED ON THE COMMITTEE TO REJECT ALL DISCUSSION OF "THE INFORMATION RELATING TO THE INDONESIAN REPUBLIC TRANSMITTED BY THE GOVERNMENT OF THE NETHERLANDS, ON THE GROUND THAT THE INDONESIAN REPUBLIC IS AN INDEPENDENT STATE."

HA706PED

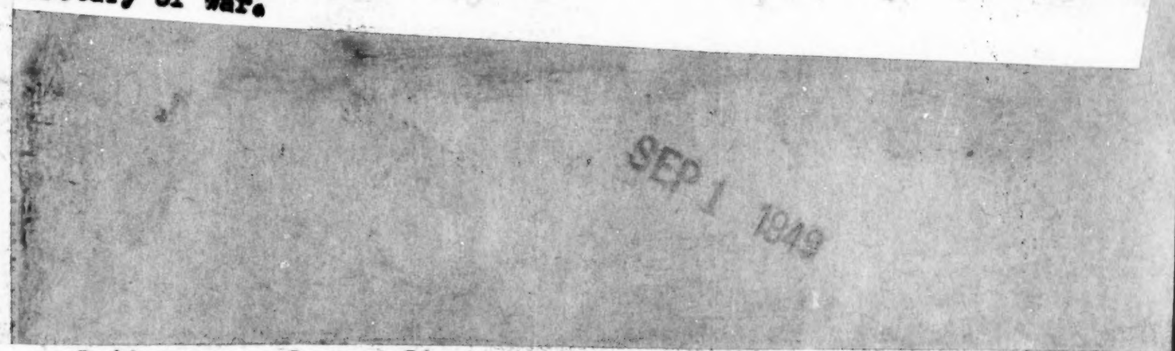
New York, Aug. 31--(ap)--Thomas J. Watson, President of the International Business Machines Corp., told scientists of 44 nations today everything the United States has accomplished is open to the world.

He was host at a luncheon to members of the United Nations Scientific Conference on Conservation and Utilization of Resources, which has been meeting at Lake Success since Aug. 17.

Watson said the united states hopes to be of assistance to other countries along the lines suggested by President Truman. He was referring to the Point Four program advanced by Mr. Truman for extending aid to underdeveloped countries.

Watson said the United Nations is a permanent part of the world and will benefit every individual and nation.

Scientists and technicians from 44 countries attended the luncheon. Also present were Secretary of the Interior Julius A. Krug, Secretary of Commerce Charles Sawyer, Trygve Lie, U.N. Secretary-General, and Robert P. Patterson, of New York, former secretary of war.



Patterson welcomed Lie home from a vacation in Norway. He said that "we New Yorkers are glad to see lie back at Lake Success after his so well earned vacation. We have the feeling that the solid progress made by the united nations in the past four years and its prospects for the future are due in the main to your (Lie's) energy, perserveranceand hard work. You (Lie) will not accept a check or a set-back and we love you for it."

Lie answered briefly to say that he and the U.N. secretariat needs "your understanding, your support and your help."

WILMINGTON,DEL.,AUG.31-(AP)-A CHEMICAL WHICH MAKES COTTON AND RAYON FLAME-RESISTANT, DURABLE TO WEATHER AND LAUNDERING, AND WHICH DOES NOT CHANGE THE "FEEL" OF THE MATERIALS WAS ANNOUNCED TODAY BY E.I. DU PONT DE NEMOURS AND CO.

PROPERLY APPLIED, THE CHEMICAL HAS NO EFFECT ON THE DRAPING QUALITIES, APPEARANCE OR STRENGTH OF FABRICS, THE COMPANY SAID. IT WILL BE USED ON FABRICS IN WHICH DURABILITY TO WEATHER AND CLEANING IS ESSENTIAL, BUT PROBABLY WILL NOT AFFECT THE USE OF EXISTING TYPES OF FLAME-RETARDANTS WHERE DURABILITY IS NOT SO IMPORTANT.

INSTEAD OF COATING THE FIBER SURFACE, AS DO OTHER RETARDANTS, THE CHEMICAL "LOCKS INTO THE MOLECULAR STRUCTURE OF THE FIBERS, CHANGING THEM CHEMICALLY BUT CAUSING NO CHANGE IN PHYSICAL PROPERTIES," THE COMPANY EXPLAINED.

THE NEW INORGANIC CHEMICAL IS A SOLUTION OF TITANIUM AND AN TIMONY SALTS. IT ADDS ONLY ABOUT 15 PER CENT TO THE WEIGHT OF THE FABRIC AND DOES NOT STIFFEN OR WEAKEN IT, THE COMPANY SAID. DU PONT'S MEDICAL DIVISION SAYS TESTING HAS SHOWN IT HAS NO IRRITATING EFFECT ON THE SKIN.

SEP 1 1949

THE CHEMICAL HAS BEEN TRADEMARKED AS "ERIFON". A FLAME HELD TO TREATED MATERIAL WILL CHAR THE FABRIC BUT THE FLAME DOES NOT SPREAD, AND THIS RESISTANCE WILL NOT NORMALLY WEAR OUT OR WASH OUT DURING THE LIFE OF THE ARTICLE, THE COMPANY SAID.

DU PONT REPORTED THAT ONLY TEXTILE FINISHING MILLS NOW CAN APPLY THE CHEMICAL. THE PROCESS IS TOO COMPLICATED FOR USE IN HOMES OR IN LAUNDERING AND DRY-CLEANING ESTABLISHMENTS.

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WASHINGTON,AUG.31-(AP)-THE ECONOMIC COOPERATION ADMINISTRATION TODAY GRANTED $37,000,000 (M) TO FRANCE AND ITALY FOR THE PURCHASE OF UNITED STATES COTTON.

THE ACTION WAS INCLUDED IN NEW MARSHALL PLAN AID GRANTS TO SIX EUROPEAN COUNTRIES, WESTERN GERMANY AND TRIESTE.

FRANCE'S ALLOCATION TOTALED $11,421,000 (M) OF WHICH $10,000,000 (M) IS EARMARKED FOR RAW COTTON. THE REMAINDER INCLUDES $750,000 TO BUY FLUE-CURED TOBACCO IN THE UNITED STATES AND MISCELLANEOUS INDUSTRIAL AND FARM COMMODITIES.

ITALY'S GRANT TOTALED $26,634,000 (M) OF WHICH $7,000,000 (M) IS FOR COTTON. THE REMAINING FUNDS WILL GO FOR INDUSTRIAL MACHINERY FROM THIS COUNTRY.

SEP 1 1949

THE OTHER ALLOCATIONS INCLUDED:

AUSTRIA $2,160,000 (M) FOR CORN FROM THE UNITED STATES; THE UNITED KINGDOM, $990,000 WORTH OF U.S.LUMBER AND SAW MILL PRODUCTS AND MOTOR VEHICLES.

THE NETHERLANDS, $260,000 FOR U.S. TEXTILE PRODUCTS; IRELAND, $150,000 WORTH OF U.S. IRON AND STEEL MANUFACTURES; WESTERN GERMANY, $126,000 TO BUY FERRO-ALLOYS IN JAPAN; TRIESTE, $9,000 WORTH OF U.S. MACHINE TOOLS.

SEP 1 1949

THE LATEST TRANSACTIONS BRING TOTAL MARSHALL PLAN COMMITMENTS TO $6,478,388,000 (B).

WASHINGTON,AUG.31-(AP)-LICENSES FOR THE EXPORT OF AMERICAN GOODS TO YUGOSLAVIA MORE THAN DOUBLED IN THE FIRST QUARTER OF THIS YEAR OVER THE FINAL QUARTER OF 1948, A COMMERCE DEPARTMENT REPORT DISCLOSED TODAY.

FULL FIGURES FOR THE SECOND QUARTER OF 1949 ARE NOT YET AVAILABLE.

THE LICENSES IN THE FIRST THREE MONTHS CALLED FOR SHIPMENT OF $9,538,000 (M) WORTH OF SUPPLIES AND MATERIALS TO MARSHAL TITO'S GOV-

ERNMENT. THIS WAS $1,500,000 (M) GREATER THAN SHIPMENTS FOR ALL OF 1948.

THE REPORT MADE CLEAR THAT YUGOSLAVIA HAD BEEN GETTING MORE LIBERAL TREATMENT FROM THIS GOVERNMENT BEFORE CURRENT PROPOSALS CAME UP FOR SHIPMENT OF AN ENTIRE STEEL MILL AND THE GRANTING OF A LOAN TO THAT COUNTRY.

UNTIL THIS YEAR, EXPORTS TO THE YUGOSLAVS HAD BEEN HELD BETWEEN $1,000,000 (M) AND $3,000,000 A QUARTER. TEXTILE FIBERTS, METALS AND MACHINERY, ANIMAL PRODUCTS AND CHEMICALS WERE AMONG THE MAJOR ITEMS ON THE EXPANDED EXPORT LICENSE LIST.

THE REPORT WAS SECRETARY OF COMMERCE SAWYER'S QUARTERLY REPORT ON EXPORT CONTROL AND ALLOCATIONS. IT SHOWED A MARKED RELAXATION OF EXPORT CONTROLS GENERALLY.

THE DROPPING OF DEMAND AND IMPROVEMENT IN SUPPLIES OF ALMOST EVERY MATERIAL HAS PERMITTED THE DEPARTMENT TO FOCUS ATTENTION ON THE SECURITY ASPECTS OF EXPORT CONTROL, SAWYER TOLD THE PRESIDENT AND CONGRESS.

THE SECURITY EFFORTS ARE DESIGNED MAINLY TO PREVENT THE SHIPMENT OF SO-CALLED "CONTRABAND" ITEMS BEHIND THE IRON CURTAIN. THESE INCLUDE SUPPLIES WHICH MIGHT ADD TO THE WAR-MAKING POTENTIAL OF THE SOVIET UNION.

SAWYER NOTED THAT CONTROLS ON ANTIMONY, FERTILIZER, AND RAILROAD FREIGHT CARS WERE DROPPED ON JUNE 30.

THE ONLY REMAINING CONTROLS ARE THOSE LIMITING EXPORTS OF SCARCE GOODS--INVOLVING A SHORTENED LIST OF COMMODITIES--AND THE CONTROLS OVER THE SALE AND USE OF TIN.

GENERAL IMPROVEMENT IN TIN SUPPLIES, IF CONTINUED, SHOULD PERMIT A RELAXATION OF CONTROLS OVER THAT METAL AND PERHAPS THE COMPLETE

SEP 1 1949

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ELIMINATION OF THE CONTROLS BEFORE THEY EXPIRE BY LAW NEXT JUNE 30, SAWYER SAID.

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End of August 31, 1949

SEP 1 1949